



**Expert evaluation network  
delivering policy analysis on the  
performance of Cohesion policy 2007-2013  
Year 3 – 2013**

**Task 2: Country Report on Achievements of  
Cohesion policy**

**Slovakia**

**Version: Final**

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**A report to the European Commission  
Directorate-General Regional Policy**

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## List of abbreviations

- CBC           Cross border cooperation
- EC            European Commission
- EIA           Environmental impact assessment
- EIB           European Investment Bank
- FEI           Financial Engineering Instrument
- JEREMIE      Joint European Resources for Micro to Medium Enterprises
- MA            Managing Authority
- NSRF         National Strategic Reference Framework
- OP            Operational Programme
- OP CaEG      Operational Programme Competitiveness And Economic Growth
- OP R&D      Operational Programme Research And Development
- OP H         Operational Programme Health
- OPIS         Operational Programme Informatisation Of Society
- p.p.          Percentage points
- PA            Priority Axis
- ROP          Regional Operational Programme
- SGDF         Slovak Guarantee and Development Fund

## Executive summary

The economic recession affected all Slovak regions and resulted in increases in unemployment rates especially in the first two years following the outbreak of the financial and economic crisis. In 2011, the unemployment rate recorded a temporary decrease, but grew again in 2012. The economic recovery in 2010-2012 was driven by external demand and gross capital formation. The recovery of production in export oriented industries (automotive, electronics) has not been accompanied by rapid employment growth and resulted in a substantial increase of labour productivity. The macroeconomic policy carried out in 2012 and 2013 is focused primarily on the reduction of the general government deficit and consolidation of public finance. The consolidation of public finance did not reduce the volume of financial assistance available for regional development (e.g. co-financing of Cohesion policy projects). Given the nature of regional disparities in Slovakia, there have been only minor changes in economic development of regions in 2012.

At present the Cohesion policy is providing significant amount of financial resources which help to offset the domestic budgetary constraints, especially in the area of R&D, healthcare, transport infrastructure, enterprise support and territorial development. Although there is no evidence (e.g. impact evaluations, scientific papers etc.) to provide detailed information on the effects of this expenditure, it can be concluded that the Cohesion policy helped to maintain public investment despite the decrease of capital expenditure of the state budget in the recent years. There is no hard evidence (impact evaluations, scientific papers) that the ERDF support helped to overcome the constraints on SMEs financing. The progress made in 2013 in partial launching of JEREMIE should further improve the access to loans for SMEs.

By the end of 2012, the rate of financial implementation reached 38.57%, which represented a 13.55% annual increase. During the first eight months of 2013, the rate of financial implementation has accelerated in Operational Programmes (OPs) which were already performing well at the end of 2012. Although the commitments increased in all OPs, the rate of financial implementation has slowed down by the end of August 2013 and was equal to only 5.6 percentage points. Since 2010, the government adopted many strategic documents to accelerate the. However, the actual implementation at the end of 2012 and even in 2013 shows, that they have been only partially effective. The development in this programming period shows that the respective domestic regulations and procedures linked to programming, implementation, monitoring and evaluation have not been optimally designed.

Nevertheless, the progress in implementation allows some general conclusions on the effects of interventions. The most significant progress has been achieved in the field of enterprise support and RTDI, territorial development (health infrastructure, public education infrastructure), environment and transport. The support for R&D is providing a significant volume of financial resources, which is reflected in the increasing share of R&D expenditure on GDP and helps to improve the R&D potential of the economy. The reconstruction of roads has contributed to better quality of the local and interregional infrastructure. Similarly, the investments in motorways and expressways have improved the quality and density of existing infrastructure; however the building of these types of roads is extremely slow and protracted by problems related to public procurement and influence of political cycle. New water treatment plants,

sewer networks, drinking water supply lines have been constructed and the energy efficiency of public buildings has been significantly improved. The investments to public infrastructure are increasing the energy efficiency and reducing CO<sub>2</sub> emissions. The projects financed from OP Health (OP H) are improving the quality of hospitals and accessibility of healthcare. The investments into information and telecommunication technologies are increasing the quality of education and providing students with latest ICT technology. However, the programmes related to eGovernment services are still being implemented and do not provide services for the citizens.

There have not been any changes in the strategy for evaluation since the drafting of the 2012 report. The system remains the same, without any significant changes or improvements. The Managing Authorities (MAs) are setting their own evaluation plans, however they are only indicative and have been subject to changes during this programming period. With the exception of strategic evaluation of OP Competitiveness and Economic Growth (CaEG) and one evaluation in OP Informatisation of Society (IS), most of the evaluations carried out in 2012 were focused on internal procedures and fine-tuning of indicators. These types of evaluations are usually using evaluation questionnaires to identify the existing bottlenecks and deficiencies and give concrete recommendations to MAs. Generally, there is a lack of high quality impact evaluations. The strategic evaluations of the respective OPs conclude that the OPs have contributed to the objectives of the National Strategic Reference Framework (NSRF), Europe 2020 and National Reform Programme; however, the evidence is based mainly on the value of the physical indicators (core and non-core) reported by the managing authorities. It can only be expected that with the progress in the physical and financial implementation in the last years of this programming period the demand for evaluations focused on actual achievements will grow.

The challenges for Cohesion policy mentioned in the previous reports are still very relevant for the remainder of the present period. Although the government was able to negotiate an exemption from the n+2 rule for the 2011 and 2012 allocations and postponed the danger of losing the allocations, the actual progress in financial implementation suggests that the economy will not be able to absorb the whole financial allocation for 2007–2013.

## 1. The socio-economic context

Main points from the previous country report:

- The regional disparities in Slovakia are basically characterised by a significant west – east and north – south divide with the Bratislava region being the most developed one in terms of GDP per capita in PPS.
- The main factors underlying the existing regional disparities in Slovakia are the following:
  - Lack of high quality transport infrastructure, weak regional interconnections and accessibility.
  - Weaknesses/limited capacity of national, regional and local public administration.
  - Low inter-regional as well as intra-regional mobility of labour force.
  - Difficult access to affordable housing in areas providing employment opportunities.
  - Environmental burdens related to previous heavy industrial activity.
  - Low level of economic development in border regions, especially in the east and south of Slovakia – proximity to low developed regions of Ukraine, Poland and Hungary.
  - Restructuring of “traditional” industry sectors in some regions.
  - Low development of human capital (education attainment, entrepreneurial spirit).

The economic development in the crisis and post-crisis years is characterised by the following trends:

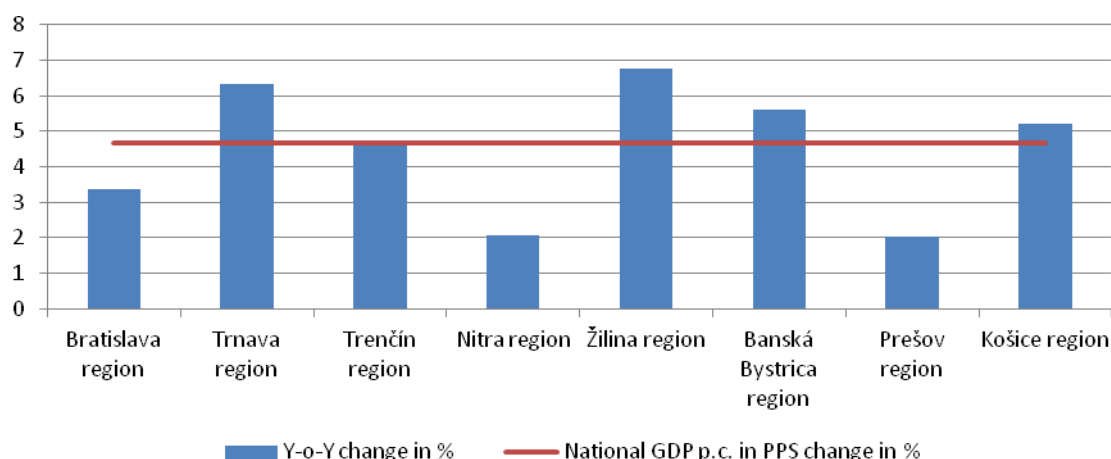
- There was a slight convergence among the regions in terms of GDP per capita in PPS, however the economic recession slowed or stalled this catching up.
- The economic recession affected all Slovak regions and resulted in increases in unemployment rates especially in 2009 and 2010. In 2011, the unemployment rate recorded a temporary decrease, but grew again in 2012.
- The economic recovery in 2010-2012 was driven by external demand and gross capital formation. The recovery of production in export oriented industries (automotive, electronics) has not been accompanied by rapid employment growth and resulted in a substantial increase of labour productivity. The macroeconomic policy carried out in 2012 and 2013 is focused primarily on the reduction of the general government deficit. With the help of Structural Funds the (un)employment of young people is being addressed.

