

**The Institute of Technology and Business**

in České Budějovice

## **Selected topics in particular region**

**Study materials for the part-time study programme**

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# 1 Metodika práce se studijními oporami

Studijní opory pro kombinovanou formu studia jsou určeny pro studenty Vysoké školy technické a ekonomické v Českých Budějovicích ke studiu povinných, povinně volitelných a volitelných předmětů. Studijní opory jsou studijní pomůcka, která doplňuje výukové bloky jednotlivých předmětů, vyučovaných v programu Řízení lidských zdrojů v bakalářském studiu, především pak pro kombinovanou formu studia.

Kombinovaná výuka probíhá formou výukových bloků, kde jsou studenti v přímém kontaktu s vyučujícím. Přímá komunikace s vyučujícím je možná nejen v rámci blokové výuky, ale i v konzultačních hodinách a elektronicky.

Studijní opora doplňuje studentovi přímou výuku a odráží aktuální stav poznání daného předmětu.

**Součástí studijní opory jsou také anotace předmětů, které zahrnují:**

- základní informace o předmětu,
- název předmětu a jeho doporučenou dobu studia v semestru a ročníku,
- garanta předmětu a seznam vyučujících.
- způsob zakončení předmětu zkouška/zápočet,
- výukové metody a metody hodnocení,
- podmínky pro úspěšné absolvování předmětu včetně upřesnění způsobu hodnocení,
- podmínky pro úspěšné absolvování předmětu,
- cíl předmětu, vycházející z profilu absolventa,
- témata přednášek a seminářů,
- studijní zátěž studentů,
- povinnou a doporučenou literaturu, která je dostupná v knihovně VŠTE ,
- výstupy z učení, tedy teoretické znalosti, které by měl student získat studiem přednášek a praktické dovednosti, které by si měl osvojit v rámci jednotlivých seminářů.

Každá studijní opora je určena pro konkrétní předmět a jejich struktura se odvíjí od rozsahu předmětu, tedy počtu přednášek a seminářů na daný semestr. Přesný rozsah u jednotlivých

předmětů najdeme ve studijním plánu. Rozsah předmětu je ve studijní opoře koncipován nikoli po týdnech, ale po dvouhodinových blocích, tzn., pokud má předmět dotaci 26p/26s, studijní opora obsahuje 13 témat přednášek a 13 témat seminářů. V tabulce níže jsou uvedeny příklady možného rozsahu.

Tabulka 1: Rozsah a počet přednášek/seminářů

Název předmětu	Rozsah	Vysvětlení	Počet jednotlivých přednášek/seminářů v jednotlivé studijní opoře
Ekonometrie I.	26p + 26s	26 p = 26 přednášek po 45 minutách 26 s = 26 seminářů po 45 minutách	13 přednášek po 90 min (výpočet $26:2=13$ ) 13 seminářů po 90 min (výpočet $26:2=13$ )
Řízení lidských zdrojů	52p + 26s	52 p = 52 přednášek po 45 minutách 26 s = 26 seminářů po 45 minutách	26 přednášek po 90 min (výpočet $52:2=26$ ) 13 seminářů po 90 min (výpočet $26:2=13$ )

**Příprava na přednášky je zaměřena na získání teoretických znalostí a je členěna na následující podkapitoly:**

- **Klíčová slova,**
  - nejedná se o nejčastěji použitá slova, ale slova charakterizující probírané téma.
- **Cíle kapitoly,**
  - vztahují se ke studiu příslušné kapitoly a k tématu dané přednášky či semináře.
- **Výstupy z učení,**
  - jedná se o číslované výstupy z učení podle anotací, tedy jaké znalosti student získá studiem příslušné kapitoly.
- **Abstrakt (příprava na přednášky),**
  - je tematickým průřezem (výtahem) celé kapitoly.

- **Studijní literatura,**
  - je členěna na povinnou a doporučenou literaturu a je zde uveden rozsah stran, kterým by se měl student věnovat v rámci samostudia.
- **Kontrolní otázky,**
  - uvedeny otázky ověřující výstupy z učení, tedy získané znalosti a dovednosti.
- **Zajímavosti z dané problematiky,**
  - odkazují na zajímavé odborné články či webové stránky, které rozšiřují znalosti studentů nad rámec jejich základních znalostí.
- **Odkaz na seminář,**
  - odkazuje na téma semináře, které vychází ze získaných teoretických znalostí studenta.
- **Příklad dobré nebo špatné praxe,**
  - tato kapitola je uvedena pouze u předmětů, obsahujících pouze přednášky. Příklad simuluje a odráží postup řešení dané problematiky v podnikatelské praxi.

**Příprava na semináře je zaměřena na osvojení si praktických dovedností a obsahuje:**

- **Klíčová slova (stejně, jako v případě přednášek).**
- **Cíle kapitoly (stejně, jako v případě přednášek).**
- **Výstupy z učení,**
  - jedná se o číslované výstupy z učení podle anotací, tedy jaké dovednosti student získá studiem příslušné kapitoly.
- **Příklad, uvedení vzorového úkolu,**
  - vzor souvislého příkladu/úkolů s vypracovaným vzorovým řešením včetně komentářů. Příklad slouží k ověření praktických dovedností studenta.
- **Zadání samostatné práce**
  - další zadané příklady/úlohy/samostatné práce, kde cílem je prohloubit schopnost samostatné práce studenta a podpořit jeho tvůrčí a kreativní myšlení.
- **Studijní literatura (stejně, jako v případě přednášek)**

Výchozím předpokladem pro práci se studijními materiály je osvojení si obsahu výkladové části opor a schopnost aplikace teorie k řešení zadaných úkolů. Pro studenta je nezbytné seznámit se se základními pojmy a dále pracovat s povinnou a doporučenou literaturou.

## 2 Summary

Period	Year 3/ 5th term
<b>Course</b>	<b>Selected topics in particular region</b>
Language	English
Supervisor	Ing. Veronika Humlerová, Ph.D.
Supervisors department	Faculty of Corporate Strategy
Department	Department of Tourism and Marketing
Lecture tutor	---
Seminar tutor	Ing. Veronika Humlerová, Ph.D.
Assessment type	z.
Assessment note	Attendance at seminars at least 70 %. Students work out a seminary work within seminars which is to be defended in discussion. A few small tasks can be assigned during the semester whose fulfilment will affect continuous assessment.
Extent and intensity	0/2
Credits	2
The goal of the course	The objective of the course is to get knowledge of the region, its assets, advantages, disadvantages, threats and opportunities. Emphasis is placed on understanding the Region as a global system with particular regional and historical specifics. Regional policy of European Union and subsidy policy of the Region play an important part, too.
Learning outcomes	Having finished the course successfully, the student will: 37.1 know the cultural, religious, political and economic history of the South Bohemian Region, 37.2 understand the current cultural, religious, political situation of the South Bohemian Region, 37.3 analyse the economic geography of the Region, 37.4 understand the operation of the Region as a system, i. e. its internal organisation and relations to other regions of the Czech Republic, 37.5 define the position of the South Bohemian Region within European area, 37.6 know basic tools of European regional policy applied in the South Bohemian Region, and appraise their concrete applicability in practice, 37.7 prepare a request for subsidies for particular support areas.
Syllabus of the course	<u>Seminars</u> 1. Cultural, religious, political history of the South Bohemian Region. Impact of development of the South Bohemian Region on present. (37.1) 2. Economic history of the South Bohemian Region. How economy

	<p>influenced the current image of the South Bohemian Region. (37.1)</p> <p>3. Political order of the South Bohemian Region. How current political order influences the South Bohemian Region. (37.2)</p> <p>4. Economic analysis of the South Bohemian Region – current situation. Current economic situation of the South Bohemian Region. (37.2)</p> <p>5. Economic geography of the South Bohemian Region. How economic geography of the South Bohemian Region influences its current functioning. (37.3)</p> <p>6. Infrastructure of the South Bohemian Region. How infrastructure of the South Bohemian Region influences its current functioning. (37.3)</p> <p>7. Operation of the regional self-government and its interconnection with other units. Impact of interconnection of regional self-government with other units. (37.4)</p> <p>8. The South Bohemian Region in the European Area. What is the position of the South Bohemian region on a European scale. (37.5)</p> <p>9. Tourism in the South Bohemian Region. How is tourism influenced by the South Bohemian Region. (37.5)</p> <p>10. European Regional Policy 1. Positive aspects of European regional policy. (37.6)</p> <p>11. European regional policy 2. Negative aspects of European regional policy. (37.6)</p> <p>12. Subsidy system of the South Bohemian Region 1. Preparation of a request for subsidies for particular support areas. (37.7)</p> <p>13. Subsidy system of the South Bohemia Region 2. Advantages and disadvantages of the subsidy system of the South Bohemian Region. (37.7)</p>																				
Organizational forms of teaching	seminar																				
Complex teaching methods	frontal teaching critical thinking discussion individual work – individual or individualized activity																				
Study load	<table border="1"> <thead> <tr> <th rowspan="2">Activity</th> <th colspan="2">Hours per term</th> </tr> <tr> <th>Daily form</th> <th>Combined form</th> </tr> </thead> <tbody> <tr> <td>Preparation for lectures</td> <td>0</td> <td>0</td> </tr> <tr> <td>Preparation for the seminar, seminar, tutorial</td> <td>10</td> <td>12</td> </tr> <tr> <td>Preparation of the seminary work</td> <td>10</td> <td>10</td> </tr> <tr> <td>Attendance at lectures (for part-time study programme at the tutorial)</td> <td>0</td> <td>0</td> </tr> <tr> <td>Attendance at seminars/tutorials</td> <td>13</td> <td>8</td> </tr> </tbody> </table>	Activity	Hours per term		Daily form	Combined form	Preparation for lectures	0	0	Preparation for the seminar, seminar, tutorial	10	12	Preparation of the seminary work	10	10	Attendance at lectures (for part-time study programme at the tutorial)	0	0	Attendance at seminars/tutorials	13	8
Activity	Hours per term																				
	Daily form	Combined form																			
Preparation for lectures	0	0																			
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Preparation of the seminary work	10	10																			
Attendance at lectures (for part-time study programme at the tutorial)	0	0																			
Attendance at seminars/tutorials	13	8																			



	Preparation for the final test	18	21
	Attendance at the test	1	1
	<b>Total:</b>	52	52
Evaluation methods and their ratio	<p>rule - 70 % to 30 %  final test - 70 %  continuous assessment 30 % (20 % seminary work including its defence in form of the discussion, 10 % fulfilment of small tasks during the semester = i. e. the active attendance at seminars/tutorial)</p>		
Requirements for successful completion of the course including the evaluation	<p>The course assessment is comprised of the continuous assessment (30 – 0 points) and the final test (70 – 0 points). The total assessment makes the sum of continuous assessment points and result of the final test. The total course assessment, i. e. points for the test (70 -0) + continuous assessment points (30 - 0): A 100 – 90, B 89,99 – 84, C 83,99 – 77, D 76,99 – 73, E 72,99 – 70, FX 69,99 – 30, F 29,99 - 0.</p>		
Teacher's information	<p>The course attendance of all the forms is regulated by the separate internal standard of VŠTE [The Institute of Technology and Business] (Attendance records of VŠTE [The Institute of Technology and Business] students). The seminar attendance of 70 % is required from all full-time students.</p>		
Compulsory literature	<p>VÁCHAL, J. et al., 2016. <i>Jihočeský kraj v globální ekonomice</i>. Prague: Setoutbooks.cz. ISBN 978-80-86277-82-0.</p> <p>PROVAZNÍKOVÁ, R., 2015. <i>Financování měst, obcí a regionů: teorie a praxe</i>. 3rd rev. ext. ed. Prague: Grada. ISBN 978-80-247-5608-0.</p> <p>CZECH STATISTICAL OFFICE, 2016. <i>Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)</i> [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <a href="http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15">http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15</a></p>		
Recommended literature	<p>ČESKO, 2006. Zákon č. 183/2006 ze dne 14. března 2006, o územním plánování a stavebním řádu (stavební zákon). [online]. In: <i>Sbírka zákonů</i> 1. 1. 2007. [cit. 2017-12-15]. Available at: <a href="https://portal.gov.cz/app/zakony/zakonInfo.jsp?idBiblio=62549&amp;nr=183~2F2006&amp;rpp=15#local-content">https://portal.gov.cz/app/zakony/zakonInfo.jsp?idBiblio=62549&amp;nr=183~2F2006&amp;rpp=15#local-content</a></p> <p>ČESKO, Zákon č. 23/2017 ze dne 17. ledna 2017, o pravidlech rozpočtové odpovědnosti. [online]. In: <i>Sbírka zákonů</i> 21. 2. 2017. [cit. 2017-12-15]. Available at: <a href="https://www.zakonyprolidi.cz/cs/2017-23">https://www.zakonyprolidi.cz/cs/2017-23</a></p> <p>CZECH STATISTICAL OFFICE, 2017. Statistický bulletin – Jihočeský kraj – 1. až 2. čtvrtletí 2017 [online]. České Budějovice: Czech Statistical Office. 2017, [cit. 2017-12-15]. Available at: <a href="https://www.czso.cz/csu/czso/statisticky-bulletin-jihocesky-kraj-1-az-2-ctvrtleti-2017">https://www.czso.cz/csu/czso/statisticky-bulletin-jihocesky-kraj-1-az-2-ctvrtleti-2017</a></p>		

	<p>SOUTH BOHEMIAN REGION, 2014. <i>Program rozvoje Jihočeského kraje 2014-2020</i> [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16]. Available at: <a href="http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm">http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm</a></p> <p>SOUTH BOHEMIAN REGION, 2017. <i>Zahraniční vztahy kraje</i> [online]. České Budějovice: South Bohemian Regional Authority. [cit. 2017-12-15]. Available at: <a href="http://www.kraj-jihocesky.cz/1642/evropsky_region_dunaj_vltava.htm">http://www.kraj-jihocesky.cz/1642/evropsky_region_dunaj_vltava.htm</a></p> <p>NOVÁČEK, A., 2012. Jižní Čechy v zrcadle dějin a srovnání. <i>Geografické rozhledy</i> [online]. <b>21</b>(3), 2-4 [cit. 2017-11-22]. ISSN 1210-3004. Available at: <a href="http://geography.cz/geograficke-rozhledy/wp-content/uploads/2012/02/2-4.pdf">http://geography.cz/geograficke-rozhledy/wp-content/uploads/2012/02/2-4.pdf</a></p> <p>UNION OF TOWNS AND MUNICIPALITIES OF THE CZECH REPUBLIC, 2015. <i>Evropské dotace: nové možnosti, příležitosti a zkušenosti měst a obcí</i>. Prague: Union of Towns and Municipalities of the Czech Republic. ISBN 978-80-906042-4-7.</p> <p>VURM, B., 2005. <i>Jihočeský kraj: krásy a tajemství České republiky</i>. Prague: Praga Mystica in cooperation with Z. Foffová. ISBN 80-86767-01-9.</p>
Websites	<p><a href="http://www.kraj-jihocesky.cz">http://www.kraj-jihocesky.cz</a>  <a href="http://www.vlada.cz/">http://www.vlada.cz/</a>  <a href="http://www.c-budejovice.cz/cz/stranky/uvod.aspx">http://www.c-budejovice.cz/cz/stranky/uvod.aspx</a></p>
Research activities	<p><u>Course supervisor and tutor (Ing. Veronika Humlerová, Ph.D.)</u>  HUMLETOVÁ, V., 2017. Rozvoj venkovských obcí podporovaný Evropskou unií v období 2007- 2015. In: <i>XX. mezinárodní kolokvium o regionálních vědách. Sborník příspěvků</i>. Kurdějov: Masaryk university, 802-809. ISBN 978-80-210-8586-2.</p> <p>HUMLETOVÁ, V., 2017. Rural municipalities in the context of local economic development in the Czech Republic. In: <i>Proceedings of the 29th International Business Information Management Association Conference</i>. Vienna: International Business Information Management Association (IBIMA), 1503-1510. ISBN 978-0-9860419-7-6.</p> <p>HUMLETOVÁ, V., 2017. Analýza meziobecní spolupráce v Jihočeském kraji. <i>Mladá věda</i>. <b>5</b>(3), 26-36. ISSN 1339-3189.</p> <p>HUMLETOVÁ, V., 2017. Strategy of Regional Development and Rural Development supported by the EU and their implementation in the Czech Republic (case study). In: <i>Proceedings of the 29th International Business Information Management Association Conference</i>. Vienna: International Business Information Management Association (IBIMA), 1512-1519. ISBN 978-0-9860419-7-6.</p>

