## **Abstract**

European funds are a key instrument for reducing economic and social disparities between Member States and regions of the European Union. Municipalities in the Czech Republic have the opportunity to use these funds to finance important development projects that would otherwise be impossible to implement due to a lack of their own financial resources. The focus of this thesis is to analyse the ways in which small towns in the Czech Republic acquire the knowledge needed to successfully draw on European funds and how they are able to learn in this area. The research focuses on small towns ranging from 3,000 to 15,000 inhabitants, with a time frame of the last 10 years, i.e. the 2014-2020 programming period and the already current period starting in 2021. The theoretical framework of the thesis is based on the theory of learning regions, which considers knowledge and the ability to learn as the main source of competitiveness. The methodology of the thesis is based on grounded theory, through which the data are coded and then the own theoretical findings are created. The main methods used in the research are a questionnaire survey and interviews with municipal representatives.