### Developments since the 2012 report

Given the nature of regional disparities in Slovakia, there have been only minor changes in economic development of regions in 2012. The latest Eurostat data on regional GDP in PPS show that in 2010 the values of the disparity indicators (see Table 1) changed only slightly, however the positive development in Disparity 1 (ratio of GDP per capita PPS of the best performing region Bratislava region relative to the worst performing region Prešov region) reversed and again grew by 0.06 points. In 2010 the growth of GDP per capita in PPS in was above the national average (4.7%) in Trnava region with (6.4%), in Žilina region (6.8%) due to the increasing production of the automotive industries located in these regions. The regions of

Banská Bystrica and Košice recorded also and above national average growth of GDP. The rest of the regions recorded a below average annual decrease of GDP per capita in PPS, especially Prešov region and Nitra region (Figure 1). It can be expected, that due to general decrease of economic growth in 2011 – 2012 the convergence among regions will remain slow.

**Figure 1 – Annual growth of regional GDP per capita volume in PPS in 2010 (Y-o-Y in %)**



Source: Eurostat (2013), own calculations.

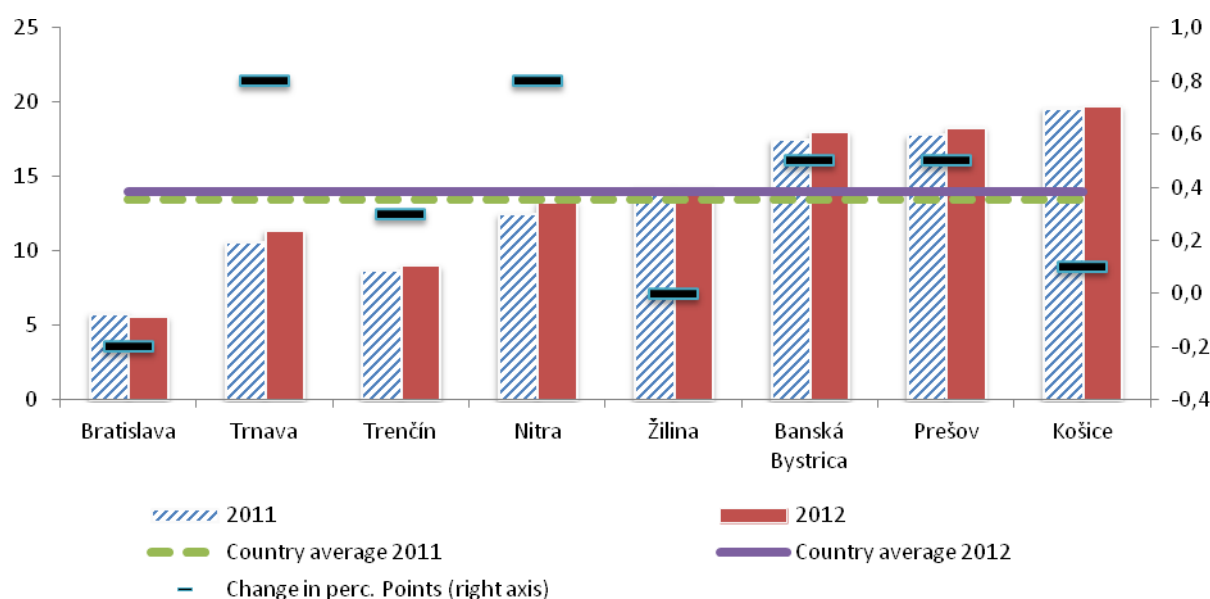
**Table 1 – Development of regional disparities in 2002 – 2010**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Disparity 1	3.62	3.69	3.77	4.11	4.26	4.30	3.91	4.21	4.27
Disparity 2	1.61	1.71	1.76	1.83	2.22	2.19	1.94	1.91	1.99
Disparity 3	0.62	0.61	0.60	0.59	0.55	0.55	0.59	0.58	0.56
Disparity 4	2.25	2.24	2.27	2.44	2.33	2.37	2.31	2.44	2.41

Source: Eurostat (2013), own calculations, Note: Disparity 1 – ratio of GDP per capita PPS of the best performing region (Bratislava region) relative to the worst performing region (Prešovský region), Disparity 2 – ratio of GDP per capita PPS of the second best performing region (Trnavský region) relative to the worst performing region (Prešovský region), Disparity 3 – ratio of GDP per capita PPS of the worst performing region (Prešovský region) relative to GDP per capita of Slovakia, Disparity 4 – ratio of GDP per capita PPS of the best performing region (Bratislava region) relative to GDP per capita of Slovakia.

Slovakia ranks among the EU countries with the highest long-term unemployment rate at 9.4% (third highest value in the EU).

In 2012 the unemployment rate declined only in Bratislava region and remained the same in Žilina region. The rest of the Slovak regions recorded an increase from 0.1 percentage points in Košice region to 0.8 percentage points in Trnava region and Nitra region (Figure 2). The already high values of unemployment rate are even worse when we take a look at the structure of the unemployed persons.

**Figure 2 - Unemployment rate in 2011 and 2012 (NUTS III level)**

Source: Statistical Office of Slovakia (2013), own calculations.

The consolidation of public finance did not reduce the volume of financial assistance available for regional development (e.g. co-financing of Cohesion policy projects). Similarly as in previous years, under the existing budgetary constraints and consolidation efforts, the Cohesion policy support represents the majority of public investments in Slovakia (e.g. transport and environmental infrastructure, healthcare, research and development, SME support, labour market policies aimed at young people etc.).

Since the beginning of the programming period, the objectives of the NSRF or OPs have not been significantly modified, although the initiative of the European Commission (EC) to address the unemployment and SMEs support have been taken into account by reallocation of financial resources between OPs. Moreover, several revisions of OPs have been carried out during the present programming period focused mainly on reallocation of financial resources among the existing priority axes (PAs) and in small proportion among individual OPs (see previous reports). At present the attention of the government is focused on spending the existing allocations and fulfilling the n+3 (n+2) rule.

## 2. The regional development policy pursued, the EU contribution to this and policy achievements over the period

### The regional development policy pursued

Main points from the previous country report:

- The regional policy in Slovakia in the current programming period is set out in the NSRF and in other relevant national strategic documents<sup>1</sup>. It has three strategic priorities: the development of infrastructure and regional accessibility, the knowledge economy and human resources.
- It covers 7 regions in the Convergence objective, 1 region in the Competitiveness objective and is carried out in the framework of eleven OPs.
- The priorities under the Competitiveness objective in the Bratislava region are to develop knowledge-based activities (education, support for R&D, for building R&D infrastructure and knowledge transfer, innovation and technology transfers and ICT) and infrastructure building (regeneration of towns and cities and regional and urban transport). The measures funded by the Cohesion Fund in the Bratislava region are covering environmental projects in the framework of OP Environment and also OP Transport (complementarity between OP Transport and OP Bratislava region in building roads TEN-T, rail and intermodal transport).
- The regions under the Convergence Objective (seven NUTS III regions) are eligible for support to the enterprise environment, healthcare, transport infrastructure, education, ICT, R&D, the environment and energy as well as territorial development, with substantially larger financial allocation than Bratislava.
- The financial engineering instruments (FEIs) JEREMIE and JESSICA are under preparation: their implementation started in 2012.
- The main measures under the Cross Border Cooperation (CBC) Objective are directed at the labour market, education, cultural activities, tourism, infrastructure and SME cooperation. Besides cross border programmes, the following projects are being carried out in the field of territorial cooperation:
  - Programme of interregional territorial cooperation – INTERREG IVC.
  - Programme of transnational territorial cooperation– Central Europe a Southeast Europe.
  - Programme INTERACT II.
- The implementation of policy at a regional level (NUTS III) is based on individual Regional Strategies of Economic and Social Development covering the present programming period. The strategies are linked to the priorities of NSRF.