	PETRÁCH, F. and V. HUMLEROVÁ, 2013. Impacts of the Economic Crisis on the Regional Economic Disparities (Case of the Czech Republic). <i>Proceedings of the International Journal of Arts &amp; Science</i> . 6(2), 281-292. ISSN 1943-6114.
Topics of bachelor thesis	Use of subsidies for development of a chosen business subject Use of subsidies in a chosen agriculture subject Use of subsidies for development of a chosen microregion

## **3 Preparation for seminars**

### ***3.1 Cultural, religious, political history of the South Bohemian Region. Impact of development of the South Bohemian Region on present***

#### **Key words**

History of the South Bohemian Region, settlement, historical monuments and important personalities of the South Bohemian Region, South Bohemian region, cultural, nature monuments

#### **The goals of the chapter**

The goal of this chapter is to familiarize students with cultural, religious and political history of the South Bohemian Region.

The aim of the chapter is to familiarize the students with the South Bohemian region, its cultural, natural, political and economic history and the impact of its development on the present.

#### **Learning outcomes**

- 37.1 know the cultural, religious, political and economic history of the South Bohemian Region

#### **Abstract**

The area of the South Bohemian Region developed quite independently and peculiarly thanks to its natural conditions from the prehistoric times up to the early Middle Ages, and culture and life of its inhabitants differed from the surrounding world. Colonization of the region was mainly influenced by the trade and acquiring of raw materials. The landscape was mainly formed by woods and forests which were hard to access, therefore the areas along the rivers Vltava, Malše, Otava and Lužnice were colonized first. These basin areas, which are intensively cultivated these days, were originally the swampland. Only the hundred years' fight of people with unfavourable natural conditions formed the landscape of ponds, fields and groves.

The distant location and partial isolation enabled the powerful houses of Vítkovci, Rosenberg and later Schwarzenberg to assert themselves. Their large manors often had significant autonomy in relation to the Crown, and their members belonged to the narrow elite of the wealthiest and most powerful ones in Bohemian country. The kings tried to face their growing influence with difficulties, and for this purpose they had the royal cities built: Písek (1256), České Budějovice (1265), Vodňany (before 1336); or the Cistercian monastery in Zlatá Koruna (1263). The Hussite movement has its origin in South Bohemia – Jan Hus, Jan Žižka of Trocnov, and e. g. the spiritual father of Bohemian Brethren, Petr Chelčický - they are all natives of South Bohemia. The South Bohemian Region became the centre of the renaissance culture thanks to the economic activities of the noble houses in the 15<sup>th</sup> and 16<sup>th</sup> century. In this period the ponds were built, too, which account one third of all the ponds in the Czech Republic these days, and the full half of the Czech freshwater fish production comes from there.

On the contrary, development of the next centuries contributed to the transformation of South Bohemia into a periphery, which caused the limp along the dynamically developing and successfully industrializing northern part of Bohemia. Similarly to other south regions of Bohemia and Moravia, short supplies of coal and the large distance from industrial centres were blamed. The mostly poor rural character did not create any sufficient capital for investments in modernization.

There were some personalities of the cultural, technical and business field in the South Bohemian Region at the end of the 18<sup>th</sup> and mainly in the 19<sup>th</sup> century (Karel Klostermann, Adalbert Stifter, František Křižík, Vojtěch Lanna). Some pioneering works were created in this period, too – Schwarzenberg Navigation Canal, horse-drawn railway, the first public municipal electrical lighting, or the first electrified railway.

The 20<sup>th</sup> century brought one of the biggest changes in the population, German inhabitants were expelled from the territory of South Bohemia after the 2<sup>nd</sup> World War, and the region was partially settled by Czech inhabitants. Neighbouring Austria was divided from our border with the Iron Curtain for other approximately 40 years and only its fall in 1989, border opening and mainly accession of the Czech Republic to the European Union in 2004 allowed to renew the constructive cross-border co-operation and brought many positive impulses of the new development.

## Example, model task

Carry out a sociodemographic analysis of the region - compare the age structure of the population, demographic trends and the religious and national structure.

### Solution

**Age structure of the population:** The age structure of the region inhabitants is similar to the whole of the Czech Republic; the average age in the region and the Czech Republic was 41.2 years in 2011 (in 2001 the average age in the region was 38.7 and in 1970 the average age was 35.6 years). The age index (population ratio of 65+ per 100 inhabitants aged 0-14 years) was 109.8 in 2011 (106.8 in 2010, 84.0 in 2001). The development of this indicator is evidenced by the significant trend of the aging of the South Bohemian population. The share of the youngest age group fell in 2010 and 2011 to about 14.5 and 14.7% of the total population (in 2001 it was 16.3% and 21.6% in 1970). In the population category of 65 and over, the share increased from 13.7% in 2001 to around 16% in 2011. There is a significant difference in the border district C. Krumlov with a varied national composition from the demographic structure of the region. There is a younger age structure (average age 39.6 years, index age 84.3). The C. Krumlov district together with the district C. Budejovice monitor a steady population growth.

**Demographic development.** The population of the region has been increasing steadily since 1950. The highest increase was recorded in 1970-1980 (by more than 35,000 inhabitants) and the lowest in the period 1991-2001 (only 2,378 inhabitants), despite the fact that foreigners with long-term residence were first counted in the result. The total population growth for the period 2001-2010 has already exceeded 13.4 thousand. In 2011, there was a slight decrease in the population in the region. The total population growth in the South Bohemian region has been positive since 2002. Its decline - which is mainly driven by the negative evolution of the increase by moving - is in positive figures).

**Religious and national structure.** Both the Czech Republic and the South Bohemian region show one of the lowest values of the believers share in the total population. Most inhabitants without religious belief are in the Usti nad Labem region (43.8%) according to the 2011 census, houses and flats; the average for the Czech Republic is 34.2% of the non-religious population. There are less than 31% people with no religion in the South Bohemian region (The 2011 census, houses and flats).

There are mainly people reporting to the Roman Catholic Church of the people who profess to be religious. Overall, however, the number of persons claiming faith decreases. About half of people at the 2011 census, houses and flats did not report their religious beliefs because they are optional. This makes the overall results of this survey very distorted. As far as the citizenship of the inhabitants of the South Bohemian region is concerned, more than 97% of them claim their Czech nationality; 0.6% of the population has Ukrainian citizenship, 0.45% Slovak and 0.35% Vietnamese.

## **Assignment**

South Bohemia region is one of the areas with a higher share of rural areas. Evaluate the countryside of the South Bohemian region and its development.

## **Literature**

### **Compulsory literature**

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15> (introductory chapter)

### **Recommended literature**

NOVÁČEK, A., 2012. Jižní Čechy v zrcadle dějin a srovnání. *Geografické rozhledy* [online]. **21**(3), 2-4 [cit. 2017-11-22]. ISSN 1210-3004. Available at: <http://geography.cz/geograficke-rozhledy/wp-content/uploads/2012/02/2-4.pdf>

VURM, B., 2005. *Jihočeský kraj: krásy a tajemství České republiky*. Prague: Praga Mystica in cooperation with Z. Foffová. ISBN 80-86767-01-9. (pp. 112-127)

**The literature mentioned is intended only for this task, it is not a basic study material for the course**

SOUTH BOHEMIAN REGION, 2014. *Program rozvoje Jihočeského kraje 2014-2020* [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16]. Available at: [http://www.kraj-jihocesky.cz/1598/program\\_rozvoje\\_jihoceskeho\\_kraje\\_2014\\_8211\\_2020.htm](http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

## **Control questions**

1. What attributes influenced development of the region?
2. What created the landscape of the South Bohemian Region from the prehistoric times up to the early Middle Ages?
3. What was the original character of basin areas of the South Bohemian Region?
4. When was the district city České Budějovice founded?
5. Name some noble houses which ran their economic activities in the South Bohemian Region.
6. Where was the development of the South Bohemian Region oriented in the 18<sup>th</sup> and 19<sup>th</sup> century?
7. What did the Schwarzenberg Navigation Canal serve for?
8. Name some important personalities bound to the South Bohemian Region.
9. What was František Křižík's work in the South Bohemian Region?
10. What was the year of the accession of the Czech Republic to the European Union?



## ***3.2 Economic history of the South Bohemian Region. How economy influenced the current image of the South Bohemian Region***

### **Key words**

Industrial revolution, glass industry, horse-drawn railway, Schwarzenberg Navigation Canal, Vojtech Lanna, business in the South Bohemian region, shipping, horse-drawn railway

### **The goals of the chapter**

The objective is to familiarize students with the economic history of the South Bohemian Region – the most important events which influenced the forming and future development of the Region.

The aim of the chapter is to familiarize students with one of the most important personalities of Ceske Budejovice and the South Bohemian region, Vojtech Lanna, a Czech industrialist, a shipbuilder and a builder, who was responsible for the development of business and industry.

### **Learning outcomes**

- 37.1 know the cultural, religious, political and economic history of the South Bohemian Region

### **Abstract**

It makes sense to study the economy of the South Bohemian Region at the turn of the 17<sup>th</sup> and 18<sup>th</sup> centuries. The area started to be populated again after the Thirty Years' War at that time, and the nobility tried to revive the Region through using the woods for logging, through mining and through glass industry. The economic renewal and population increase kept on during the 18<sup>th</sup> century. Handicraft in the cities stagnated because of the guilds' regulations but new production spread out in the country and first workshops arose. Building of the road and postal network and working out the land register were important achievements for economy development. There was further development of glass industry and logging of Šumava wood for Prague.

At the beginning of the 19<sup>th</sup> century two important noble houses of Buquoy and Schwarzenberg established industry in the South Bohemian Region. So-called Schwarzenberg Navigation Canal was built, a nearly 60 kilometres long waterway which enabled to transport wood from the wide surroundings of Lake Plešné up to Vienna.

Thanks to the invention of steam engine, which powered machines and mechanical looms, paper mills with machine production were built in the South Bohemian Region. The sugar factory in Kostelní Vydří at Dačice started its production in 1829, and there was even produced the first sugar lump in the world in 1843. Also glass industry was developing. So called hyalith, the unique dark light-impervious glass, which resembles a semi-precious stone, was produced in the glass factory in Novohradské Mountains, and became world-renowned.

Between 1825 and 1832 the horse-drawn railway was built, and connected the catchment areas of rivers Vltava and Danube. It was the first of its kind in the European continent. The horse-drawn railway provided the salt trade and later on also the passenger transport among České Budějovice, Linz and Gmunden.

During the industry development there remained the agricultural character in the South Bohemian Region, the industrial revolution affected mainly České Budějovice. The Viennese company Hardtmuth removed their pencil and ceramics factory from Vienna to České Budějovice in 1847. This place was advantageous thanks to the basic materials availability, railway and cheap labour force. Industry in the cities Tábor and Písek developed in a smaller way, too. The beer, furniture and textile industries caught on there. Manufactory production started also in Strakonice the at the beginning of the 19<sup>th</sup> century, there were produced Turkish caps, so called fezes, yarns and woollen cloth. In the half of the 19<sup>th</sup> century the city Vimperk was also important thanks to its printing works which printed calendars, the Korans, prayer books, books bound in leather or turtle shell etc., which were in demand all over the world.

The industry development was also speeded up by the latter founding of the stock company Jihočeské elektrárny. The company was founded in 1920, and it had been known as JČE before it became the part of the energy company E.ON. The first electrified railway within whole Austria-Hungary arose in the South Bohemian Region in 1903 – between Tábor and Bechyně. This railway contributed significantly to the development of the spa industry in Bechyně.



## **Example, model task**

### **Case Study: Vojtech Lanna: Business baptized by the Vltava river**

The Lanna family came to Bohemia from the Austrian Salzkammergut - the first in line was Tadeus, who settled in Budejovice at the end of the 18th century. He set up his business on the most powerful means of transport at that time, which - until the arrival of the railway - were ships. Lanna started building them in his own yard and used them for a peculiar business model: he bought goods imported by wagons from Austria or from the wider area of Ceske Budejovice, mainly salt and graphite. Then he filled his ships and they were drifted by the Vltava River into the interior of Bohemia or into Germany. Everything was sold in the right place - not only the cargo, but also the ships, or at least the timber from which they were made. And, of course, he did not avoid even the traditional Vltava riverfront.

His son, who was born on April 23, 1805, was actually called Adalbert, but he is better known by the Czech form of his name Vojtech. Rather than his first name the fact that he was virtually baptized with the Vltava meant more for his next life. He grew up in close contact with the river and with the lively commercial life which was closely connected with it. At the request of his father, he was involved in the life of the company since childhood, from shipbuilding and rafting up to river cruises. Everything was supposed to be important for him once.

His father also wished his future successor in the company management to have a good technical education. However, Adalbert apparently was not tied to the school rules. He graduated from grammar school and at the age of fifteen he got to Prague Polytechnic, but after three years he left, allegedly for disputes with professors.

He returned to his father's company, who apparently did not make a mountain out of molehill regarding his son's study failure. Young Lanna was getting more and more freedom in doing business, and he was especially attracted to the rafting. At the age of twenty, he made his first own raft, loaded it with cargo (a significant part of which was Budweiser beer) and set off with it until Hamburg. After the death of his father in 1828, Vojtěch Lanna became a shipmaster and shortly afterwards he took over the whole business. Soon he bought the sawmill and other factories and began to search what other areas are worth of putting his efforts into.

The river cruise was always the pillar of Lanna's business, but it definitely was not meant to be limited to it. He excelled in his unparalleled view and ability to quickly combine things seemingly very distant. According to the testimony of his contemporary Archduke Stepan, "Lanna is a landowner, entrepreneur, waterman, engineer, builder, merchant and shipowner ... and also a benefactor of many thousands of people who he does not treat as mere workforce but he behaves to them as a father".