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<sup>1</sup> National Strategy of Regional Development.

<http://www.build.gov.sk/mvrrsr/source/news/files/003994a.pdf>

Strategy of Spatial Development <http://www.build.gov.sk/mvrrsr/index.php?id=1&cat=222>. National Innovation Strategy [www.economy.gov.sk/inovacna-strategia-sr.../127886s](http://www.economy.gov.sk/inovacna-strategia-sr.../127886s)



## Developments since the 2012 report

The majority of revisions have been carried out in previous years. Besides the modification mentioned in the 2012 report, the EC approved the following revision:

- The revision of PA 4 of the OP Transport in 2013 – Infrastructure of integrated transport systems - due to insufficient progress in implementation. The revision of the OP will provide financial sources for modernisation of tramways in Bratislava as well the purchase of new public transportation vehicles in Bratislava and Košice. The main reason for the reallocations is the cancellation of the aim of the PA4 to expand the railway from Bratislava – Petržalka to Bratislava – Predmestie. The project has been evaluated as financially unfeasible.

The revision of the OP Environment in 2012 (not yet approved by the EC) includes the following changes:

- Reallocation of EUR 83.1 million from PA4 to PA1.
- Reallocation in the PA1 EUR 26.8 million from Management and distribution of water (drink water) and EUR 3.3 million from Other measures to preserve the environment and prevent risks to Water treatment (waste water).

The main reasons for the reallocations are:

- Mitigate the existing deficit of disposable public funding in the area of waste water treatment and fulfilment of obligations of the Accession Treaty of Slovakia to the EU;
- Avoid possible financial sanctions for failing to meet the obligations in the area of waste water treatment;
- Prevent the loss of financial allocations in PA 4 - Waste management.

At present the Cohesion policy is providing significant amount of financial resources which help to offset the domestic budgetary constraints, especially in the area of R&D, healthcare, transport infrastructure, enterprise support and territorial development. Although there is no hard evidence (e.g. evaluations, scientific papers etc.) to provide detailed information on the effect of this expenditure, it can be concluded that the Cohesion policy helped to maintain public investment levels despite the decrease of capital expenditure of the state budget in the recent years.

There is no hard evidence (impact evaluations, scientific papers) that the ERDF support helped to overcome the constraints on SMEs financing. The progress made in 2013 in launching the First Loss Portfolio Guarantee instrument under JEREMIE should further improve the access to loans for SMEs. The number of supported SMEs and the reported values of physical indicators suggest that the ERDF support partially helped to offset the negative effects of the credit squeeze and helped to maintain at least in some sectors (e.g. construction related to projects financed by the Regional Operational Programme - ROP) the employment levels.

During the present programming period, there was not an increase in the EU co-financing rate. However, the government was able to negotiate an exception from the n+2 rule from 2011 and 2012 allocations.

## Policy implementation

Main points from the previous country report:

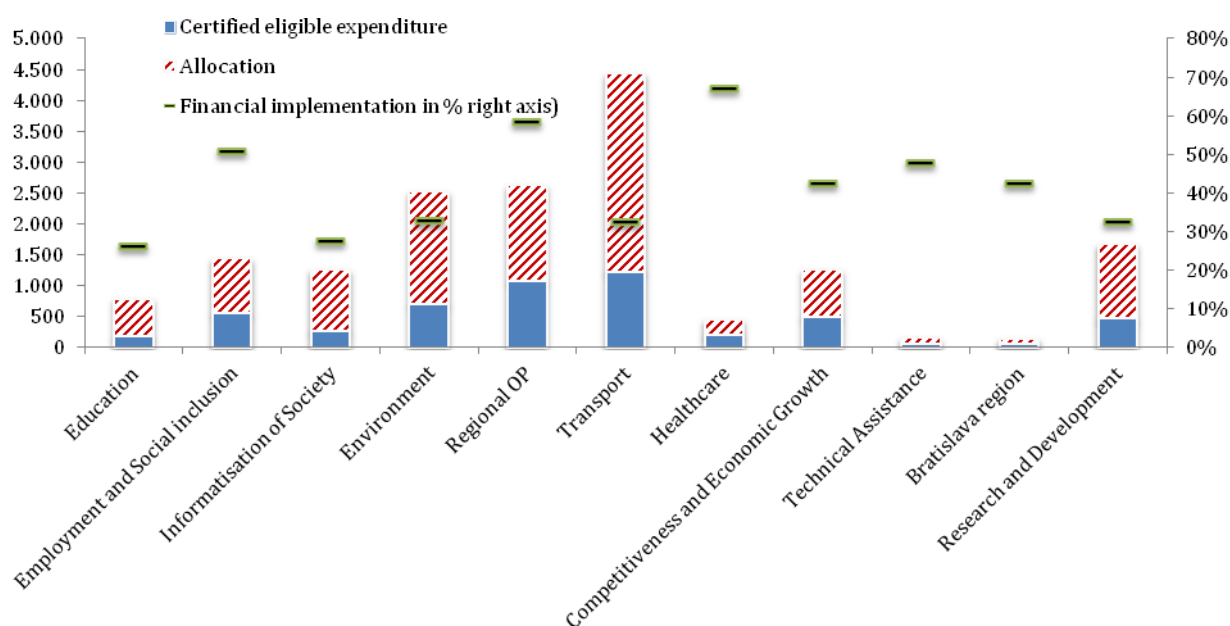
- Despite the difficulties in the beginning of the programming period, the rate of implementation of OPs has been steadily accelerating in the last years.
- Most of the programmes are being gradually implemented, although some PAs are still not performing well.
- The institutional framework and the political cycle are one of the most important factors which influenced the implementation.

### Developments since the 2012 report

By the end of 2012, the rate of financial implementation reached 38.6%, which represented a 13.6% annual increase (Figure 3). The main reasons for delays in implementing the OPs were already mentioned in previous reports.

The highest increase was recorded in the OP H (24.6p.p.) followed by ROP (19.87 p.p.), the OP Information Society (OPIS) (18.27 p.p.), OP Employment and Social Inclusion (16.03 p.p.), OP Environment (13.94 p.p.), OP Education (12.67 p.p.), OP Bratislava region (11.8 p.p.), OP Transport (9.2 p.p.) and OP CaEG (4.56 p.p.).

**Figure 3 – Financial implementation of Structural Funds and Cohesion Fund in the programming period 2007 – 2013 (Convergence and Competitiveness Objective) at the end of 2012**



Source: own calculation based on [www.nsrr.sk](http://www.nsrr.sk)

During the first eight months of 2013, the rate of financial implementation has accelerated in OPs which were already performing well at the end of 2012. Although the commitments increased basically in all OPs, the rate of financial implementation has slowed down (Table 2) and by the end of August 2013, the annual rate of financial implementation lost momentum and was equal to 5.6 percentage points only.

**Table 2 – Commitments and FI of Structural Funds and Cohesion Fund at the end of August 2013**

OP	Commitments in %	Financial implementation in %	Increase in financial implementation since the end of 2012
Informatisatio of Society	87.3	32.2	4.8
Competitiveness and Economic Growth	64.4	46.0	3.7
Research and Development	98.9	40.6	8.4
Education	108.0	30.7	4.7
Environment	85.1	40.5	7.6
Bratislava region	80.5	49.6	7.3
Transport	76.9	35.0	2.6
Technical Assistance	86.7	51.8	4.0
Employment and Social Inclusion	97.8	79.4	28.8
Healthcare	97.8	79.4	12.3
ROP	86.1	66.4	7.9
Total	84.7	44.2	5.6

Source: own calculations based on [www.nsrr.sk](http://www.nsrr.sk)<sup>2</sup>.

In order to improve the overall financial implementation, the Central Coordination Authority and the MAs have elaborated several documents in the last years. However, the evidence suggests that measures included in the documents have been only partially effective and are linked to specific OPs. Furthermore, it is important to assess if the institutional change implemented in 2013, which shifted the competences of the Central Coordination Authority from Ministry of Transport, Construction and Regional Development to the Government Office of Slovakia helped to speed up the implementation. According to our opinion, the institutional instability and shifting of competences experienced during this programming period was an important negative factor which did not contribute to effective implementation. Furthermore, the problems related to public procurement, fluctuation of administrative capacities, excessive administrative burden, political cycle, large number of OPs and difficulties in co-financing are the main factors which contributed to delays in implementing the programmes.

In OPs which were traditionally lagging-behind, a crisis management has been implemented (e.g. in OP IS, where the MA with the EC closely cooperates to speed-up the implementation). Furthermore, the government entered into discussion with the EC with the objective negotiate and exception to the (n+2) for 2011 and 2012. These efforts of the government are clear evidence that there are serious problems in some of the OPs (e.g. OPIS, OP Education, OP Transport). Furthermore, it leads to the conclusion that despite the high level of commitments, the planned expenditure will fall short or that the political pressure to carry out the expenditure will lead to sub-optimal spending at the end of the programming period.

Since 2010, the government adopted many strategic documents to accelerate the implementation (the full list of the measures can be found in the previous country reports). The actual implementation at the end of 2012 and even in 2013 shows, that they have been only

<sup>2</sup> [http://www.nsrr.sk/download.php?FNAME=1348488929.upl&ANAME=Mon\\_tab-12-8-31SK.xls](http://www.nsrr.sk/download.php?FNAME=1348488929.upl&ANAME=Mon_tab-12-8-31SK.xls)

partially effective. The previous country reports stated that, the problems related to implementation of the programmes are of systemic nature and cannot be easily solved. The progress in implementation shows that the respective domestic regulations and procedures linked to programming, implementation, monitoring and evaluation have not been optimally designed. Furthermore, the lack of experience and resources for co-financing of the final beneficiaries with Cohesion policy programmes also negatively affected the implementation.

### **Achievements of the programmes so far**

Main findings from the previous country report:

- Substantial increase of financial implementation and reporting of results across all OPs.
- The OPs which recorded progress in 2010, performed well also in 2011.

### **Developments since the 2012 report**

#### **Enterprise support and RTDI**

##### *OP CaEG*

Support carried out in the PA 1 – “Innovation and Growth of Competitiveness” is focused on introducing innovative technologies in production, expanding productive capacity and supporting enterprises in various industrial branches. The number of projects in implementation and number of contracted projects has increased since the end of 2011. At the end of 2012, a total of 456 projects were contracted, and 345 projects were finished.

The already finished projects created additional 1,517 jobs (930 men, 587 women) and SMEs reported an increase of value added by 173.1%. In financial terms, the volume of finished projects amounted to EUR 154.5 million and the volume of contracted projects amounted to EUR 394.8 million at the end of 2012.

The FEI JEREMIE has been launched with the signing of the contract between three major commercial banks (the participation of the largest bank in Slovakia is still being negotiated), the Slovak Guarantee and Development Fund (SGDF) and the European Investment Bank (EIB) in April 2013. Based on this contract the banks will be able to provide loans (First Loss Portfolio Guarantee Instrument) up to EUR 170 million for SMEs. The banks will be providing loans over the course of the next two years, with the loan products targeting all regions in Slovakia except for Bratislava.

The launch of the second financial instrument – The Portfolio Risk Sharing Loan – is delayed due to ongoing tendering procedures.

The reallocation of financial resources to OP CaEG in last year provided additional EUR 200 million for programmes focused on employment of young people. The average cost for employing young people reached EUR 100,000 and created approximately 2000 new jobs. The support is provided in the framework of de minimis and state aid schemes, with different level of co-financing based on the size of the supported SME. The new jobs need to be sustained for 3 years in the case of de minimis support and 5 years in case of stated aid support. To date, most of the jobs created in wood and plastic industry, as well as waste management.

### *OP Research and Development (OP R&D)*

The OP R&D is supporting regions under the Convergence and Competitiveness objective. At the end of 2012, the financial implementation reached 32.3%.

In the PA2 – Support for R&D, 30 projects were finished and 232 projects were contracted. In financial terms the total allocation for contracted projects reached EUR 393 million. The implementation of this PA resulted in an increase in the number of collaborative research projects, connecting the R&D and the enterprise sector, which grew from 215 to 242 at the end of 2012. The number of researchers benefiting from support reached 1,696.

The projects in this priority axis focused on centres of excellence, competence centres, R&D centres in the field of biomedicine, biotechnology, ICT, materials, nanotechnology and industrial technology have the potential to increase the competitiveness of the Slovak economy, reduction of regional disparities and creation of new innovative enterprises in the long run.

In the Bratislava region the implementation of PA 4 – Support for R&D is financing activities with the aim to increase competitiveness, reduce regional disparities, support new innovative SMEs and create new jobs. At the end of 2012, 14 projects were finished and 112 projects were contracted. In financial terms the volume of contracted projects reached EUR 198.4 million and the volume of finished projects reached EUR 14.2 million.

In PA 5 – Higher Education Infrastructure focused on modernisation of physical and ICT infrastructure in universities - 60 projects are contracted and 24 projects have already been finished. In financial terms the volume of contracted projects reached EUR 265.5 million and the volume of finished projects reached EUR 104 million.

Besides demand oriented projects, two national projects are still being implemented:

- National Information System for R&D Support which provides general access to electronic information sources (e.g. ProQuest Central, Knovel, ScienceDirect, Scopus, SpringerLink, and Web of Science) for universities and the Slovak Academy of Sciences and
- Slovak Infrastructure for Supercomputing (e.g. grid computing infrastructure, and installation of supercomputer AUREL)
- Datacentre for R&D
- National Infrastructure for Support of Technology Transfer (NIIT).

The main difficulties in implementing R&D projects have been described in the previous reports and are linked to bureaucratic procedures, mistakes in the submitted proposals of applicants (related to budgetary issues of the projects), lack of administrative capacities and existing bureaucratic burden related to projects in implementation.

### *OP IS*

Since the start of the present programming period the implementation of OPIS has been problematic. The main factors influencing the delays in implementation are linked to changes in already approved (contracted) projects related to eGovernment services, audit and reassessment of already approved projects by the changing government and the general complexity of legislation related to implementation of eGovernment services.

In PA 1 - Connectivity and e-government, the volume of contracted projects reached EUR 577.9 million covering 34 projects, none of them was finished. In PA2 the volume of contracted projects reached EUR 209 million and 0 projects have been finished. The implementation of PA 3 - Increase of broadband accessibility has been cancelled and the allocation has been transferred to OP CaEG. The AIR is reporting that the implementation of the projects created 173 new jobs (94 men, 79 women).

- In 2012 and 2013 the following eGovernment services started to operate: Central Public Administration Portal, which integrates all eGovernment services ([www.slovensko.sk](http://www.slovensko.sk)) and is the main access point to these services.
- Electronic services of the Statistical Office of Slovakia
- Electronic services of the Supreme Audit Office of Slovakia
- Electronic public procurement services
- eID chipcards for citizens with integrated electronic signature
- Geographical information system

The support for broadband access in peripheral areas has been cancelled in this programming period and reallocated to support of employment of young people and SMEs.

#### *OP Bratislava region*

In PA 2 - Knowledge economy the support is being carried out by two measures 2.1 Support innovation and technological transfers, and 2.2 Informatisation of society under the Regional competitiveness and employment objective. At the end of 2012, a total of 133 projects related to innovation and technological transfers were finished and 158 projects were contracted. The expenditure on already finished projects amounted to EUR 16.1 million. The total allocation for contracted projects reached EUR 30.1 million. On the whole the demand for R&D activities is rather low despite the efforts of the MA to increase the attractiveness of support by lowering the necessary co-financing by final beneficiaries. Similarly as in previous years, the enterprises give preference to projects focused on technology transfer, which provide the opportunity to minimise costs and maximise output without taking any substantial risks connected to R&D investments. The already finished projects created 65 new jobs.

The measure 2.2 "Informatisation" of society is supporting information and communication technologies (ICT) projects. At the end of 2012, a total of 49 projects were finished and 59 projects were contracted. The expenditure on completed projects amounted to EUR 3 million and the total allocation on contracted projects reached EUR 3.6 million.

#### **Environment and energy**

The support for energy related activities is provided by the OP Environment and the OP CaEG. Compared to last year, the rate of physical and financial implementation increased. The support is focused on improving energy efficiency in production, introducing advanced technologies in the energy sector and on increasing public awareness of energy efficiency and renewable energy.