The first of Lanna's efforts was to improve the navigability of the riversflows after which his goods were transported. He is responsible for the modifications of the Vltava, Labe, Lužnice, Nežárka and Blanice riverbeds. Bridges are of course included in the rivers, so in 1841 he set up the Frantisek Josef chain bridge in Prague. His other work is also the former Podolsky bridge, which can be seen today as a restored technical monument in Luznice river.

Lanna's river flows regulation directly enabled the emergence and development of commercial steamboats in Bohemia. Especially fundamental were his interventions on the Labe between 1833 and 1836, carried out at the order of the Czech building governorate, which opened the way to Bohemia for German steamboats. Some sources mistakenly state that Lanna also contributed in a way to the first steamboat made in Bohemia - Bohemia paddle boat. In fact, this ship, according to English plans, was built by Englishman Ruston in his Karlin shipyard. The Lanna company operated other steamers and later owned a fleet of these vessels.

Already between 1827 and 1828 Vojtech Lanna enforced and organized the extension of the legendary horse-drawn railway line from Linz to Ceske Budejovice – so it would end up at his company's warehouses. He was always concerned that "his" water transport was connected by all available terrestrial routes leading to both raw materials and customers.

Lanna was rather ambitious as for the business. Allegedly, his secret dream was to find good coal around Budějovice, but the nature was not forthcoming in this respect. Later, he made up for it. In 1846, Jan Váňa, one of the discoverers of the Kladno coal seams, lured him to the business in this area. Two years later, he and the Klein brothers became co-owners of the Kladno coal-mining industry, which was decisively involved in mining at that time.

Lanna went even further: in 1854 he founded the Vojtech Ironworks in Kladno with his companions and in 1857 the Prague Ironworks Society. On that occasion, he went on a long study trip to England, which at the time was at the forefront of global metallurgy and ironmongery. The Kladno enterprises, in which Lanna had a stake, were also involved in

the finalization of its historically significant track, but at the time of its beginning it was very problematic. Even in this case, the former rafter did not ignore the river on which he was born: he also urged that the railway from Kladno to Kralupy nad Vltavou would also be built.

The production of iron and railway was extremely demanding for investment, and Lanna began to dwindle. In the later years he gradually withdrew his activities from Kladno and Prague and went back to South Bohemia. He died on 15 January 1866. He has a grave at the Olšan Cemetery in Prague. (Novák, 2010)

Case study tasks:

1. Who was Vojtech Lanna?

Vojtech Lanna, named Adalbert Lanna (1805-1866), was a landowner in Ceske Budejovice, entrepreneur, waterman, engineer, builder, merchant and shipowner.

2. What activities is Vojtech Lanna connected with? What is he known for?

He participated in the navigability of waterways important for shipping, built several bridges, established and organized an extension of horse-drawn railway, founded a steel mill, a railway company, and promoted railway development.

3. When and who was the horse-drawn railway extended by?

By Vojtech Lanna in 1827-1828.

## **Assignment**

Find out in what direction a business of the Lann family continued after the death of Vojtech Lanna.

## **Literature**

### **Compulsory literature**

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15> (pp. 21-23)

### **Recommended literature**

VURM, B., 2005. *Jihočeský kraj: krásy a tajemství České republiky*. Prague: Praga Mystica in cooperation with Z. Foffová. ISBN 80-86767-01-9. (pp. 112-127)

### **The literature mentioned is intended only for this task, it is not a basic study material for the course**

NOVÁK, J., 2010. *Vojtěch Lanna: podnikání křtěné Vltavou* [online]. [cit. 2017-12-01]. Prague. Available at: <http://www.novakoviny.eu/archiv/historie/240-vojtech-adalbert-lanna>

### **Control questions**

1. When did the industrial revolution in the South Bohemian Region begin?
2. When and where did the first workshops arise?
3. Which important noble houses laid the foundations of industry in the South Bohemian Region?
4. When did the South Bohemian sugar factory, which produced the first sugar lump in the world, start its production?
5. What is hyalith?
6. What did the horse-drawn railway serve for?
7. Why did the Hardtmuth company moved its factory from Vienna to České Budějovice?
8. What industry caught on in the cities Tábor and Písek?
9. What was the city Vimperk important in the half of the 19<sup>th</sup> century for?

### ***3.3 Political order of the South Bohemian Region. How current political order influences the South Bohemian Region***

#### **Key words**

Political order, districts, population, settlement structure, the South Bohemian region, the territory of the Czech Republic, municipalities with extended competences, the registered office

#### **The goals of the chapter**

The aim of the chapter is familiarize students with the political structure of the South Bohemian region, its settlement structure and the cross-border comparison

#### **Learning outcomes**

- 37.2 understand the current cultural, religious, political situation of the South Bohemian Region

#### **Abstract**

The territory of the South Bohemian Region is delimited by territories of the districts České Budějovice, Český Krumlov, Jindřichův Hradec, Písek, Prachatice, Strakonice and Tábor. On the 1<sup>st</sup> January 2003 there were established 17 administrative units of municipalities with extended powers and administrative units and 37 administrative units of municipalities with municipal authority. Currently there are 624 municipalities in the South Bohemian Region – one statutory city (České Budějovice), 52 towns, 19 small towns, one military training area (Boletice<sup>1</sup>) and 551 other municipalities.

The most densely populated area is the district of České Budějovice, where 29.4 % inhabitants of the Region live, with approximately 114 inhabitants per 1 km<sup>2</sup>. The most sparsely populated area by contrast is the district Prachatice with 37 people per 1 km<sup>2</sup>. The

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<sup>1</sup> On 1<sup>st</sup> January 2015 a part of the military training area was separated – approximately 12 % of the then area was removed and joined the cadastral municipalities Horní Planá, Kájov, Ktiš, Křišťanov, Želnavá. The new municipality Polná na Šumavě with the neighbourhood Květušín was established.

high population density in the district České Budějovice is mainly due to the concentration in the regional city itself where nearly one hundred thousand people live.

36.0 % inhabitants of the South Bohemian Region lives in district cities. On the contrary, the smallest municipalities to 200 inhabitants make 37.7 % of the total number of municipalities but there live only approximately 4.1 % of the total inhabitants number in the South Bohemian Region in them. The settlement structure is varied and quite split up. The fragmentation and large differences happened mainly during the last 40 years when the State carried through the heavy municipality centralization in 1971 (692 municipalities) and 1989, when the municipality number in the Region was the smallest (298 municipalities). The municipality decrease by 57 % was significantly above the national average (decrease by 45 %). The contradictory process of municipality disintegration, which actually lasted for five years from 1990, made the formation of settlement structure even more difficult. The number of municipalities of the South Bohemian Region has stabilized since 1994.

The urban population share of the South Bohemian Region makes 64.2 % (Czech Statistical Office 2011). It is less than the national urban population share (69.7 %). The urbanization extent has been lower within the Region, and it has been more decreasing in recent years (the influence of suburbanization is noticeable).

The highest urbanization extent is in the former district cities – the highest in the area of the municipality with extended powers České Budějovice. Those municipalities are considered to be medium-urbanized where the urbanization extent makes 40 – 60 %, namely municipalities with extended powers Písek, Strakonice, Jindřichův Hradec and Tábor. Other municipalities with extended powers are considered to be typically rural areas, mainly those municipalities where the urbanization extent makes less than 20 %. Within this group there are some a bit more dominant rural areas like Prachatice (34,3 %) and Český Krumlov (32,3 %).



## Example, model task

Carry out a spatial analysis of the territory of the South Bohemian region and fill in the table with the data on the settlement structure of the Czech Republic regions.

CR, regions	Number of municipalities in total	Population density at 1 km <sup>2</sup>	Municipalities with population						
			By 199	200-499	500-999	1 000-4 999	5 000-19 999	20 000-49 900	50 000 and more
Czech Republic									
City of Prague									
Central Bohemian									
South Bohemian									
Plzensky									
Karlovarsky									
Ústecky									
Liberecky									
Kralovehradecky									
Vysocina									
South Moravian									
Olomoucky									
Zlinsky									
Moravian-Silesian									

### Solution

**Administrative division of the region** The total population growth in the South Bohemian region has been positive since 2002. Its decline - which is mainly driven by the negative evolution of the increase by moving – is in positive figures).

The highest population density is in the C. Budejovice district, with about 114 inhabitants per 1 km<sup>2</sup>, where 29.4% live in the region. On the contrary, the smallest population density is in the Prachatice district with 37 inhabitants per 1 km<sup>2</sup>. Large population density in district C. Budejovice is given mainly by concentration in the regional city itself, where nearly 100,000 inhabitants reside. 36.0% of all the inhabitants of the region live in the district towns of the South Bohemian region. On the other hand, the smallest municipalities with up to 200 inhabitants represent 37.7% of the total number of municipalities but only 4.1% of the total population of the region live there.

**The settlement structure of the region** is varied and quite fragmented. The fragmentation and great differences contributed especially during the last 40 years, when the strong

central centralization of the municipalities was promoted mainly in 1971 (692 municipalities) until 1989, when the number of municipalities in the region was the smallest (298 municipalities). This decrease in the number of municipalities by 57% was markedly above the national average (45% decrease). The complexity of shaping the seat structure of the state has been influenced by the contradictory process of disintegration of municipalities since 1990, which in fact lasted five years. Since 1994, the number of municipalities in the South Bohemian region has stabilized.

The region is divided into 17 municipalities with extended powers (MEP). There are 205 MEPs throughout the Czech Republic, while the South Bohemian region is in the MEPs at 4th place. The territory is further divided into 37 municipalities with a designated authority. The following table provides basic information on the size, population and settlement structure of all 17 MEPs in the South Bohemian region.

CR, regions	Number of municipalities in total	Population density at 1 km <sup>2</sup>	Municipalities with population						
			200-499	200-499	500-999	1 000-4 999	5 000-19 999	20 000-49 900	50 000 and more
<b>Czech Republic</b>	<b>6 251</b>	<b>133.2</b>	<b>1 468</b>	<b>2 017</b>	<b>1 366</b>	<b>1 127</b>	<b>210</b>	<b>42</b>	<b>21</b>
City of Prague	1	2 502.7	-	-	-	-	-	-	1
City of Prague	1 145	116.1	239	401	271	197	32	4	1
<b>South Bohemian</b>	<b>623</b>	<b>63.3</b>	<b>230</b>	<b>208</b>	<b>83</b>	<b>82</b>	<b>15</b>	<b>4</b>	<b>1</b>
Plzensky	501	75.6	172	164	76	75	12	1	1
Karlovarsky	132	91.5	16	40	34	29	10	2	1
Ustecky	354	155.2	51	126	86	65	18	4	4
Liberecky	215	138.6	34	59	64	43	12	2	1
Kralovehradecky	448	116.4	103	173	93	57	19	2	1
Pardubicky	451	114.3	106	176	90	62	15	1	1
Vysocina	704	75.3	330	210	98	48	14	3	1
South Moravian	673	162.1	112	194	183	161	17	5	1
Olomoucky	399	121.3	46	124	107	109	9	3	1
Zlinsky	305	148.6	18	84	101	82	15	4	1
Moravian-Silesian	300	226.8	11	58	80	117	22	7	5

## Assignment

Find out how the performance of public administration is provided in Germany, France and Slovakia.

## Literature

### Compulsory literature

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15> (pp. 21-23, pp. 38-44)

**The literature mentioned is intended only for this task, it is not a basic study material for the course**

SOUTH BOHEMIAN REGION, 2014. *Program rozvoje Jihočeského kraje 2014-2020* [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16]. Available at: [http://www.kraj-jihocesky.cz/1598/program\\_rozvoje\\_jihoceskeho\\_kraje\\_2014\\_8211\\_2020.htm](http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

### Control questions

1. How did the population of the Region develop between 1990 and 2016?
2. How did the municipality number of the Region develop between 1975 and 2016?
3. What is the municipality with extended competence, and how many administrative units of municipalities with extended competence can we find in the South Bohemian Region?
4. How did the municipality number vary in the period from 1970 to 1995?
5. How many important centres can we find in the South Bohemian Region? Give examples of some municipalities which fall under this category.
6. Compare the districts of the South Bohemian Region with each other according to the following data: area, population, municipality number, average age of inhabitants.
7. Give a definition of the term urbanization.
8. What are the parameters of a rural area?
9. Name the positive impacts of urbanization.
10. Name the negative impacts of urbanization.

### ***3.4 Economic analysis of the South Bohemian Region – current situation. Current economic situation of the South Bohemian Region***

#### **Key words**

Economy, Gross Domestic Product, agriculture, industry, unemployment, regional development program, economically weak areas, municipalities with authorized municipal office, indicators

#### **The goals of the chapter**

The objective is to familiarize students with the current economic situation of the South Bohemian Region, and to teach them how to understand the economic situation in the South Bohemian Region.

The aim of the chapter is familiarize students with the economic situation of the South Bohemian region.

#### **Learning outcomes**

- 37.2 understand the current cultural, religious, political situation of the South Bohemian Region

#### **Abstract**

The **Gross Domestic Product** share of the South Bohemian Region in the Czech Republic in 2015 was 5.1 %, which makes 83.7 % per capita of the national average, and it was on the 7<sup>th</sup> place among the regions (after the capital city Prague, the South Moravian Region, the Plzeň Region, the Central Bohemian Region, the Zlín Region and the Hradec Králové Region). The gross fixed capital production made in the Region in 2014 the value of CZK 55.8 billion (5.1 % of the Czech Republic).

After Gross Domestic Product, Gross Value Added is one of the most used indicators which determines the economic performance. It reflects the total sector performance and it is the pure economic performance indicator. Compared with the national Gross Value Added structure, the South Bohemian Region keeps higher share of primary and secondary economy stages and lower share of tertiary stage. The South Bohemian GDP per capita

reached the value of 85 % of the national average in 2014. It is the 7<sup>th</sup> highest share among the regions, and this placings is one position worse than in 2013.

Chart no. 1 displays the shares of chosen CZ-NACE branches on Gross Value Added in %. There are given those branches whose share of Gross Value Added is approximately 7.5 % or more. As we can see, nearly 70 % of economic performance is provided by five economic branches. The manufacturing industry has leading position.

#### Shares of chosen branches on Gross Value Added of the Region

Region	Shares of chosen CZ-NACE branches on GVA in %				
	Manufacturing industry	Production and distribution of electricity, gas and water	Trade, fixing of motor vehicles and goods for personal consumption	Transport, storing, communications	Commercial services (activities in the sphere of real estates, renting etc.)
South Bohemian	27.2	10.1	10.1	11.1	9.7

Source: Czech Statistical Office 2016

The investment activity arose significantly in the South Bohemian Region in 2013, its Gross Fixed Capital Production was the second highest in regional history. Higher investment activity has its result in higher investment rate. Its value reached nearly 28 %, and it was the fourth highest in the interregional comparison. Net Household Disposable Income arose interannually nearly by 4 % in the South Bohemian Region which is the biggest increase among regions. Despite the highest dynamics it did not improve its position among the regions according the Net Household Disposable Income per capita, and remained the eighth.