*OP CaEG*

At the end of 2012, a total of 220 projects were contracted in the second PA of OP CaEG. In measure 2.1 Increasing energy efficiency and introducing advanced technologies in the energy sector a total of 93 projects were contracted (52 projects are already finished) with total allocation of EUR 140.4 million (EUR 64.3 million). These projects created additional energy production capacity of 59.1 MW from renewable energy sources (especially from biomass). Since the end of 2011 the additional energy production capacity increased by 18 MW and helped to increase the revenue in the supported companies by 5.8%. This modest annual increase of energy production can be explained by the changes in the national renewable energy support, which have been implemented in recent years.

The finished projects, focused on energy efficiency of production, heating and building insulation, contributed to energy savings (122.1 tera-joules).

In measure 2.2 - Building and modernisation of public lighting in cities and municipalities and energy consulting, a total of 127 projects worth EUR 29.8 million were contracted and 86 projects worth EUR 15.8 million are already finished. Apart from the above mentioned demand-oriented projects, one national project is being implemented with total allocation of EUR 10.8 million. The project is focused on support and increase of public awareness of energy efficiency in enterprises and households.

*OP Environment*

The OP Environment is being implemented through six PAs by the ERDF and Cohesion Fund with total allocation at EUR 1,800 million.

In PA 1 - Integrated protection and rational utilisation of water resources, 123 projects are being implemented and 25 projects have been finished. A total of 131.9 km of drinking water supply network and 524.6 km of constructed sewer networks have been constructed.

In PA 2 - Flood protection, a total of 25 projects have been finished and 40 are being implemented. Interventions for protection from floods affected 35,309 sq. km of land and benefited 800 additional people.

In PA3 - Air protection, a total of 79 projects are being implemented and 78 projects were finished. The reduction of emissions caused by contaminants, in tons of SO<sub>2</sub> equivalents (in total per individual supported projects), reached 0.244% and the reduction of greenhouse gasses reached 23.34%.

In PA 4 - Waste management, a total of 63 projects have been already finished and 155 projects are being implemented. The volume of materially recovered waste reached 15,699 tons/year (compared with 744.3 tons/year at the end of 2011).

In conclusion, the most important achievements relate to environmental safeguarding and protection of the population from natural risks (floods), increasing the access of the population to newly built sewer networks and drinking water supply and improving of waste management by increasing the volume of recovered waste.

## Territorial development

The support of territorial development is being carried out through the OP CaEG, the OP H, the OP Bratislava region and the ROP. The majority of OPs have increased their performance in physical and financial implementation.

### *The OP CaEG*

Since the beginning of the programming period in the measure *3.1 Support of business activities in tourism*, 64 projects have been finished and the number of contracted projects reached 83 at the end of 2012. In financial terms the value of finished projects reached EUR 73.2 million and the volume of contracted projects reached EUR 106.9 million. The already finished projects created 404 new jobs (340 job in 2011) and contributed to additional EUR 109.4 million of private investments (77 million in 2011) and increase of revenue by 373.1% (115.41% in 2011).

### *OP H*

OP H is the second smallest OP in terms of allocation with a budget of EUR 250 million; however the implementation of this programme is among the most successful of all OPs since the beginning of the programming period.

At the end of 2012, expenditure amounted to 67.1% of total allocation for the present programming period. The programme has three PAs – PA1 Modernisation of the Hospital Healthcare System, PA 2 Health Promotion and Prevention of Health Risks and PA3 Technical Assistance. At the end of 2012, a total number of 34 projects had been already finished and 65 projects were contracted. In financial terms the volume of finished projects reached EUR 134.7 million.

In PA 1 the number of patients hospitalised in modernised facilities reached 68,850, the number of beds operated in the modernised facilities increased from 1,369 to 2,022, and 205 new jobs were created. The total area of reconstructed facilities reached 123,988 sq. m. at the end of 2012.

In PA2 the number of patients provided with healthcare in modernised facilities grew from 36,628 to 664,451 persons. The total area of reconstructed facilities increased from 44,351 to 115,746.57 sq. m. Besides demand oriented projects, one national project is supported in the PA 2 – Infrastructure of National Transfusion Service of Slovakia.

The OP Health is one of the most successful OP in terms of implementation. To date, the OP greatly improved the existing infrastructure and the quality healthcare services especially in the eligible regions.

### *ROP*

The ROP is the second best performing OP in terms of physical and financial implementation. The programme is supporting regional activities focused on transport, education and social infrastructure, cultural heritage and regeneration of settlements under the Convergence objective.

In the PA1 – Infrastructure of education a total of 610 projects have been finished and 175 projects are being implemented. In financial terms the volume of finished projects reached EUR



458.4 million and the volume of contracted projects reached EUR 601.1 million. Progress in implementation resulted in increased value of some physical indicators. The number of new and better educational services provided by supported facilities increased from 303 to 1,367 and 79,499 students are benefiting from support. The finished projects increased energy efficiency in public buildings by reducing average energy consumption by 48.22% (total energy saving equal to 224.3 TJ) and created 161 new jobs.

The PA2 - Infrastructure of social services, social-legal protection and social guardianship has been revised in 2011. At the end of 2012, 21 projects have been finished and 103 were being implemented. The values of the indicators in this PA reported by the AIR are mostly based on contracted projects.

The PA3 - Strengthening of cultural potential of regions and tourism infrastructure is also reporting negligible outcomes in terms of financial implementation and reported values of physical indicators. Only seven projects have been finished and 103 projects are being implemented.

In PA 4 – Regeneration of settlements, substantial progress has been achieved in the number of contracted projects. At the end of 2012 a total of 734 projects have been contracted (350 being implemented) with total allocation at EUR 337.2 million (mainly in the measures: 4.1a - Demand oriented projects focused on development of municipalities, 4.1c - Regeneration of settlements - projects of development of the municipalities with Roma settlements in the rural environment and 4.2 - Infrastructure of non-commercial rescue services). The financial implementation of already finished 384 projects amounted to EUR 209.1 million.

The AIR is reporting following values of indicators in PA 4:

- 78 projects focused on regeneration of settlements have been completed.
- 113.5 km of local roads has been reconstructed (35.5 km in 2011).
- 49 projects focused on higher quality services of non-commercial health rescue services have been completed.
- 30.3% of inhabitants living in higher competitive environment benefited from regeneration initiatives<sup>3</sup>.

#### *OP Bratislava region*

The OP is supporting activities under the Regional competitiveness and employment objective in the Bratislava region. In PA 1 – Infrastructure, 20 projects are being implemented and 46 projects have been completed. At the end of 2012, projects in implementation were focused on regeneration of settlements and regional and urban transport. The expenditure of finished projects focused on regeneration of settlement amounted to EUR 18.5 million and the volume of contracted projects reached EUR 24.1 million. In measure 1.2 Regional and urban transport two projects have been finished and 6 projects were contracted. At the end of 2012, the expenditure for finished projects contributed do regeneration of 37 settlements and two projects focused on clean urban transport in areas with special air protection requirements.

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<sup>3</sup> Percentage of population living in settlements supported by the projects of settlement regeneration of the total number of population of all settlements identified as growth poles in the Convergence objective territory. Result applies only to demand-oriented settlements regeneration projects.

## Transport

The development in this policy area (especially in OP Transport) is since the beginning of the programming period strongly influenced by political cycles<sup>4</sup>, difficulties in public procurement and problems related to Environmental Impact Assessment procedures (i.e. wrong transposition of EU legislation related to wildlife and nature preservation and involvement of civil society in the process). Therefore, the construction of the road infrastructure and reconstruction of railways has been extremely slow especially in regions with low quality of road and railway infrastructure.

### *OP Transport*

The OP is providing support in seven PAs in the area of transport infrastructure and has the largest financial allocation of all operational programmes (EUR 3.2 billion). Funding is provided mainly by the Cohesion Fund (73%). At the end of 2012, 52.2 km of railways have been reconstructed and 49.67 km of new roads built of which 20.45 motorways, 18.05 expressways and 11.17 first class roads<sup>5</sup>. The objective for the present programming period is to build 169.8 km of new roads, which means that only 29.25 % of the target value has been achieved. Table 3 and Table 4 show the regional distribution of new road infrastructure on NUTS 2 and NUTS 3 level. The highest increase in road density was recorded in the Central Slovakia due to construction of 18.05 km of expressway in the region of Banská Bystrica.

**Table 3 – Regional distribution of new road infrastructure NUTS 2 level at the end of 2012**

Region (NUTS 2)	Length of new roads (km)			Total	Increase in density (km/thousand sq. km)
	Motorways	Expressways	1st class roads		
Bratislava region	0.00	0.00	0.00	0.00	0.00
Western Slovakia	9.6	0.00	7.20	16.80	0.64
Central Slovakia	7.53	18.05	0.00	25.58	1.57
Eastern Slovakia	3.32	0.00	3.97	7.29	0.21
Total	20.45	18.05	11.17	49.67	0.79

Source: AIR of OP Transport 2012.

<sup>4</sup> See Country report 2011 for further details.

<sup>5</sup> Motorway – road designed for highspeed automobile traffic with toll.

Expressway – lower grade of motorway for highspeed automobile traffic with toll.

**Table 4 - Regional distribution of new road infrastructure NUTS 3 level at the end of 2012**

Region (NUTS 3)	Length of new roads (km)			Total	Increase in density (km/thousand sq. km)
	Motorways	Expressways	1st class roads		
Bratislava region	0.00	0.00	0.00	0.00	0.00
Trnava region	0.00	0.00	7.20	7.20	0.00
Trenčín region	9.60	0.00	0.00	9.60	2.13
Nitra region	0.00	0.00	0.00	0.00	0.00
Žilina region	7.53	0.00	0.00	7.53	1.11
Banská Bystrica region	0.00	18.05	0.00	18.05	1.91
Prešov region	3.32	0.00	3.97	7.29	0.37
Košice region	0.00	0.00	0.00	0.00	0.00
Total	20.45	18.05	11.17	49.67	0.79

Source: AIR of OP Transport 2012.

### ROP

In PA 5 - Regional roads improving transport services in the regions, 40 projects have been finished and 15 projects are being implemented. The already finished projects contributed to the reconstruction of 170.49 km of second and 466.01 km of third class roads in the respective regions.

#### OP Bratislava region

In the measure 1.2 Regional and urban public transport 6 projects were contracted and two projects have been finished. The AIR is not reporting any relevant indicators in this measure.

### European Territorial Cooperation Objective

#### The Cross-Border Cooperation Programme Slovakia – Czech Republic

The AIR has not reported significant problems in project implementation (one project has been identified as problematic). The CBC programme is being implemented through three PAs - PA 1 – Support of social, cultural and economic development and cooperation in the cross border region (54% of total funding) and PA2 – Development of the cross border region accessibility and environment (40.0% of total funding) and PA 3 – Technical assistance. At the end of 2012 a total 134 projects worth EUR 45.51 million have been finished

**Table 5 – Value of selected output and impact indicators by the end of 2012**

	Value
No. of supported projects	105
Length of new or upgraded tourist tracks, cycle tracks and pathways (in km)	305.8
No. of partners involved in cross border activities	209
Length of new or upgraded roads (km)	81.9
No. of created and maintained cross border partnership	211
No. of new or reconstructed renewable energy facilities	14

Since the financial implementation in some of the OPs is still not satisfactory, the outcomes are varying across all OPs. In general, the OPs which are successful in implementation and reporting outcomes are in line with the objectives set-up in the programmes. However there is high likelihood that some of the OPs will not be able to spend their allocation and meet their

objectives in respective PAs. The end of the programming period is very close and without serious action the objectives will not be achieved in some of the OPs. The already finished projects have significant effects in the respective regions and policy areas (increase of R&D spending on GDP, employment in construction sector, investments in public infrastructure, energy efficiency etc.) and are helping to overcome the lack of national and private financial resources due to the fiscal austerity measures adopted by the government.

The quality of the AIRs has improved during the present programming period. However, some of the AIRs are providing qualitative information on what has been achieved, but some of them are not, which makes it difficult to make a more thorough assessment of outcomes.

**Table 6–Main physical indicators and achievements (by the end of 2012) – Convergence objective**

Policy area	Main indicators	Outcomes and results (physical outcomes plus brief note on what has been achieved)
Enterprise support and RTDI including ICT Increase access to finance by SMEs	Jobs created (core)	1,517 (OP CaEG) + 3 (OP R&D)
	Increase of revenue in supported SMEs	237%
	No. of researchers benefiting from support	1,696
	Investment induced (EUR million)(core)	7 (OP R&D)
	No. of projects connecting R&D and enterprise sector	242
Transport	Length of new roads (core)	20.5 km of motorways 18.1 km of expressways
	Increase in road density (km/thousand km <sup>2</sup> )	0.8 (ERDF and CF contribution)
	Length of reconstructed second class roads (core)	170.5 km
	Length of reconstructed third class roads (core)	466 km
Environment and energy	Length of constructed drinking water supply network (without connections)	131.9 km
	Length of constructed sewer networks (without sewer connections)	524.6 km
	No. of constructed and reconstructed waste water treatment plants	25
	Reduction of emissions caused by contaminants converted to reference tons of CO <sub>2</sub> (in total per individual supported projects) including public transport projects	0.2%
	No. of modernised and newly installed monitoring stations of National monitoring air quality network	27
	Additional capacity of renewable energy production (core)	59 MW
	No. of constructed, or modernised separated waste collection facilities	89
	Volume of materially recovered waste	15,699 tons/year
Territorial development (urban areas, tourism, rural development, cultural heritage, health, public security, local development)	Jobs created (core)	404 (OPCaEG)+205 (OP H) + 161 (ROP) = 770
	Increase of revenue of supported enterprises	373.1%
	No. of patients hospitalised in modernised facilities	68,850
	No. of beds operated in the modernised facilities	2,022
	No. of patients provided with healthcare in modernised facilities	664,541
	Total area of reconstructed health facilities	115,746.6 sq. m.

**Table 7 – Main physical indicators and achievements (by the end of 2012) – Regional Competitiveness and Employment objective**

Policy area	Main indicators	Outcomes and results (physical outcomes plus brief note on what has been achieved)
Enterprise support and RTDI including ICT Increase access to finance by SMEs	Jobs created (core)	69 (44 men, 25 women)
	No. of researchers benefiting from support	2,258
	No. of modernised appreciated R&D institutions	10
	No. of regenerated settlements	37

### 3. Effects of intervention

Main points from the previous country report:

- The unavailability of relevant impact evaluations, research papers or similar analytical work together with still low number of finished projects makes it still difficult to present the effects of interventions on the economic, territorial and social cohesion.
- The most significant progress has been achieved in the field of enterprise support and RTDI, as well as in Territorial development (health infrastructure, public education infrastructure).

#### Developments since the 2012 report

Despite the increasing number of finished projects, there is no rigorous evidence based on evaluations and/or scientific papers on the effects of interventions on regional disparities or any long-term effects on the economy. Similar to the conclusion of the last year's report, the effects of the intervention can only be derived from the expenditure and reported values of physical indicators in the respective OPs. At the end of 2012 the ERDF support created 2,602 new jobs in the Convergence regions and 69 jobs in the Regional Competitiveness and Employment region.

#### *Enterprise support including RTDI*

To date, the support for R&D has provided significant volume of financial resources, which is reflected in the increasing share of R&D expenditure on GDP. The interventions are helping to upgrade the existing scientific equipment to European standards, launch a number of important research projects, build new research centres, competence centres aimed at cooperation of academia and enterprise sector. However, the share of national R&D spending and spending on higher education is declining due to ongoing budgetary consolidation, which raises the question of long-term sustainability of the new research infrastructure.

The support provided the SMEs with necessary financial resources for introduction of new and innovative technologies into production and services and created new jobs. However, due to the nature of these investments, additional effects (number of patents, increase in revenue etc.) will materialise only in the longer term.

### *Transport and telecommunications*

The reconstruction of existing second and third class road has contributed to better quality of intraregional and interregional road network. The investments into motorways and expressways have improved the quality and density of existing infrastructure. However, the construction of new road infrastructure is still very slow due to the reasons mentioned in the previous paragraphs. More tangible effects should be evident after the end of the programming period in 2015.

In the area of ICT (eGovernment services, eHealth, and broadband support) some eGovernment services have been launched in 2013. However, the majority of projects are still being implemented or in the case of broadband support postponed to next programming period. The eHealth project is still behind schedule and is expected to be operational in 2014.

### *Environment and energy*

New water treatment plants, sewer networks, drinking water supply lines have been constructed and the energy efficiency of public buildings has been significantly improved. Furthermore the support contributed to reduction of CO<sub>2</sub> and SO<sub>2</sub> emissions and increased energy supply from renewable energy sources.