### **Example, model task**

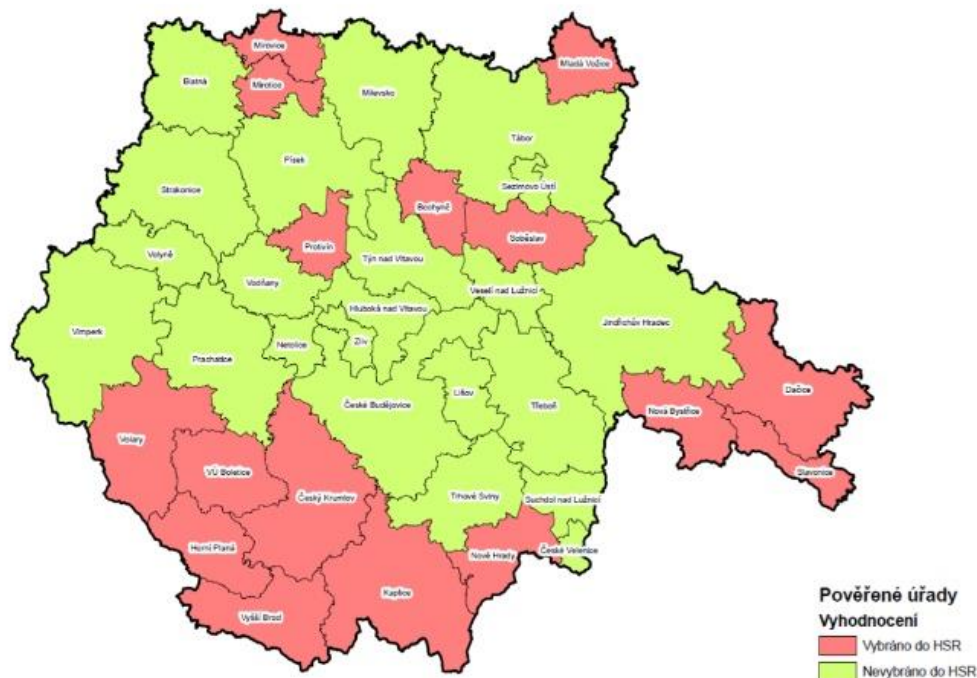
**Development Program of the South Bohemian region.** A part of the regional development program is also the definition of regions whose development should be promoted with a view to the balanced territorial development of the region. Find out which economically weak areas are defined for the 2014-2020 period and what indicators are used for their specifying.

Solution:

The South Bohemian region has defined as economically weak areas of the municipalities with an authorized municipal office. For 2014-2020 these are the following:

Mirovice, Mlada Vožice, Protivín, Bechyne, Sobeslav, Dacice, Nová Bystrice, Slavonice, Volary, VÚ Boletice, Český Krumlov, Horní Plana, Vyšší Brod, Kaplice, Nove Hradky.

Economically weak areas of the South Bohemian region



Zdroj: KÚJK, 2013.

The following indicators have been selected to identify economically weak areas (EWA). These are the same indicators that were used to establish the EWA for the period 2007-2013. Their purpose is to sort and order the individual authorized offices in the region and according to the achieved values and subsequent recalculation according to the weight of each criterion to order all authorized offices (AO) in the overall order.

The limit value for the inclusion of AOs among EWAs is a total score of 15 points. There is no AO area with the result value higher than 15 points among the EWAs of the South Bohemian region.

**Migration of the population** (as measured by population migration figures in the ratio of 1 thousand inhabitants - the annual average of this indicator for the period 2007-2011 was evaluated). Indicator weight: 0.1.

**Road network** (the density of the transport network was assessed with respect to the data on the length of the roads I. - III. classes and lengths of railways in the individual territories of the AO - the condition of the network was assessed in 2012). Indicator weight: 0,2

**Unemployment** (evaluation by indicators - number of job seekers, number of job seekers over 12 months, number of vacancies and number of economically active population - always values for 2011) Indicator weight: 0,3

**Gross wage** (the gross monthly wage in CZK for individual AOs in 2011 was calculated as full-time employees). Indicator weight: 0,1

**Employment in agriculture** (the indicator takes into account the share of workforce in agriculture, forestry and fishing in the individual area of the AOs – in % in 2011). Indicator weight: 0,1

**Population density** (the value of the indicator "population density per km<sup>2</sup>" is based on the comparison of the population as of 31 December 2011 and the area of individual AOs in ha). Indicator weight: 0,1

## **Assignment**

In order to define economically weak areas, the same indicators were selected for the period 2007-2013 and 2014-2020. Compare the total values of individual municipalities with extended powers and find out improvement or deterioration over the previous period.

## **Literature**

### **Compulsory literature**

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15> (pp. 21-23)

### **Recommended literature**

CZECH STATISTICAL OFFICE, 2017. Statistický bulletin – Jihočeský kraj – 1. až 2. čtvrtletí 2017 [online]. České Budějovice: Czech Statistical Office. 2017 [cit. 2017-12-15].

Available at:

<https://www.czso.cz/csu/czso/statisticky-bulletin-jihocesky-kraj-1-az-2-ctvrtleti-2017>

(kapp. A, B, E, F, H, J, Q).

### **The literature mentioned is intended only for this task, it is not a basic study material for the course**

SOUTH BOHEMIAN REGION, 2014. *Program rozvoje Jihočeského kraje 2014-2020* [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16].

Available

at:

[http://www.kraj-](http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

[jihocesky.cz/1598/program\\_rozvoje\\_jihoceskeho\\_kraje\\_2014\\_8211\\_2020.htm](http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

### **Control questions**

1. Evaluate the position of the South Bohemian Region from the point of view of particular macroeconomic indexes.
2. How did particular macroeconomic indexes progress between 1990 and 2017?
3. What does the index Gross Value Added express?
4. Compare the results of Gross Value Added in the South Bohemian Region with other regions in the Czech Republic.
5. What kind of industrial branch prevails in the South Bohemian Region?
6. What industrial branches have the biggest share in Gross Value Added production in the South Bohemian Region?
7. What does the index Gross Fixed Capital Production express?
8. Analyse the investment activity of the South Bohemian Region and make interregional comparison.
9. What does the index Net Household Disposable Income express?
10. Analyse the Net Household Disposable Income of the South Bohemian Region and make interregional comparison.



### ***3.5 Economic geography of the South Bohemian Region. How economic geography of the South Bohemian Region influences its current functioning***

#### **Key Words**

Economic geography, economic activities of inhabitants, agriculture, industry, unemployment, South Bohemian Region, clusters, entrepreneurship support, initiatives, innovation mechanisms

#### **The goals of the chapter**

The objective is to teach students by means of the analysis of economic geography of the South Bohemian Region how to understand the economic situation of the South Bohemian Region

This chapter will present students with the institutions focused on business development in the region and cluster initiatives and cooperation accelerating innovation mechanisms.

#### **Learning Outcomes**

- 37.3 analyse the economic geography of the Region

#### **Abstract**

**Economic geography** deals with the development and structure of the society mainly in economic sphere, with two-way relations, with current situation, and with options of further development, with population structure and distribution, and with economic activities of inhabitants.

In **agriculture** in crop farming grains, oil crops and forage crops are grown, important is growing of potatoes, too. In stock farming mainly cattle and pigs are bred. Altogether there is produced roughly 10 % of agricultural production of the whole country. There is a long tradition of fish farming. The total area of ponds with fish breeding is ca. 25,000 hectares. There is produced one half of the fish production in the Czech Republic, also water poultry (ducks and geese) production share is significant. Industrial production is concentrated mainly in the urban sprawl of České Budějovice. The Region doesn't belong to the leading industrial areas in the Czech Republic, the sales share of Czech industrial companies made

4.5 % in 2015. **Manufacturing industry** prevails among the branches, and within this industry production of motor vehicles (excluding motobikes), trailers and semitrailers, and food production. Building companies in the Region participated in the Czech production with 6.7 %; they mostly ensure work on engineering buildings.

According to **selection researches of labour force** 303.4 thousand people are employed in regional economy, 32.4 % of them in industry, 11.2 % in trade and fixing of motor vehicles, 8.7 % in building industry. The average monthly gross wage was CZK 22,296 in 2014 (for natural persons including companies up to 20 employees), and it lagged behind the national average by 10.4 % (which is partially given by economy structure of the Region). Some of the most important companies and biggest employers in the Region are Robert Bosch, s. r. o., E.ON Česká republika, s. r. o. and ČEZ, a.s.

At the end of 2015 there were 22.576 job applicants registered in the Region. The share of **unemployed** people was 5.07 % at the end of December, and the South Bohemian Region got the fourth lowest position in the interregional comparison after the capital city Prague, the Plzeň Region and the Královéhradecký Region.

On 30<sup>th</sup> June 2017 there were 694 small, 619 middle and 117 large companies in the Region. In **the Statistical Business Register** there were 164,220 entities in the South Bohemian Region – e. g. 15,147 private limited companies, 732 joint-stock companies, 613 cooperatives and 4 state enterprises.

A precondition for economic development of the Region are also **housing facilities**. According to the results of 2011 Census of the Czech Republic there were 164 thousand houses in the Region, 75 % of them were inhabited. There were also ca. 248 thousand inhabited flats. Between 2011 and 2015 7,855 new flats were finished, and building of 7,955 new flats was started.

### **Example, model task**

Find out what institutions are focused on support of entrepreneurship in the region, what is it a cluster, and describe at least five clusters located in the South Bohemian Region.

Solution:

Enterprising development is promoted by the South Bohemian Chamber of Commerce with 9 regional offices, and CzechInvest - Investment and Business Development Agency, and Českomoravská záruční a rozvojová banka (Czech - Moravian Guarantee and Development

Bank), and the Regional Chamber of Agriculture, or the specific ministry branch offices in the region.

Cluster is a set of regionally interconnected and often mutually competing corporations (entrepreneurs) and affiliated organisations and institutions. The following cluster initiatives have recently emerged in the South Bohemian Region:

- **CEVTECH** – the Centre is the first so-called “cluster“ in the region and its development has largely opened a new market for the South Bohemian Region, focused on innovation technologies. CEVTECH was established after the revitalization of the Jitona premises where this company store is currently based as well as Envi-Pur – the producer and supplier of waste water treatment technologies. The association is engaged in environmental technologies, endeavouring to provide comprehensive service in this field starting consultancy and pre-design and design work, economic review, financing through the manufacturing, engineering, installation and equipment service. All the aforementioned based on the connection with the public sector. For future, it envisages to extend the scope out to waste processing, energy, or technologies for environmental friendly construction.
- **EKOGEN** – a cluster in the fine inorganic waste material processing field for the purpose of application in the construction industry. The cluster cooperates with business entities and the CVUT (Czech Technical University) Klokner Institute and currently is initiating a contact with the University of South Bohemia in Č. Budějovice, and its newly established technical faculty and the foreign university in St. Petersburg.
- **General Mechanical Engineering Cluster** – is a vertical cluster based on the development of value chain from input material suppliers, and metal working and general mechanical engineering through manufacturers of specialized final products. The cluster is mainly focused on innovations of engineering products with high demand for involvement of the associated industries.
- **Czech Cloud Cluster s.p.o.** is focused on data centres, cloud technologies and modern energy effective technologies and ICT services.
- **Chutná hezky. Jihočesky (Tastes Good. South-Bohemian) Cluster** – Regional food cluster is an open association of the South Bohemian SMEs mainly engaged in the food industry, universities, research institutions and the non-profit sector. The objective of this cluster is to connect all members and pursue the development,

production and sale of their products, services and carry out common activities. For single entities, these objectives would be more difficult to achieve without the cooperation in the cluster.

In addition, the following clusters are based in the South Bohemian Region: Low-Energy and Passive Construction Cluster, Wood Processing Cluster, Brewery Cluster, or OEKOENERGIECLUSTER, and others.

## **Assignment**

Perform a SWOT analysis of the South Bohemian Region.

## **Literature**

### **Compulsory literature**

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15> (pp. 21-23)

### **Recommended literature**

CZECH STATISTICAL OFFICE, 2017. Statistický bulletin – Jihočeský kraj – 1. až 2. čtvrtletí 2017 [online]. České Budějovice: Czech Statistical Office. 2017, [cit. 2017-12-15]. Available at: <https://www.czso.cz/csu/czso/statisticky-bulletin-jihocesky-kraj-1-az-2-ctvrtleti-2017> (kapp. A, B, E, F, H, J, Q)

### **The literature mentioned is intended only for this task, it is not a basic study material for the course**

SOUTH BOHEMIAN REGION, 2014. *Program rozvoje Jihočeského kraje (South Bohemian Regional Development Programme) 2014-2020* [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16]. Available at: [http://www.kraj-jihocesky.cz/1598/program\\_rozvoje\\_jihoceskeho\\_kraje\\_2014\\_8211\\_2020.htm](http://www.kraj-jihocesky.cz/1598/program_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

## **Control questions**

1. What does economic geography deal with?
2. What forms the primary economy stage?
3. Fish production has a long tradition in the South Bohemian Region. Compare the fish and water poultry production in this Region with other regions.
4. Where in the Region is industrial production concentrated?
5. Name the most important employers in the South Bohemian Region.
6. What types of articles are typically produced in the South Bohemian Region?
7. Evaluate the unemployment development in the Region between 1990 and 2017.
8. What is the position of the South Bohemian Region in the interregional comparison in the field of unemployment?
9. What is the average wage in the South Bohemian Region, compare it with other regions in the Czech Republic.
10. How is the flat building developed in the Region?

### ***3.6 Infrastructure of the South Bohemian Region. How infrastructure of the South Bohemian Region influences its current functioning***

#### **Key Words**

Transport, energetics, public and technical facilities, infrastructure, air transport, international airport, regional development

#### **The goals of the chapter**

The objective is to teach student to be informed about the transport, technical and public infrastructure of the South Bohemian Region.

This chapter will familiarize students with the project for completion of the construction of České Budějovice Planá Airport that will have a significant impact on regional development and use this example to point out the potential for regional development.

#### **Learning Outcomes**

- 37.3 analyse the economic geography of the Region

#### **Abstract**

Public infrastructure is defined by the Building Act 183/2006 Coll., and it can be divided into transport infrastructure, technical infrastructure, public facilities and public spaces.

**Transport infrastructure.** The South Bohemian Region has its strategic location at the transport axis north-south. There is noticed the constantly increasing traffic intensity in the Region, mainly the road transport. Important international roads go through the Region. As for railway transport, although no main railway corridors go through the Region, yet there are some important railway junctions. Among the South Bohemian curiosities rank the remains of horse-drawn railway (the first one in the European continent) which connects cities České Budějovice and Linz in Upper Austria. There is also the highest situated railway station in the Czech Republic (Kubova Huť), and also the narrow-gauge railways from Jindřichův Hradec to Obrataň and Nová Bystřice. The road network ensures sufficient basic transport accessibility of municipalities, however nowadays the Region is not connected to the national motorway network. The length of A-roads is 650 kilometres, B-

roads 1,635 and C-roads 3,813 kilometres. Withing the Region there were transported 16,048,000 people, the city public transport transported 47 million people. The airport in Hosín has the international licence, the use for civil transport has been considered for the airport in Planá u Českých Budějovic, too. Postal services are provided by 220 post offices, a local post office is available approximately in one third of municipalities.

**Technical facilities.** 90 % inhabitants are supplied with water from public water mains. 86 % inhabitants live in houses connected to public sewage system. The share of sewage water which is cleaned in sewage disposal plants is 95 %. 97,609 households are gas users.

**Public facilities.** According to selection researches of labour force the share of inhabitants with university education added up to 15.0 % among the total number of people of fifteen and older in 2015, and the share of inhabitants with secondary education (including higher education) was 33.5 %. There were 312 nursery schools, 255 primary schools, 90 secondary schools, 1 conservatory, 17 higher professional schools and 4 universities in the Region in the school year 2015/2016. As for the social care, there are more than 92 long stay facilities (homes for the elderly, homes with special regime, homes for handicapped people, reception centres and sheltered homes) in the South Bohemian Region. In total there are more than 176 thousand people in the Region who receive a pension. There are 525 libraries, 41 museums and galleries and 37 sights which are open to the public in the South Bohemian Region, where the entrance fees are paid.

**Public spaces.** Public spaces are squares, roads, avenues, parks and dispersive places.

## **Example, model task**

### **You could fly around the world from the airport in South Bohemia starting the spring 2020**

The second stage of modernization commenced at the České Budějovice Planá Airport on December 12, 2017. The airport has been modernized for several years. One and half years from now, there will be a new terminal for passengers, light navigation and radio navigation and larger aircraft parking space. The costs of completion will amount to CZK 408 mil. Airplanes could start flying around the world from the South Bohemian Airport of České Budějovice in the spring 2020. Ladislav Ondřich, the Airport Manager, communicated this message to CTK (Czech News Agency) during today's opening up the last stage of modernization. “The airport has been modernized for several years. One and half years from now, we will have a new terminal for passengers, light navigation and radio

navigation and larger aircraft parking space. The costs of completion will amount to CZK 408 mil.”, stated Martina Vodičková, the airport spokesperson. The investor will be the South Bohemian Region.

The Region will grant CZK 260 mil. for completion of the airport. It will be ranked amongst the largest regional investments 2018. Next year, the Region will acquire from the army a part of the land in the lower barracks at the entrance to the site for CZK 145 mil. in order to provide back-offices for services associated with the airport operation. “The goal is to build an airport that will provide international flight service so that, for example, Boeing or Airbus aircraft can land there and build a passenger terminal. Radio navigation is also important,” Ivana Stráská (ČSSD), the South Bohemia Governor said to journalists. The general contractor is Hochtief CZ with 360 employees in the Region.

According to the airport spokesperson, the international public-use airport certification will be difficult after completion. As early as today, local experts are preparing this process and consulting with the Civil Aviation Authority. There are five public international airports with regular traffic in the Czech Republic, namely Prague, Brno, Ostrava, Pardubice and Karlovy Vary.

The South Bohemia airport is operated without light navigation and radio navigation, only available for visual flights throughout the day, and the number of take-offs and landings is moreless constant. It will be about 7000 movements this year. “The positive thing is that the number of international flights is increasing. More than 700 this year,” said Vodičková. “The modernization starting today follows on from Stage One 2010 where the Region investment amounted to CZK 110 mil.“, Radek Šíma from the Governor's Office communicated to ČTK today. Seven years ago, for example, the control tower and the administrative building were reconstructed.

Last year, the South Bohemia Airport used investment and operating subsidies exceeding CZK 14 mil. from each shareholder, namely the South Bohemian Region and the City of České Budějovice. Last year's revenues covered nearly 34 percent of the operating costs. The net turnover was CZK 42.7 mil. last year, almost a nine percent year-on-year increase. The airport's after-tax profit nearly doubled last year reaching CZK 1,66 mil.

The airport area is more than 300 hectares and it will be extended next year after the acquisition of land plots from the army. There are 120 buildings. The South Bohemia Airport has a permanent staff of 40 and another 20 external employees.

The commercial air service began in April 2006. By the end of 2016, the airport handled almost 80,000 take-offs and landings, of which more than 4000 international flights. The



airport is now licensed for non-public international service that allows to receive and handle midsize aircrafts having a wingspan of up to 36 m. For the time being, flights cannot be received in worse weather due to lack of equipment,.

The airport at Planá České Budějovice was amongst the significant Czechoslovak and later Czech air force bases after World War II. However, fighter pilots left the aerodrome, originally approved for civil service on December 13, 1937, in late 1994.

Questions:

1. How expensive is the construction of the Planá Airport?
2. What are the other international airports in the Czech Republic?
3. Who is the owner of the Planá Airport?
4. Evaluate pros and cons of this type of airport nearby a city with a population of 100,000.

## **Assignment**

Perform a SWOT analysis of the Planá Airport.

## **Literature**

### **Compulsory literature**

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15>

### **Recommended literature**

ČESKO, 2006. Zákon č. 183/2006 ze dne 14. března 2006, o územním plánování a stavebním řádu (stavební zákon). [online]. In: *Sbírka zákonů* 1. 1. 2007. [cit. 2017-12-15].

Available at:

<https://portal.gov.cz/app/zakony/zakonInfo.jsp?idBiblio=62549&nr=183~2F2006&rpp=15#local-content>

**The literature mentioned is intended only for this task, it is not a basic study material for the course**

Z Jihočeského letiště by se mohlo od jara 2020 létat do světa (You could fly around the world from the South Bohemia Airport starting the spring 2020), 2017. *České noviny (Czech News)* [online]. Prague: Česká tisková kancelář (Czech News Agency) [cit. 2017-12-14]. Available at: <http://www.ceskenoviny.cz/zpravy/z-jihoceskeho-letiste-by-se-mohlo-od-jara-2020-letat-do-sveta/1561740>

### **Control question**

1. What legislative document gives the definition of the term public infrastructure?
2. What comprises the transport infrastructure?
3. Find out how many kilometres amounts operation length of railways.
4. In the South Bohemian Region, there are navigable water routes for regular transport, too. How many kilometres?
5. What comprises the technical infrastructure?
6. Which industrial branch has the highest electricity consumption?
7. Photovoltaic power stations belong to the technical infrastructure, too. Find out their gross share of electricity production.
8. What comprises the public infrastructure?
9. What is the share of inhabitants with university education among the total number of people of fifteen and older in the South Bohemian Region
10. What comprises the public spaces?

### ***3.7 Operation of the regional self-government and its interconnection with other units. Impact of interconnection of regional self-government with other units***

#### **Key Words**

Self-government, local government, regional government, competence, organisational chart and internal structure

#### **The goals of the chapter**

In this chapter, students will understand the function of the Region as a system, its internal structure and relations with other regions of the Czech Republic.

#### **Learning Outcomes**

- 37.4 understand the operation of the Region as a system, i. e. its internal organisation and relations to other regions of the Czech Republic

#### **Abstract**

Public administration is the administration of public affairs within the society which is organised into the form of a state. It is the execution of public power in a state, which handles above all the state itself and also other subjects empowered by its execution.

**Public administration** can be divided by two aspects. According to the person that carries out the public administration it can be divided into the civil service and the self-government. The civil service is carried out by the state and its authorities. In the case of the self-government the state yields certain sectors to the non-state statutory corporations so that they administrate them by the self-governing principle. Another aspect is the geographical one, i. e. the central, regional or local administration.

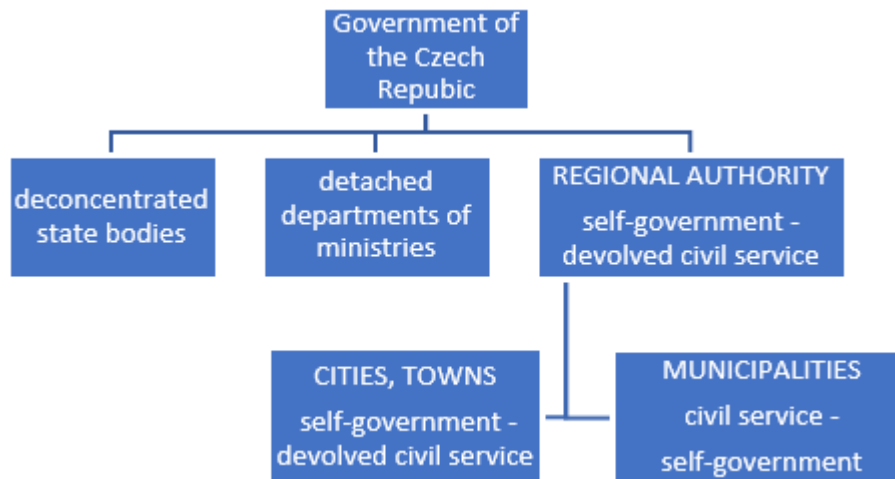
Development of the regional self-government is closely connected with the development and function of the state. Regional self-government arose either naturally – like municipalities, or artificially – at the will of the state, as a higher stage of regional self-

government at regional level involving the community of inhabitants of some municipalities with common interest of middle level in a particular area.

**Regional self-government** is a form of public government and public administration – it enables independent administrating of public matters in the region smaller than the state. Regional self-government represents the community of citizens, their interests and preferences. Decision-making is based on the public election, and it is implemented either through the direct election (e. g. referendum), when citizens themselves decide directly about essential matters in a municipality or a region, or through the indirect election (representative democracy), when the indirect elections are used through elected representatives.

Legislation, through the laws<sup>2</sup>, determines the formation and position of particular levels of regional self-government, it defines their authorities, operation, autonomy and responsibility, it regulates organisation and internal structure, it defines extent of independent and devolved authorities, it defines two-way relations between particular stages of the regional self-government and relations between the state and regional self-governments, and it defines economic conditions for operating of regional self-governments through relevant laws. See contemporary structure of public administration.

#### Contemporary structure of public administration in the Czech Republic



Source: Provazníková 2015, pp. 15

<sup>2</sup> Act No. 128/2000 Coll. On Municipalities (municipality establishment), Act No. 129/2000 Coll., on Regions (regions establishment), Act No. 131/2000 Coll., on City of Prague.

## **Example, model task**

Identify **the competence and organisational structure** of the South Bohemia authorities.

Solution:

The South Bohemian Region manages its affairs independently, so-called “independent competency”. For executing independent competency, the generally binding decrees issued by the Region comply with the law. For any other matters, the national legislation is observed. The regional authorities also carry out state administrative tasks, so-called “delegated competency” within its scope set forth by law. For executing delegated competency, the regional decrees issued by the regional authorities comply with the law and other legislation. In other cases, the governmental resolutions and directives of the central public administration are observed.

The regional authorities include: Regional Parliament, Regional Council, Governor of the Region and the Regional Authority. The Governor will set up special authorities to execute delegated competency of the Region if set forth by a special law. Committees are the initiative and supervisory authorities of the Regional Parliament and commissions are the initiative and consulting authorities of the Regional Council. The Regional Parliament has 55 elected members. They decide all matters within independent competency. Matters of delegated competency may only be decided by the Regional Parliament if stipulated by the law. The Parliament has established the following committees as their initiative and supervisory authorities: Financial Committee, Supervisory Committee, Committee for Education, Training and Employment, Economic Development Support Committee, Transport Committee, and the Rural, Farming and Environmental Committee.

The South Bohemian Regional Council headed by the Governor has 11 members. It is the executive authority for independent competency at the regional level. The Regional Council reports to the Regional Parliament for executing its competency. The Council may also decide matters of delegated competency but only if stipulated by law. The Regional Council has established its initiative and consulting authorities, namely the Health and Social Affairs Commission, Cultural Commission and Sports Commission. The Governor of the South Bohemian Region is the legal representative of the Region. The Governor summons and as a rule, chairs meetings of the Parliament and the Council and signs off the minutes of the Parliament and Council meetings together with the appointed verifiers.

The South Bohemian Regional Authority consists of the director and regional clerks employed by the Regional Authority. The Regional Authority is executing tasks of

independent competency assigned to it by the Parliament and Council, and provides support to committees and commissions. The Regional Authority is executing tasks of delegated competency, excluding matters within competency entrusted to the Parliament and the Council, or a special authority by law. The Regional Authority is headed by the director and all employees of the South Bohemian Regional Authority report to him/her. (S)he performs the function of the employer statutory authority according to special regulations and other functions entrusted by law.

## **Assignment**

Identify the internal structure of the Regional Authority. Make a diagram illustrating the organisational structure.

## **Literature**

### **Compulsory literature**

PROVAZNÍKOVÁ, R., 2015. *Financování měst, obcí a regionů: teorie a praxe. (Financing of municipalities, towns and regions: theory and practice)*. 3rd rev. ext. ed. Prague: Grada. ISBN 978-80-247-5608-0. (pp. 11-36)

**The literature mentioned is intended only for this task, it is not a basic study material for the course**

SOUTH BOHEMIAN REGION, 2017. *Organizační struktura orgánů Jihočeského kraje (Organisation structure of South Bohemian Regional Authorities)*, 2017 [online]. České Budějovice: Regional Authority of South Bohemia [cit. 2017-12-14]. Available at: [http://www.kraj-jihocesky.cz/index.php?par\[id\\_v\]=1083&par\[lang\]=CS](http://www.kraj-jihocesky.cz/index.php?par[id_v]=1083&par[lang]=CS)

## **Control questions**

1. Define the term public administration.
2. What aspects can be the public administration divided by?
3. Name the legislative which regulates operation of particular stages of regional self-government in the Czech Republic.
4. What types of territorial units in the Czech Republic do we distinguish?
5. What are the NUTS units?
6. What are the LAU units?

7. When did the European Charter of Local Self-Government come into force, what does it regulate?
8. Name two ways of development of regional self-government.
9. What two ways is the decision-making on the level of regional self-government made by?
10. Name countries with similar structure of regional self-government.

### ***3.8 The South Bohemian Region in the European Area. What is the position of the South Bohemian region on a European scale***

#### **Key Words**

European area, European Region Danube-Vltava, cross-border cooperation, strategic documents, projects

#### **The goals of the chapter**

In this chapter, students will learn to define the position of the South Bohemian Region within Europe, and describe cross-border cooperation, and analyse strategic documents.

#### **Learning Outcomes**

- 37.5 define the position of the South Bohemian Region within European area

#### **Abstract**

Foreign and external relations of the South Bohemian region are governed by Section 28 of the Act No.129 / 2000 Coll., on Regions, and the cross-border cooperation has been developed by South Bohemia since its foundation in 2001, taking into account current affairs in foreign policy.

The closest forms of cooperation are realized with the Federal Republic of Germany, the Lower Bavaria and two Länder of Austria, Upper and Lower Austria.

The partnership with these neighboring regions is the longest, very intense and has very specific tasks, which have also been implemented since 2012 also within the cross-border platform of **European region Danube-Vltava**. This represents a total of 7 regions of 3 neighboring countries working on joint projects such as economy, transport, tourism, culture, education and at the same time on strengthening the overall importance of these regions within Europe. Its aim is to develop cooperation for the good of the population living in this territory, for strengthening the region in the competition with other regions and for realization of the European idea. The activities are carried out in the form of a working community, which focuses on cooperation and further development of the partner regions in 7 prospective areas. The South Bohemian region has chosen the field of



transport as the main area. Within the knowledge platform called "Mobility, Accessibility and Transport", 33 experts jointly participate in the development of cross-border transport projects within this common region.