### *Territorial development*

The investments to public infrastructure are increasing the energy efficiency. Investments into ICT is increasing the quality of education and providing students with latest ICT technology. The projects financed from OP H are improving the infrastructure of hospitals, accessibility and quality of healthcare. The large number of projects focused on public infrastructure and tourism created 568 new jobs or helped to maintain employment in the construction sector (or at least contributed to lower decline of overall employment in the sector).

## **4. Evaluations and good practice in evaluation**

Main points from the previous country report:

- The evaluation culture is slowly developing in Slovakia.
- The evaluation processes are not integrated into policy making. The policy making process is not based evaluation evidence but solely on political programmes of parties and discretionary initiatives of the individual ministries.
- The majority of evaluations are process oriented; only few evaluations which have been carried out are focused on actual achievements.
- The MAs are trying to improve their internal procedures and processes to speed up the implementation of OPs. The evaluations which have been carried out identified large number of existing problems, however the implementation of the recommendations by the evaluations seems to be rather slow, due to the existing system of Cohesion policy management in Slovakia.
- The still low rate of FI in some OPs makes it difficult to conduct any evaluations focused on achievements.

**Developments since the 2012 report**

There have not been any changes in the strategy for evaluation since the drafting of the 2012 report. The system remains the same, without any significant changes or improvements. The competences of the Central Coordination Authority (responsible for NSRF evaluation) shifted to the Government Office of Slovakia from the Ministry of Transport, Construction and Regional Development. The MAs are setting their own evaluation plans, however they are only indicative and have been subject to changes during this programming period. In other words, the MAs are not in any form obliged to conduct evaluations included in their evaluation plans, besides evaluation requested by the EC.

**Table 8 - Evaluations carried out in the country to assess Cohesion Policy performance since 2012**

Title and date of completion	Policy area and scope (*)	Main objectives and focus (*)	Main findings	Method used (*)	Full reference or link to publication
Regular evaluation of OP R&D (internal)	1	2	Most of the PAs are being implemented in line with the objectives. Progress in the first and second PA is not sufficient. The progress in the rest of PAs is sufficient and will lead to fulfilment of objectives.	4	<a href="https://www.minedu.sk/data/att/5209.pdf">https://www.minedu.sk/data/att/5209.pdf</a> (September 2012)
Evaluation of PA 1 in OP IS – Inception report	1	1	The system of indicators needs to be adjusted for this PA.	4	<a href="http://www.opis.gov.sk/data/files/2684_8968.pdf">http://www.opis.gov.sk/data/files/2684_8968.pdf</a> (date not available on the document)
Evaluation of PA 1 in OP IS – Interim report	1	1	Improve the programming for new 2014-2020 period. Increase the implementation of projects, needed for better coordination between relevant stakeholders. Increase the capacity and quality of projects management.	4	<a href="http://www.opis.gov.sk/data/files/3313_priebezna_sprava_po1_v05_executive-summary.pdf">http://www.opis.gov.sk/data/files/3313_priebezna_sprava_po1_v05_executive-summary.pdf</a> (November 2012)
Evaluation of PA 2 in OP IS – Interim report	1	1	Simplification of guidelines, manuals and information, to be more user friendly. Simplification of public procurement preparation.	4	<a href="http://www.opis.gov.sk/data/files/3187_priebezna_sprava_po2_v05_executive-summary.pdf">http://www.opis.gov.sk/data/files/3187_priebezna_sprava_po2_v05_executive-summary.pdf</a> (November 2012)
Evaluation of financial and economic efficiency model of major project in PA 3 of the OP IS	1	2	The results of the evaluation will be used for the next programming period, due to the reallocation of financial resources from this PAs to other OPs. The evaluation outlines the optimal implementation of broadband support based on the economic and financial model.	2	<a href="http://www.opis.gov.sk/data/files/2941_hodnotenie-modelu-financnej-a-ekonomickej-efektivnosti.pdf">http://www.opis.gov.sk/data/files/2941_hodnotenie-modelu-financnej-a-ekonomickej-efektivnosti.pdf</a> (March 2012)
Evaluation of PAs related to revision of OP IS	1	1	Adjustment of objectives, structure and target values of programme indicators on PA level. Specific recommendations for each PA.	4	<a href="http://www.opis.gov.sk/data/files/2682_8964.pdf">http://www.opis.gov.sk/data/files/2682_8964.pdf</a> (July 2012)
Evaluation of OP Environment (operative evaluation, internal)	5	1,3	Recommendation related to reallocation of financial resources in the OP. The programme is contributing to objectives of the NSRR, Europe 2020 and National Reform Programme.	4	<a href="http://www.opzp.sk/wp-content/uploads/Operat%C3%A4Dvne-hodnotenie-OP-ZP-FINAL-+-SUM%C3%81R-cez-SFC1.pdf">http://www.opzp.sk/wp-content/uploads/Operat%C3%A4Dvne-hodnotenie-OP-ZP-FINAL-+-SUM%C3%81R-cez-SFC1.pdf</a> (September 2012)
Strategic evaluation of OP CaEG	3	3	The value of indicators is achievable. The FI and contracting is adequate. The MA created favourable conditions for achievement of objectives of the OP.	4	<a href="http://www.mhsr.sk/ext-dok-strategicke-hodnotenie-op-kahr/140055c?ext=orig">http://www.mhsr.sk/ext-dok-strategicke-hodnotenie-op-kahr/140055c?ext=orig</a> (February 2013)

Note: (\*) Legend:



**Policy area and scope:** 1. RTDI; 2. Enterprise support and ICT; 3. Human Resources (ERDF only); 4. Transport; 5. Environment; 6. Energy; 7. Territorial development (urban areas, tourism, rural development, cultural heritage, health, public security, local development); 8. Capacity and institution building; 9. Multi-area (e.g. evaluations of programmes, mid-term evaluations); 10. Transversal aspects (e.g. gender or equal opportunities, sustainable development, employment)

**Main objective and focus:** 1. assess the arrangements and procedures for managing or administering programmes; 2. support monitoring, or check the progress made in implementing programmes, such as many mid-term evaluations; 3. assess the outcome or effects of programmes in terms of the results achieved and their contribution to attaining socio-economic policy objectives

**Method used:** 1. Counterfactual; 2. Cost-benefit analysis; 3. Other quantitative; 4. Qualitative

With the exception of strategic evaluation of OP CaEG and one evaluation in OP IS, most of the evaluations carried out in 2012 were focused on internal procedures and fine-tuning of indicators. These types of evaluations are usually using evaluation question to identify the existing bottlenecks and deficiencies and give concrete recommendations to MAs.

The process-oriented evaluations are being used to fine-tune and improve the existing system of management and implementation of projects and adjustments in the setting of indicators.

### **Textbox 1 - Example: Strategic Evaluation of OP CaEG**

Focus: The objective of the evaluation was to provide an independent analysis of the strategic evaluation of OP CaEG up to 30 June 2012. The strategic assessment includes mid-term assessment of relevance and effectiveness of OP CaEG in relation to the fulfilment of goals of OP CaEG and formulation of recommendations for increasing competitiveness, entrepreneurship support, innovation environment, energy efficiency and usage of renewable energy sources via use of analysis and subsequent answers to questions precisely formulated by the contractor.

Evaluation questions are divided into five main blocks:

A. On-going evaluation of OP CaEG relevance

B. Evaluation of the effectiveness and flexibility of OP CaEG management in response to the fulfilment of objectives of the OP

C. Evaluation of functionality of complementarity of interventions and synergy effect of various OPs related to OP CaEG under the Convergence objective

D. Evaluation of the growth of competitiveness of regions in Slovakia in relation to the objectives of the strategy Europe 2020 and the National Reforms Programme

E. Proposal for recommendations and strategic objectives for the next programming period 2014 – 2020 pursuing effective progress in achieving the strategy Europe 2020 objectives (under the maximisation of qualitative effects from the resources allocated into the OP).

Main findings:

The evaluation concluded that given the current level of implementation the objectives of the OP are in line with plan. The values of the physical indicators are achievable; however the impact of interventions on employment is smaller than expected (planned). The innovation support is primary focused on introduction of advanced technology in the production, which leads to lower demand for new jobs, or even leads to reduction of jobs. Therefore the impact of innovation support on job creation is determined by the increase in the production of supported SMEs. The implementation of OP CaEG has positive impact on the values of relevant statistic indicators in the regions. The regions which were more successful in implementation of OP CaEG are experiencing better results (e.g. Žilinský, Banskobystrický and Prešovský region).