In addition, in 2015 a special group of co-operation called **Grémium 2 + 6** was set up, consisting of directors of the regional authorities of South Bohemia, Upper Austria, Lower Austria, the City of Vienna together with the South Moravian Region and the Vysočina Region. This working group is complemented by Ambassador of the Republic of Austria in the Czech Republic and Ambassador of the Czech Republic in Austria. The aim of this platform is to make cross-border communication more effective in accordance with powers at all levels.

Other partner regions of South Bohemia abroad include the Swiss canton of Bern, the Košice Autonomous Region or the Pays de la Loire region of France. As for more distant countries, the region has established a partnership with the Canadian town of Lethbridge, Henan Province and the city of Tianjin (People's Republic of China) or the Sverdlov region (Russian Federation). Department of External Relations and Foreign Cooperation of the office of President of the Regional Council offers the possibility of **individual subsidies** for cross-border activities of various organizations and institutions in their territory, especially municipalities, schools, non-profit organizations, universities, various societies, etc. These entities can formally apply for individual subsidies for their own activities, which are of a cross-border nature.

### **Example, model task**

Find out about the European Region Danube-Vltava and the projects supported within the cooperation framework. Propose your own cross-border project.

Solution: Task solution depends on the student's preferences, mindset and values. Example of a supported project:

### **Cross-border exploration into the secrets of metabolism**

The EU provides support for a research project between Regensburg and České Budějovice. Metabolism is the basis for all vital processes in human body. By-products, so-called metabolites are produced from metabolic processes. Some of them are already known as illness markers, others are still big secrets for the science. The team of the

Institute of Functional Genomics at the University of Regensburg together with their Czech project partners from the Biology Centre in České Budějovice are setting out to search for metabolites. It was authorised by the Monitoring Committee. During its meeting on December 13-14, 2016, the Committee decided to grant funds of the European Cross-Border Cooperation Programme “ETC (European Territorial Cooperation) Goal” to support the project of “Czech and Bavarian Metabolomics Association”.

This cooperation is based on the knowledge platform “Research & Innovations” of the European Region Danube-Vltava. The first visible result is that the „Donau-Vltava Consortium for Metabolomic Status and Health” was established. Apart from research facilities in Regensburg and České Budějovice, the University of Johann Kepler at Linz is a member of this ERDV trilateral association.

The project was managed by the knowledge platform during the two years of the preparatory stage of the “Czech and Bavarian Metabolomics Association”. Thus, the project was accompanied by the knowledge platform starting the topic definition, and finding adequate partners through financing review. In conclusion, it supported the preparation and submission of the project proposal.

The scientists from Regensburg and České Budějovice will receive more than one million EUR to explore metabolites till 2019 and develop, amongst others, technologies that would allow better diagnostics and monitoring of the development of oncological diseases and lead to reducing undesirable side effects. For this purpose, scientists will open their laboratories for their cross-border partners. Laboratory equipment provided within the project will be jointly used by Czech and Bavarian scientists. By virtue of future coordinated development of both locations and links between their present professional experience, the Czech and Bavarian Metabolomics Association becomes a valuable partner for the regional health industry. At the same, it makes the training locations of Regensburg and České Budějovice more attractive for students as well as young scientists.

## **Assignment**

Study the plan of strategies and measures for the European Region Danube-Vltava. What are the potential and perspectives of this grouping?

## Literature

### Compulsory literature

VÁCHAL, J. et al., 2016. *Jihočeský kraj v globální ekonomice*. Prague: Setoutbooks.cz. ISBN 978-80-86277-82-0. (pp. 8-23, pp. 97-84, pp. 115-168, pp. 197-222)

### Recommended literature

SOUTH BOHEMIAN REGION, 2017. *Zahraniční vztahy kraje* [online]. České Budějovice: South Bohemian Regional Authority. [cit. 2017-12-15]. Available at: [http://www.kraj-jihocesky.cz/1642/evropsky\\_region\\_dunaj\\_vltava.htm](http://www.kraj-jihocesky.cz/1642/evropsky_region_dunaj_vltava.htm)

### Resources used for the ERDV example

*Plán strategií a opatření pro Evropský region Dunaj-Vltava (Plan of Strategies and Measures for the European Region Danube-Vltava)* [online]. České Budějovice: Regionální rozvojová agentura jižních Čech (Regional Development Agency of South Bohemia), 2012 [cit. 2017-12-16]. Available at: [http://www.evropskyregion.cz/download/databanka/34\\_35\\_cs\\_201203\\_plan-strategii-a-opatreni-pro-evropsky-region\\_cz.pdf](http://www.evropskyregion.cz/download/databanka/34_35_cs_201203_plan-strategii-a-opatreni-pro-evropsky-region_cz.pdf)

*Přeshraniční zkoumání tajemství metabolismu (Cross-border exploration into the secrets of metabolism)* [online]. České Budějovice: Evropský region Dunaj Vltava (European Region Danube-Vltava), 2016 [cit. 2017-12-16]. Available at: <http://www.evropskyregion.cz/clanky/preshranicni-zkoumani-tajemstvi-metabolismu-450.html>

## Control questions

1. How is the cooperation of regions with foreign partners regulated by legislation?
2. Which countries does the South Bohemian region mostly cooperate with?
3. Describe the functioning of the European region Danube-Vltava.
4. What is the aim of the European region Danube-Vltava?
5. Which knowledge platform has South Bohemia chosen as the main area, and what is its goal?
6. What other areas are dealt with within cooperation in the European region Danube-Vltava?

7. Describe Gremium 2+6.
8. How can the region support cross-border activities?
9. Who can apply for financial support for cross-border activities?
10. Find out how South Bohemia cooperates with non-European partners.

### ***3.9 Tourism in the South Bohemian Region. How is tourism influenced by the South Bohemian Region***

#### **Key Words**

Tourism, cultural sights, number of visitors, accommodation facilities, South Bohemian Region, SWOT analysis, development concept

#### **The goals of the chapter**

The aim of the chapter is to familiarize students with South Bohemia as a touristically attractive region with many cultural and historical sights and cultural heritage.

In this chapter, students will review strategic development documents.

#### **Learning Outcomes**

- 37.5 define the position of the South Bohemian Region within European area

#### **Abstract**

**Tourism** is an important factor of economic development in South Bohemia. It has a long tradition in the region and its importance is growing. South Bohemia is considered to be one of the most attractive tourist regions in the Czech Republic. Its attractiveness is given by its location, natural wealth, and cultural and historical sights. From the aspect of seasonality of tourism, the region faces the biggest disproportions between the summer and winter months in comparison to other regions.

Statistically monitored collective **accommodation facilities** accommodated more than 1.3 million visitors, of which 31 % were foreign guests, mostly from Germany, China, Austria and the Republic of Korea. The average length of stay of one foreign visitor was 3.0 days. In addition, a number of foreign tourists arrive for one-day visits that could not be statistically monitored. The tourists mainly visit the centres near the state border. The capacity and number of guests in tourist accommodation facilities by the individual districts in 2015.

## Capacity and number of guests in tourist accommodation facilities 2015

Region	Capacity of collective accommodation facilities				Guests		Overnight stay	
	facilities	rooms	beds	seasonal	total	non-residents (out of total)	total	non-residents (out of total)
<b>South Bohemia</b>	1205	20399	58839	27525	1341912	411753	3644147	810074
<b>České Budějovice</b>	168	3499	8887	3383	260149	134142	472737	209833
<b>Český Krumlov</b>	298	4577	13335	4411	487545	204974	1175548	423639
<b>Jindřichův Hradec</b>	279	4243	12570	8239	220264	19151	786755	44720
<b>Písek</b>	87	2015	5967	3572	78158	16975	241506	45619
<b>Prachatice</b>	192	2363	7212	2750	127245	13267	421948	37662
<b>Strakonice</b>	64	1166	3698	2102	49677	3952	154864	9794
<b>Tábor</b>	117	2536	7170	3068	118874	19292	390789	38807

Source: Czech Statistical Office 2016.

**Cultural events** (festivals, funfairs) or sporting events where visitors participate as viewers can also motivate tourists to visit the region. Throughout the year, various types of **exhibition events** are held at the Exhibition Grounds in České Budějovice. The most important of these include the International Farming Exhibition "Země živitelka" and the "HOBBY" exhibition. These exhibitions are visited by approximately 250,000 visitors every year.

Historical centers of the towns of České Budějovice, Český Krumlov (listed as a **UNESCO site**), Jindřichův Hradec, Prachatice, Slavonice, Tabor and Třeboň are urban conservation areas. Furthermore, there are many historical sights in the region, such as the castle and chateau in Český Krumlov and Jindřichův Hradec, the chateaux Hluboká nad Vltavou, Orlík, Blatná, Červená Lhota and castles Zvíkov and Landštejn. The folk architecture is also important, especially the so-called "rural baroque". The most famous sights of this type include the village square in Holašovice (in the district of České Budějovice), which was included in the list of UNESCO-protected sites in 1998.

## **Example, model task**

Review **the tourism development concept of South Bohemia** and define the strengths and weaknesses of the region.

Solution:

Strengths:

- Advantageous geographic position bordering Austria and Germany,
- A wide variety of tourist destinations and attractions around the region, a comprehensive area easy to handle by tourists with its genius loci,
- Numerous natural, cultural and technical monuments, including UNESCO landmarks and protected areas, a number of nature trails, traditional folk art and folkways and folk culture,
- Protection and restoration of cultural monuments,
- High-quality environment, attractive countryside, bodies of water and water streams, conditions suitable for water tourism and bathing in naturally existing bodies of water, natural medicine resources,
- Good conditions for summer and winter holidays as well as stays outside of the high tourist season, good conditions for winter sports, water sports, water tourism, cycling, hippo tourism, agrotourism, and a large number of owners of holiday villages.

Weaknesses:

- Lack of transport infrastructure, incomplete highway network and railway corridor, lack of accompanying transport infrastructure (parking, rest stops, etc.)
- Too much seasonal visitors to the region, a lower number of visitors (even foreign) who spend their holidays in the region,
- Lack of accommodation facilities for demanding clients and for holding larger MICE tourist events,
- Lack of infrastructure for leisure activities in case of bad weather, a limited choice of supplementary services in some parts of the region,
- Low competitiveness of local winter resorts (in particular, due to lower altitudes)
- Non-coordinated regional promotion and marketing support system in the Czech republic and abroad,

- Activities of the management organisations are sometimes doubled, and roles and competencies are not clearly defined.

## Assignment

What is the current state of tourism in the Czech Republic and Europe? Explain the impact of the European tourism on the Czech Republic.

## Literature

### Compulsory literature

CZECH STATISTICAL OFFICE, 2016. *Statistická ročenka Jihočeského kraje (Annual Statistics of the South Bohemian Region)* [online]. České Budějovice: Czech Statistical Office, 2016 [cit. 2017-12-15]. Available at: <http://www.czso.cz/documents/10180/32803988/33010516.pdf/1e3e3056-d802-4953-8c52-a51f876e60f4?version=1.15>.

VÁCHAL, J. et al., 2016. *Jihočeský kraj v globální ekonomice*. Prague: Setoutbooks.cz. ISBN 978-80-86277-82-0. (pp.93-114)

### Resources used for the example of the South Bohemian tourism concept

SOUTH BOHEMIAN REGION, 2015. *Koncepce rozvoje cestovního ruchu Jihočeského kraje 2015-2020 (Tourism development concept of South Bohemia)* [online]. České Budějovice: Tourism Authority of South Bohemia, 2015 [cit. 2017-12-16]. Available at: [http://www.kraj-jihocesky.cz/1541/koncepce\\_rozvoje\\_cestovniho\\_ruchu\\_jihoceskeho\\_kraje\\_20152020.htm](http://www.kraj-jihocesky.cz/1541/koncepce_rozvoje_cestovniho_ruchu_jihoceskeho_kraje_20152020.htm)

## Control questions

1. Name the reasons why the South Bohemian region is regarded as one of the most turistically attractive regions in the Czech Republic.
2. How many guests were accommodated in the statistically monitored accommodation facilities?
3. How many percent of all tourists visiting the South Bohemian region is represented by tourists from abroad?
4. What are countries of origin of foreign tourists who visit the South Bohemian region most often?



5. Which district in the South Bohemian region has the largest capacity of accommodation facilities?
6. Which district was visited by the highest number of tourists?
7. Which district was visited by the highest number of tourists from abroad?
8. Which events, apart from visiting traditional historical and cultural sights, motivate tourists to visit the South Bohemian region?
9. Which most famous exhibition events in South Bohemia do you know?
10. What was the position of the South Bohemian Region in the average number of overnight stays in the guesthouse category in 2015 in comparison with other regions?

### ***3.10 European Regional Policy 1. Positive aspects of European regional policy***

#### **Key Words**

European Union, regional policy, programming period, EU funds, objectives, thematic areas

#### **The goals of the chapter**

In this chapter, students will understand EU funds as the essential tools of the European regional policy, and explain their applicability in practice using examples of the areas that can be supported.

#### **Learning Outcomes**

- 37.6 know basic tools of European regional policy applied in the South Bohemian Region, and appraise their concrete applicability in practice

#### **Abstract**

Thanks to its membership in the European Union in the third programming period, the Czech Republic can already participate in the EU's common policies, including economic and social cohesion. Funds may also be used by local authorities, i.e. regions, municipalities, associations of municipalities and organizations established by them.

The 2014-2020 programming period is the third period in which the European Union implements a policy of economic and social cohesion and aims to contribute through the Funds to the EU 2020 goals. **Europe 2020 strategy** (or **A strategy for smart, sustainable and inclusive growth**) is a conceptual document for EU development for the period of 2010-2020 and its priorities are as follows:

- Smart growth – developing an economy based on knowledge and innovation,
- Sustainable growth – promoting a more resource efficient, greener and more competitive economy,
- Inclusive growth – fostering a high-employment economy delivering social and territorial cohesion.

The priority areas of economic, social and territorial cohesion also emerge from this strategy. Regional policy goals in this programming period is permanent narrowing of the gap between regions, but the policy should also focus on achieving the objectives of the strategy. Two objectives and 11 thematic priority areas are set for 2014-2020.

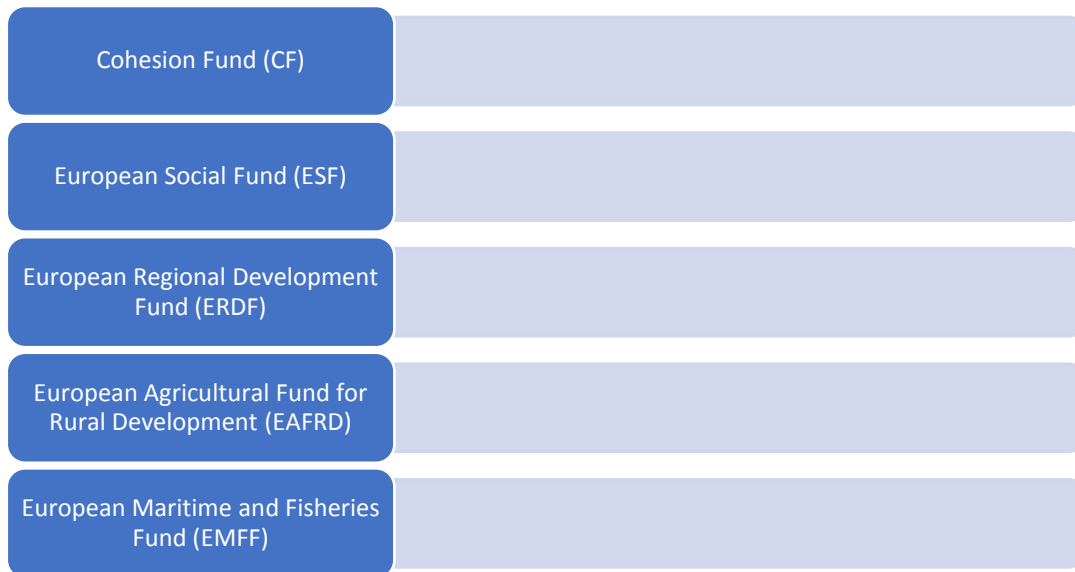
**Goal 1 - Investing for Growth and Competitiveness.** The whole of the Czech Republic falls under this objective. Support is provided through **the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund (CF).**

**Goal 2 - European Territorial Cooperation.** The whole of the Czech Republic falls under this goal as well. Support is provided through the European Regional Development Fund (ERDF), the European Social Fund (ESF), **the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).**

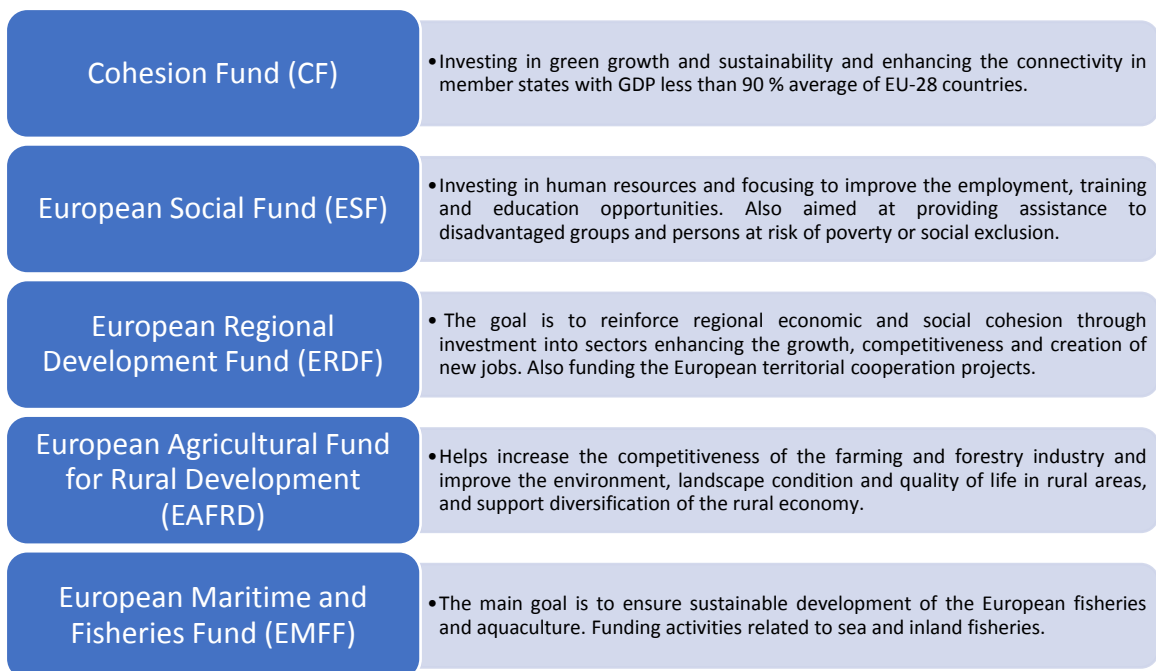
There are 11 **thematic areas** for each fund: 1. Investment in research, development and innovation for practice; 2. Developing the use of ICT; 3. Support for small and medium-sized enterprises; 4. Reducing the energy performance of the economy; 5. Limiting natural hazards, floods and environmental burdens; 6. Protection of the environment and the use of natural resources; 7. Modernization of transport infrastructure and environmentally friendly transport; 8. Increasing employment and quality workforce; 9. A functioning social system and the fight against poverty; 10. Improving the education system; 11. Quality, efficient and transparent public administration and institutions and Technical Assistance.

### **Example, model task**

EU funds cover a whole range of financial support. They are intended to promote economic growth in the EU countries. In the programming period 2014–2020, joint rules are set up for five funds, altogether forming the European structural and investment funds. They provide a funding source for programmes destined for the Czech Republic. Identify the areas that can be supported from EU funds.



**Solution:**



**Assignment**

Identify the budget allocation for specific funds in the Czech Republic.

## Literature

### Compulsory literature

PROVAZNÍKOVÁ, R., 2015. *Financování měst, obcí a regionů: teorie a praxe. (Financing of municipalities, towns and regions: theory and practice)*. 3rd rev. ext. ed. Prague: Grada. Finance (Grada). ISBN 978-80-247-5608-0.

### Recommended literature

UNION OF TOWNS AND MUNICIPALITIES OF THE CZECH REPUBLIC, 2015. *Evropské dotace: nové možnosti, příležitosti a zkušenosti měst a obcí*. Prague: Union of Towns and Municipalities of the Czech Republic. ISBN 978-80-906042-4-7. (pp. 7-9)

### Resources used for the example

MINISTERSTVO PRO MÍSTNÍ ROZVOJ (MINISTRY OF REGIONAL DEVELOPMENT), 2015. *Abeceda fondů EU (The ABCs of EU funds) 2014-2020: jak fungují evropské fondy? (What is the function of EU funds?): projekt (project): Krok za krokem (Step by Step) : kam se obrátit pro radu? (Where to ask for guidance?)*. Prague: Ministerstvo pro místní rozvoj ČR (Ministry of Regional Development of the Czech Republic), 2015. ISBN 978-80-7538-013-5. (pp. 5-65)

## Control questions

1. What is the Europe 2020 strategy and what is its content?
2. How is the current programming period defined and how many programming periods have there been for the Czech Republic in the EU?
3. Name the priorities of the Europe 2020 strategy.
4. What is the aim of regional policy?
5. What does Goal 1 of economic, social and territorial cohesion contain?
6. Which funds support Goal 1?
7. What does Goal 2 of economic, social and territorial cohesion contain?
8. Which funds support Goal 2?
9. How many thematic areas are defined for the individual funds?
10. Name the thematic areas and briefly describe the subject of their support.

## ***3.11 European regional policy 2. Negative aspects of European regional policy***

### **Key Words**

EU funds, operational programme, Partnership Agreement, European regional policy

### **The goals of the chapter**

In this chapter, students will understand the essential tools of the European regional policy applied to the South Bohemian territory, and they will be able to explain the function of the system of drawing from EU funds.

### **Learning Outcomes**

- 37.6 know basic tools of European regional policy applied in the South Bohemian Region, and appraise their concrete applicability in practice

### **Abstract**

The basic conceptual document dealing with drawing funds from **the European Structural and Investment Funds (ESIF)** for the period 2014-2020 is **the Partnership Agreement** in the area of regional development of the Czech Republic. The Partnership Agreement is a strategic document setting out objectives and priorities for the efficient use of European Structural and Investment Funds that should correspond to the Europe 2020 objectives. The Partnership Agreement analyses, on the basis of European, national and regional strategic documents, the current situation of the Czech Republic, its disparities, development needs and potential. Based on this, it defines priorities and expected results for the entire programming period.

The second level of programme documents is constituted by **operational programmes (OP)**. They are complex, multidisciplinary and contain a specific focus on the given area. They are being developed by the government of a Member State and submitted to the Commission for approval. ESI funds are allocated to these programmes, which are then implemented through specific projects. The following operational programmes have been defined for the programming period:

**Thematic Operational Programmes:** Transport OP, Integrated Regional OP, Enterprise and Innovation for Competitiveness OP, Research, Development and Education OP, Environment, Rural Development Programme OP, Employment OP, Technical Assistance OP, Prague - Growth Pole of the Czech Republic OP, Fisheries 2014 -2020 OPP.

**Cross-border cooperation programmes:** Interreg V-A Czech Republic - Poland; Interreg V-A Slovak Republic - Czech Republic; Interreg V-A Austria - Czech Republic; Cross-Border Cooperation Programme Czech Republic - Free State Bavaria EUS 2014-2020 Objective; Saxony - Czech Republic 2014 -2020.

**Transnational and interregional cooperation programmes:** Interreg CENTRAL EUROPE Transnational Cooperation Program; DANUBE Transnational Cooperation Program; ESPON 2020 Interregional Cooperation Program; INTERACT III Interregional Cooperation Program.

The economic and social cohesion policy has recently brought a territorial and urban dimension. Municipalities and regions can draw funds from thematic OPs on the basis of individual calls or newly **integrated tools**. These include: Integrated Territorial Investment (ITI), Integrated Territorial Development Plans (ITDP), Community-led Local Development (CLLD).

### **Example, model task**

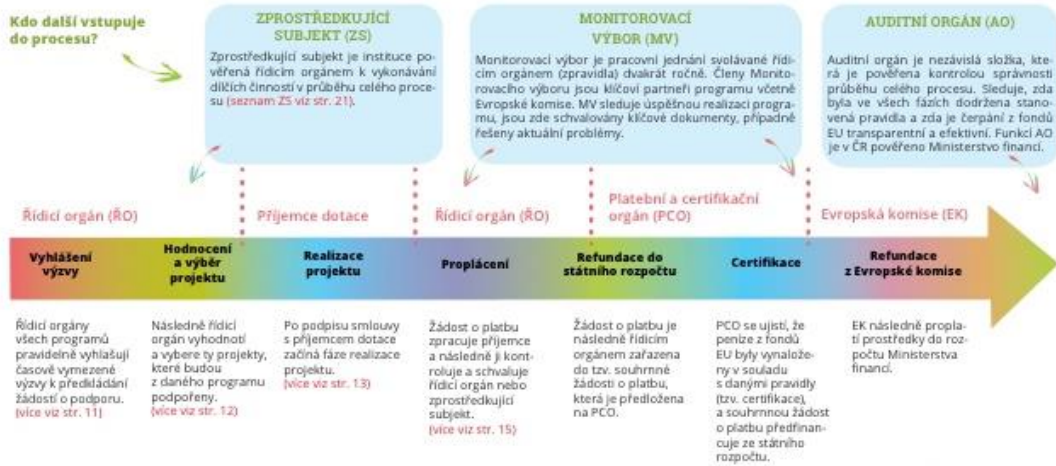
Identify the function of **the system of drawing from EU funds** and describe the individual steps.

Solution:

What is the function of the system of drawing from EU funds?

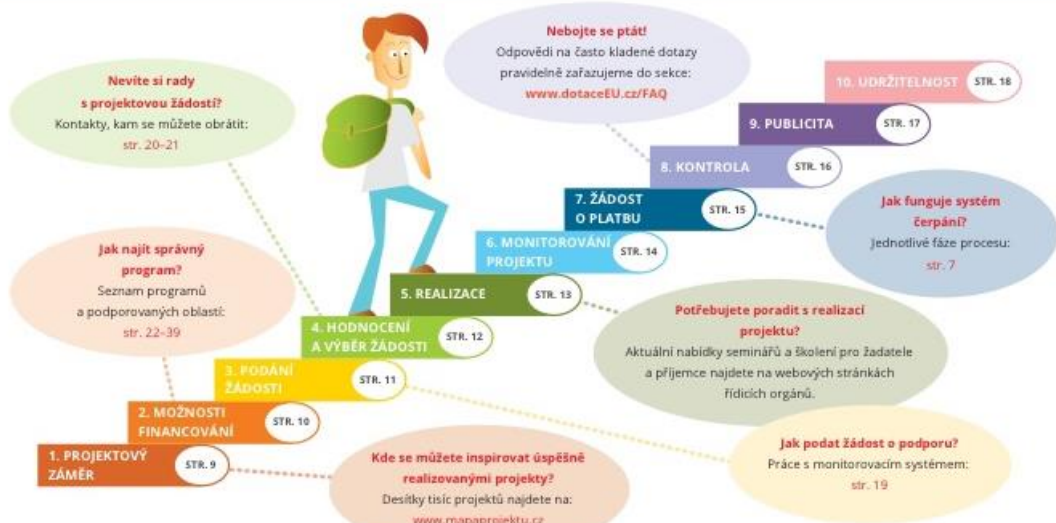
Systém čerpání prostředků z fondů EU je založen na principu předfinancování ze státního rozpočtu. To znamená, že podíl EU (až 85 %), který je určen na spolufinancování projektu, je nejprve předfinancován ze státního rozpočtu a až poté je podíl EU refundován zpět ze zdrojového účtu Platebního a certifikačního orgánu (Ministerstvo financí). Aby bylo možné podíl EU předfinancovat ze státního

rozpočtu, je nutné, aby jednotlivé řídicí orgány měly ve svém rozpočtu na daný rok dostatečné množství finančních prostředků. U některých programů je podíl spolufinancování ze zdrojů EU nižší, případně jsou pro financování projektu stanovena další specifická pravidla. Proto je třeba se o způsobu financování projektu dopředu informovat přímo v pravidlech daného programu.



Source: The ABCs of EU Funds 2014-2020, 2015

Beneficiary's way through an EU funded project



Source: The ABCs of EU Funds 2014-2020, 2015



## Assignment

In addition to the European structural and investment funds, a number of **Community programmes** are available in the period 2014–2020. Identify them as well as projects that can be funded from those programmes.

## Literature

### Compulsory literature

PROVAZNÍKOVÁ, R., 2015. *Financování měst, obcí a regionů: teorie a praxe. (Financing of municipalities, towns and regions: theory and practice)*. 3rd rev. ext. ed. Prague: Grada. ISBN 978-80-247-5608-0.

### Recommended literature

UNION OF TOWNS AND MUNICIPALITIES OF THE CZECH REPUBLIC, 2015. *Evropské dotace: nové možnosti, příležitosti a zkušenosti měst a obcí*. Prague: Union of Towns and Municipalities of the Czech Republic. ISBN 978-80-906042-4-7. (pp. 7-9)

### Resources used for the example of EU funds

MINISTERSTVO PRO MÍSTNÍ ROZVOJ (MINISTRY OF REGIONAL DEVELOPMENT), 2015. *Abeceda fondů EU (The ABCs of EU funds) 2014-2020: jak fungují evropské fondy? (What is the function of EU funds?): projekt (project): Krok za krokem (Step by Step) : kam se obrátit pro radu? (Where to ask for guidance?)*. Prague: Ministerstvo pro místní rozvoj ČR (Ministry of Regional Development of the Czech Republic). ISBN 978-80-7538-013-5. (pp. 5-15)

## Control questions

1. What is the title of the basic conceptual document dealing with drawing from the European Structural and Innovation Funds (ESIF) in 2014-2020?
2. What does this basic conceptual document analyze?
3. What is the second level of the programme documents?
4. What thematic operational programmes can be used in the 2014-2020 programming period?
5. What cross-border cooperation programmes can be used in the 2014-2020 programming period?