The main challenges for the next programming period are linked to better coordination of policies in this area with less fragmentation. Furthermore the interventions in the next period should be aimed at increasing the volume of private investment to research, development and innovation, deeper cooperation of R&D and enterprise sector and support for energy efficiency and renewable energy sources.

To date, most of the evaluations carried out have been fed into the implementation of policies. Moreover, the revisions and subsequent reallocations of financial resources made in the OPs during this programming period have been accompanied by process-oriented evaluations.

The strategic evaluation of OP H, the evaluation of OP IS are being finalised and should be available in 2013.

The evaluations are being carried out according to the evaluation plans of individual MAs and the Central Coordination Authority (currently the Government Office of Slovakia). However, due

to the constant changes in evaluation plans, it is difficult to predict which of the planned evaluation will be carried out over the remainder of the programming period. At present the Central Coordination Authority is launching tendering procedures for impact evaluations on the NSRF level which should be carried out in the next years. Moreover, the still low rate of FI made it still difficult to conduct any evaluations focused on achievements in individual OPs.

Generally, there is lack of high quality impact evaluations. The strategic evaluations of the respective OPs conclude that the OPs have contributed to the objectives of the NSRF, Europe 2020 and National Reform Programme; however, the evidence is based mainly on the value of the physical indicators (core and non-core) reported by the MAs via the ITMS information system (which is basically the only relevant source of information). In general, there are no evaluations using more sophisticated methods.

Given the focus and coverage of evaluations which have been carried out, it is difficult to point out any evaluation exemplifying good practice. The evaluation culture is developing only slowly due to low demand for evaluation from the managing authorities. Besides the area of Structural funds the use of evaluations in policy making is negligible.

## 5. Further Remarks - New challenges for policy

Main points from the previous country report:

- Cohesion policy programmes in the next programming period should be more concentrated and the number of OPs reduced.
- The system of monitoring indicators should be modified and streamlined in order to provide relevant information on what is being achieved.
- The public procurement on national level needs to be more efficient and transparent in order to speed up the implementation of projects, especially major projects.
- The majority of evaluations are focused on internal administrative, procedural and implementation issues, which indicates, that the existing system is still being fine-tuned.
- The experience from this programming period should be used in the next programming period and fundamental changes need to be introduced in the design of the next programming period.
- The implementation of some OPs is behind the schedule and expectations, with significant impact on the potential effects, which could have been achieved. Without swift and decisive action, the objectives of some OPs cannot be achieved at the end of the present programming period.
- The risk of losing the financial resources is increasing the pressure on the government and MAs to introduce changes in the management and implementation
- The preparation for the next programming period together with the implementation of actual programming period will increase the pressure on existing administrative capacities, which may negatively affects the remained of present programming period.

The challenges for Cohesion policy mentioned in the previous reports are still very relevant for the remainder of the present period. Although the government was able to negotiate an exemption from the n+2 rule for the 2011 and 2012 allocations and postponed the danger of

losing the allocations, the actual progress in financial implementation suggests, that the economy will not be able to absorb the whole financial allocation for 2007 – 2013.

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## Interviews

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Viktor Paulen – Ministry of Economy

Jozef Nemeč – Ministry of Economy

Vladimír Bořík – Ministry of Economy

## Annex 1 - Tables

See Excel Tables 1-4:

Excel Table 1 – Regional disparities and trends

Excel Table 2 – Macro-economic developments

Excel Table 3 - Financial allocation by main policy area

Excel Table 3cbc - Financial allocation by main policy area – cross border cooperation

Excel Table 4 - Commitments by main policy area (by end-2012)

Excel Table 4cbc - Commitments by main policy area (by end-2012) – cross border cooperation

### Annex Table A - Broad policy areas and correspondence with fields of intervention (FOI)

Policy area		Code	Priority themes
1. Enterprise environment	RTDI and linked activities	01	R&TD activities in research centres
		02	R&TD infrastructure and centres of competence in a specific technology
		05	Advanced support services for firms and groups of firms
		07	Investment in firms directly linked to research and innovation (...)
		74	Developing human potential in the field of research and innovation, in particular through post-graduate studies ...
	Innovation support for SMEs	03	Technology transfer and improvement of cooperation networks ...
		04	Assistance to R&TD, particularly in SMEs (including access to R&TD services in research centres)
		06	Assistance to SMEs for the promotion of environmentally-friendly products and production processes (...)
		09	Other measures to stimulate research and innovation and entrepreneurship in SMEs
		14	Services and applications for SMEs (e-commerce, education and training, networking, etc.)
		15	Other measures for improving access to and efficient use of ICT by SMEs
	ICT and related services	11	Information and communication technologies (...)
		12	Information and communication technologies (TEN-ICT)
		13	Services and applications for citizens (e-health, e-government, e-learning, e-inclusion, etc.)
	Other investment in firms	08	Other investment in firms
	2. Human resources	Education and training	62
63			Design and dissemination of innovative and more productive ways of organising work
64			Development of special services for employment, training and support in connection with restructuring of sectors ...
72			Design, introduction and implementing of reforms in education and training systems ...
73			Measures to increase participation in education and training throughout the life-cycle ...

Policy area		Code	Priority themes
	Labour market policies	65	Modernisation and strengthening labour market institutions
		66	Implementing active and preventive measures on the labour market
		67	Measures encouraging active ageing and prolonging working lives
		68	Support for self-employment and business start-up
		69	Measures to improve access to employment and increase sustainable participation and progress of women ...
		70	Specific action to increase migrants' participation in employment ...
		71	Pathways to integration and re-entry into employment for disadvantaged people ...
		80	Promoting the partnerships, pacts and initiatives through the networking of relevant stakeholders
3. Transport	Rail	16	Railways
		17	Railways (TEN-T)
		18	Mobile rail assets
		19	Mobile rail assets (TEN-T)
	Road	20	Motorways
		21	Motorways (TEN-T)
		22	National roads
		23	Regional/local roads
	Other transport	24	Cycle tracks
		25	Urban transport
		26	Multimodal transport
		27	Multimodal transport (TEN-T)
		28	Intelligent transport systems
		29	Airports
30		Ports	
31		Inland waterways (regional and local)	
32		Inland waterways (TEN-T)	
4. Environment and energy	Energy infrastructure	33	Electricity
		34	Electricity (TEN-E)
		35	Natural gas
		36	Natural gas (TEN-E)
		37	Petroleum products
		38	Petroleum products (TEN-E)
		39	Renewable energy: wind
		40	Renewable energy: solar
		41	Renewable energy: biomass
		42	Renewable energy: hydroelectric, geothermal and other
		43	Energy efficiency, co-generation, energy management
	Environment and risk prevention	44	Management of household and industrial waste
		45	Management and distribution of water (drink water)
		46	Water treatment (waste water)
		47	Air quality
		48	Integrated prevention and pollution control
		49	Mitigation and adaption to climate change
		50	Rehabilitation of industrial sites and contaminated land

Policy area		Code	Priority themes
		51	Promotion of biodiversity and nature protection (including Natura 2000)
		52	Promotion of clean urban transport
		53	Risk prevention (...)
		54	Other measures to preserve the environment and prevent risks
5. Territorial development	Social Infrastructure	10	Telephone infrastructure (including broadband networks)
		75	Education infrastructure
		76	Health infrastructure
		77	Childcare infrastructure
		78	Housing infrastructure
	Tourism and culture	55	Promotion of natural assets
		56	Protection and development of natural heritage
		57	Other assistance to improve tourist services
		58	Protection and preservation of the cultural heritage
		59	Development of cultural infrastructure
		60	Other assistance to improve cultural services
	Planning and rehabilitation	61	Integrated projects for urban and rural regeneration
	Other	82	Compensation of any additional costs due to accessibility deficit and territorial fragmentation
		83	Specific action addressed to compensate additional costs due to size market factors
	6. Technical assistance		84
81			Mechanisms for improving good policy and programme design, monitoring and evaluation ...
85			Preparation, implementation, monitoring and inspection
86			Evaluation and studies; information and communication