6. What transnational cooperation programmes can be used in the 2014-2020 programming period?
7. What interregional cooperation programmes can be used in the 2014-2020 programming period?
8. What policy is the Rural Development Program subject to and which Ministry is its governing body?
9. What policy is the Fishing OP subject to and which Ministry is its governing body?
10. From what tool can the municipalities and regions draw in the 2014-2020 programming period?

### ***3.12 Subsidy system of the South Bohemian Region 1. Preparation of a request for subsidies for particular support areas***

#### **Key Words**

Regional development strategy, global objective, region development programme, subsidy, South Bohemian Region, application for a subsidy, call for application submission, rules

#### **The goals of the chapter**

The aim of the chapter is to familiarize students with the characteristics of the main types of subsidies and transfers provided to local budgets, the criteria and disadvantages of the allocation of subsidies, and the share of individual income categories in the total income of municipalities and regions.

The aim is also to familiarize the students with the procedure for submitting grant applications.

In this chapter, students will learn how to apply for a subsidy in specific areas of intervention.

#### **Learning Outcomes**

- 37.7 prepare a request for subsidies for particular support areas

#### **Abstract**

Municipalities and regions are responsible for their activities within the scope of their autonomy and within delegation of powers as well. Funding of delegated powers is mainly provided by subsidies and administrative fees. In addition to subsidies for financing delegated powers, municipalities and regions in the Czech Republic are provided with both common subsidies (intended to finance operating needs) and capital (investment) subsidies to ensure a certain standard of provided public goods. Another method of dividing subsidies is by the way of gaining the subsidies by municipalities. If municipalities are eligible for subsidies automatically, the subsidies are claimable. If municipalities have to apply for a grant, they must meet certain criteria and they have not eligibility for subsidies automatically, the subsidies are non-claimable.

At present, the following types of subsidies are allocated to municipalities:

- **Subsidy under the State Budget Act** - municipalities are eligible for them and get them also in case of failure of the state budget;
- **Subsidy from the General Treasury Management chapter of the state budget** - this includes incomes and expenses that are not possible or economically unjustified to monitor by their sectoral destination (e.g. subsidies for elections, extraordinary subsidies, repayable financial assistance, etc.);
- **Claimable subsidies** from budget chapters of some Ministries (e.g. The Ministry of Labor and Social Affairs, the Ministry for Regional Development, etc.);
- **Subsidies from state extra-budgetary funds** - mostly purpose and capital subsidies (most often the subsidies from the State Environmental Fund);
- **Subsidies from the regions** - either within the delegated powers of the region or by reallocation of some subsidies that the regions received from the state budget;
- **Subsidies from the EU** paid from the Structural Funds and the Cohesion Fund through the National Fund.

The system of providing subsidies to municipalities has many advantages but also disadvantages. The system of providing subsidies is complicated and the conditions of subsidy provision is non-transparent, especially in the allocation of non-claimable and capital subsidies. Moreover, there are no explicitly expressed long-term rules for their provision and the disadvantage is also a large number of special-purpose subsidies, their strict billability and forfeiting the unused part of the subsidy.

### **Example, model task**

**Application for a subsidy from the South Bohemian Regional Authority.** Identify where the information is available for the current subsidy programmes and what is the application submission process.

Solution:

## South Bohemian Region Website – Subsidies, EU funds

The screenshot displays the website interface for the South Bohemian Region. At the top, there is a navigation menu with categories: JIHOČESKÝ KRAJ, SAMOSPRÁVA, KRAJSKÝ ÚŘAD, OBČAN A ÚŘADY, PODNIKATELÉ, NNO, DOTACE, FONDY EU, and INFORMACE. A search bar is located on the right. Below the navigation is a banner image of a town. The main content area is titled 'Dotace, Fondy EU' and features a section for 'Sekce informací o dotačních programech a evropských фондах'. This section includes a graphic of a 100 Euro banknote with a red arrow pointing to the right. Text in the section provides information about subsidy programs and includes a warning: 'Upozornění: Správce stránek nemůže garantovat aktuálnost a správnost informací, zveřejněných na internetových stránkách jiných subjektů.' On the right side, there is a 'RYCHLÉ ODKAZY' (Quick Links) section with icons for 'Strukturální fondy', 'Územní dimenze', 'EHP/Norsko', and 'OP Vzdělávání pro konkurenceschopnost'. A left sidebar contains various links such as 'Aktuální výzvy a informace', 'Fondy a programy EU 2014-2020', and 'Regionální stálá konference'.

Source: South Bohemian Region 2017

Information concerning subsidy programmes are published on the website of the South Bohemian Region on the tab Subsidies, EU funds – Programme subsidies of the South Bohemia Region. You will find the current calls for application submission and subsidies in the approval process, or the approved subsidies as well as summary information leaflets. For the current calls, you will always see the topic / focus, program characteristics, publication date, start date, end date, and who is in charge of the programme, and the application processing files.

## South Bohemian Region Website – Current Calls

**Aktuální výzvy - dotace Jihočeského kraje**

Dokumenty zveřejňované na této stránce jsou vkládány ve formátu PDF, případně komprimovány do archivu ZIP. Velikost souboru nepřesahuje 4 MB s výjimkou aplikace Program Filler.

Tabulka obsahuje přehled dotačních programů Jihočeského kraje, které jsou aktuální pro podávání žádostí, včetně přiložených materiálů pro zpracování žádostí.

Odkaz na stažení programu Filler (je nutné mít aktuální verzi): [program Filler \(.exe\)](#).

Tématické zaměření	Charakteristika	Termín zveřejnění	Termín vyhlášení	Termín ukončení	Kontaktní informace	Soubory ke zpracování žádosti
Podpora oprav místních komunikací	Prioritou tohoto programu je podpora obcí při zajištění oprav a rekonstrukci dopravní infrastruktury v jejich vlastnictví s cílem zlepšením jejich stavebního a dopravně technického stavu. Všeobecným cílem programu je zkusitelná zveřejnění	17.11.2017	18.12.2017	08.01.2018 do 12:00 hodin	Jihočeský kraj, oddělení administrace dotačních programů Jihočeského kraje, Informace o vyhlášeném dotačním programu: Mgr. Jan Vodíčka, tel. 386 720 157, e-mail: vodicka@kraj-jihocesky.cz, Odborné dotazy: libu@kraj-jihocesky.cz	<a href="#">Stážení el. žádosti (.fo)</a> <a href="#">Podrobnosti a tiskopisy (.zip)</a> <a href="#">Odeslání žádosti</a> <a href="#">Stav žádosti</a> <a href="#">Stáhnout odeslanou žádost</a> <a href="#">Vytisknout obálku</a>

Source: South Bohemian Region 2017

In the application processing files, the applicant will find Rules issued by the Regional Authority for each call and all the below information necessary for an application:

- Basic framework of the programme (title, justification, programme goals and priorities, the relationship of the subsidy programme with public support, and subsidy programme indicators),
- Rules of the subsidy programme (general conditions, qualified applicants, eligible and non-eligible cost information, and preparation and implementation schedule of the subsidy programme),
- Submission of project proposals (application for a subsidy, a list of mandatory schedules, the method and place of submission of the application, and the date of submission and the required documents),
- Assessment of project proposals (rules, the assessment process and procedures, and assessment and scoring criteria, and decision-making process),
- Project implementation (grant contract, payment terms, reporting, project accounting and surveillance, project sustainability, and public contracts),
- Organisation structure and program assurance,
- Schedules.

In addition to Rules, the applicant will also find a sample contract, and the process for electronic application, or a sample of the final cost accounting report when the project is complete. Each application for a subsidy will be processed in the Filler programme that can also be used for electronic submission. Then the applicant should print out the application, attach the necessary schedules, print out an envelope, and submit the printed file on the date and in the place specified by Rules, typically at the filing office of the South Bohemian Regional Authority.

## **Assignment**

Find a specific call for project proposals and create an application.

## **Literature**

### **Compulsory literature**

PROVAZNÍKOVÁ, R., 2015. *Financování měst, obcí a regionů: teorie a praxe. (Financing of municipalities, towns and regions: theory and practice)*. 3rd rev. ext. ed. Prague: Grada. ISBN 978-80-247-5608-0. (PP. 135)

### **Resources used for the example**

SOUTH BOHEMIAN REGION, 2017. *Dotace, fondy EU (Subsidies, EU funds)* [online]. České Budějovice: South Bohemian Regional Authority, 2017. [cit. 2017-12-12]. Available at: [http://www.kraj-jihocesky.cz/926/granty\\_fondy\\_eu.htm](http://www.kraj-jihocesky.cz/926/granty_fondy_eu.htm)

## **Control questions**

1. Find out what the autonomous powers and delegated powers of municipality mean.
2. What serves to finance the delegated powers of municipalities?
3. Find out about the State Budget Act for the current year and find the procedure for determining the amount of the state administration fee to individual municipalities.
4. How are purpose subsidies allocated to municipalities and regions?
5. Under what other criterion can subsidies be allocated to municipalities and regions?
6. What types of subsidies are currently provided to municipalities?

7. Give an example of a subsidy from the General Treasury Management chapter.
8. Give an example of a non-claimable subsidy from the budget chapters of some Ministries.
9. Give an example of a subsidy from state extra-budgetary funds.
10. What are the disadvantages of providing subsidies to municipalities and regions?



### ***3.13 Subsidy system of the South Bohemia Region 2. Advantages and disadvantages of the subsidy system of the South Bohemian Region***

#### **Key Words**

Regional development strategy, global objective, region development programme, subsidy, subsidies for municipalities, state administration, municipal competency

#### **The goals of the chapter**

The aim of the chapter is to familiarize students with the strategic plan of the regional development and its defined priority axes on the basis of which the region sets subsidy programmes and supports individual areas.

In this chapter, students will review the state budget law and calculate the amount of subsidy for state administration.

#### **Learning Outcomes**

- 37.7 prepare a request for subsidies for particular support areas

#### **Abstract**

The South Bohemian region in its Development Programme of the South Bohemia Region 2014-2020 sets the global goal of "achieving a territorially balanced and dynamic development in the South Bohemia region resulting in increasing overall competitiveness and innovation, improving the quality of life, and in effective and sustainable use of available resources." (Development Programme of the South Bohemia Region, pp. 15). This global objective is further elaborated on the individual priority axes and measures.

**Priority axis 1 Competitiveness of the regional labor market economy.** The objective is to improve the economic, scientific, research and innovation environment and the labor market of the South Bohemian region in order to develop the natural potential of the territory given by its historical context and development, but also by its reaction to new challenges and trends while respecting the need for a balanced development of the region and its individual parts.

**Priority Axis 2 Transport and Mobility, Technical Infrastructure.** The objective is to improve the external transport connections of the South Bohemian region, to improve and optimize the internal transport links and logistics in the region while ensuring the sustainable and quality connections to the technical infrastructure networks, which will ensure both the competitiveness of the regional economy and the better living conditions for the inhabitants and visitors to the region.

**Priority axis 3** Quality infrastructure, services, environment and cooperation to strengthen territorial cohesion aims to expand supply and improve the quality and territorial availability of the network of public and other services for inhabitants, private and public sector and visitors to South Bohemia, to strengthen all forms of development cooperation and communication at local, regional and cross-border level, all with a flexible and further streamlined performance of public administration and active civic sector activity.

**Priority axis 4 Environmental sustainability and cohesion of the region** should ensure and further strengthen the internal environmental cohesion and sustainability of the development of the South Bohemian region, the objectives being achieved through the protection of natural values in the region in their peaceful use and implementation of other activities and objectives of the development programme of the region.

**Priority axis 5 Utilization of the potential of natural, cultural and historical heritage for the development of tourism** should ensure a balanced development of tourism, including spa and wellness, in South Bohemia as important sectors of the regional economy. This will be based on the careful use of the natural, historical and cultural heritage and improving the quality of services, promotion, cooperation and human resources while respecting interests and values of sustainable development.

### **Example, model task**

**Calculate a subsidy for state administration within the municipal competency.** Identify the total amount of the subsidy for an ABC city with the below parameters:

- Total population of 12,898,
- Registration district population of 19,062.

Solution:

The amount of subsidy for municipalities with extended competency will be determined as a sum of the amounts calculated according to Formula 1 and Formula 2.

Formula 1

$$P_1 = \frac{B}{A + \sqrt{SO}} * SO$$

Formula 2

$$P_2 = C * \left(1 - \frac{SC}{SO}\right) * SO$$

where A, B, C are the coefficients set under the Act no. 457/2016 Coll., on the Czech Republic state budget for the year 2017

SO is the number of population

SC is the number of population of the administration centre

A subsidy calculated according to criterion 1:

For the basic competency

$$P_1 = \frac{1492352.406}{37.33282499 + \sqrt{12898/1000}} * \frac{12898}{1000} = 470341.499 \text{ CZK}$$

For the Registry Office

$$P_1 = \frac{6129265.023}{178.0247648 + \sqrt{19062/1000}} * \frac{19062}{1000} = 640\,580.953 \text{ CZK}$$

The total of CZK 1110922.452.

A subsidy calculated according to criterion 2:

City population (SC): 12,898

Registration district population (SO): 19,062

$$P_2 = 5139.847748 * \left(1 - \frac{12898}{19062}\right) * 19062 = 31682.026 \text{ CZK}$$

**The total subsidy for the ABC city amounts to CZK 1142604.478.**

## Assignment

**Calculate a subsidy for state administration within the municipal competency.** Identify the total amount of the subsidy for a DEF city with the below parameters

- Total population of 522,248
- Registration district population 619,062.

## Literature

### Compulsory literature

PROVAZNÍKOVÁ, R., 2015. *Financování měst, obcí a regionů: teorie a praxe. (Financing of municipalities, towns and regions: theory and practice)*. 3rd rev. ext. ed. Prague: Grada. ISBN 978-80-247-5608-0. (pp. 135-145)

### Recommended literature

SOUTH BOHEMIAN REGION, 2014. *Program rozvoje Jihočeského kraje 2014-2020* [online]. České Budějovice: South Bohemian Regional Authority, 2014 [cit. 2017-12-16]. Available at: [http://www.kraj-0jihocesky.cz/1598/programme\\_rozvoje\\_jihoceskeho\\_kraje\\_2014\\_8211\\_2020.htm](http://www.kraj-0jihocesky.cz/1598/programme_rozvoje_jihoceskeho_kraje_2014_8211_2020.htm)

### Resources used for the example

CZECH REPUBLIC, Act no. 23/2017 of 17 January 2017, on budget responsibility rules. [online]. In: *Collection of Laws* 21. 2. 2017. [cit. 2017-12-15]. Available at: <https://www.zakonyprolidi.cz/cs/2017-23>

## Control questions

1. What is the Development Programme of the South Bohemia Region?
2. What is the structure of the Development Programme of the South Bohemia Region?
3. What global objective was set by the South Bohemian region for 2014-2020?
4. What is the aim of Priority axis 1?
5. What is the aim of Priority axis 2?
6. What is the aim of Priority axis 3?
7. What is the aim of Priority axis 4?
8. What is the aim of Priority axis 5?
9. What is the connection of the Development Programme of the South Bohemia Region to other strategic documents of the Czech Republic?
10. Who develops the Development Programme of the South Bohemia Region?