STANDARD SUMMARY PROJECT FICHE

1. Basic Information

1.1. Désirée Nr: SR0107.02
1.2. Title: Human Resources Development through preventive and individual active measures for the unemployed
1.3. Sector: Economic and social cohesion
1.4. Location: Slovakia

2. Objectives

2.1. Overall Objective:

The overall objective of the project is to contribute to the strengthening of the economic and social cohesion by fostering the employability of the most vulnerable groups affected by unemployment.

2.2. Project purpose:

Strengthening economic and social cohesion in the priority regions of Slovakia (according to the Government decision No.923/99) through the promotion of human resources development.

The project will concentrate on facilitating access into the labour market of the unemployed by providing them with individual active labour market measures tailored to their specific needs.

2.3. Accession Partnership and NPAA Priority

The submitted project reflects the content of two key documents: the Accession Partnership (1999), as well as the National Programme for the Adoption of the Aquis Communautaire (NPAA 2000) including their short- and medium-term priorities.

The EU Accession Partnership for the Slovak Republic identifies, in the chapter on Economic and social cohesion, as a short-term priority, the reinforcement of institutional and administrative capacity, highlighting the need to set up structures necessary for the implementation of a domestic regional and structural policy.

As medium-term priority, the Accession Partnership foresees to establish a national policy for economic and social cohesion in order to diminish regional disparities and prepare for the implementation of structural funds, particularly by establishing administrative structures, procedures, a budgetary framework and by clarifying responsibilities to implement an integrated regional and structural policy to assist Slovakia to participate in the EU Structural Fund programmes after accession.

The project is in line with priorities of the NPAA 2000 in the field of employment and social affairs, particularly with its medium-term priorities:

• implement re-training programmes to ensure a link between the requirements of the labour market and the qualification structure of the registered unemployed and employees, including disabled unemployed persons;
• support the preparation and implementation of programmes for the development of regional and local employment.

The revised NPAA includes the Slovak Government's Employment Policy for 1999 - 2002 (adopted by Decree in October 1999) which defines measures for the implementation of the Government Programme Declaration in the field of employment, stressing the need to adjust the national employment policy to the European Employment Strategy.

2.4. Contribution to the National Development Plan

The project supports:
• the strategic goal of the National Plan of Regional Development (NDP) – to achieve, by 2006, a GDP level close to 60 – 65% of the EU average;
• one of the overall goals of the NDP: creation of sustainable jobs and decreasing of unemployment;
• the specific goals of the "Sectoral Operational Programme for Human Resources Development":
  ▪ stabilising the labour market and reducing unemployment in regions lagging behind;
  ▪ increasing the flexibility of the labour market in the regions;
  ▪ supporting marginalised groups;
  ▪ supporting the development of the education system.

The Regional Operational Programmes that are an integral part of the NDP identify potential sectors of development, including the human resources development component as being complementary to sectoral development initiatives.

3. Description

3.1. Background and justification

Background - Employment situation

The latest trends of the labour market in Slovakia show a growing number of unemployed, increasing regional disparities of the unemployment rate, a growing number of long-term unemployed and an increased mismatch between skills of job-seekers and skills required on the local labour market.

These developments were closely following the overall economic situation of the Slovak Republic, where due to persisting liquidity problems of companies, continuing restructuring leading to a reduction in the number of people employed and of vacancies, the number of unemployed has substantially increased.

Unemployment began to rise dramatically from mid 1998. In the course of 2000, the average number of unemployed has been growing and totalled 518,000.

Evolution of the unemployment rate:

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<tbody>
<tr>
<td>SR</td>
<td>12,9</td>
<td>14,4</td>
<td>13,8</td>
<td>12,6</td>
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<td>14,7</td>
<td>18,4</td>
<td>18,2</td>
<td>20,8</td>
</tr>
</tbody>
</table>
In February 2001 the unemployment rate reached 20.8% of the labour force. Forecasts show similar rates.

The structure of the registered unemployed is shown in the following table:

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>174 953</td>
<td>181 417</td>
<td>171 620</td>
<td>173 212</td>
<td>176 893</td>
<td>200 629</td>
<td>236 117</td>
<td>224 724</td>
</tr>
<tr>
<td>Young people (15 - 29)</td>
<td>173 783</td>
<td>168 065</td>
<td>145 093</td>
<td>143 831</td>
<td>153 227</td>
<td>189 420</td>
<td>235 771</td>
<td>222 790</td>
</tr>
<tr>
<td>Disabled</td>
<td>20 472</td>
<td>23 047</td>
<td>23 481</td>
<td>23 102</td>
<td>22 148</td>
<td>24 135</td>
<td>26 562</td>
<td>26 923</td>
</tr>
<tr>
<td>LTU (over 12 months)</td>
<td>118 476</td>
<td>167 889</td>
<td>148 690</td>
<td>138 545</td>
<td>131 724</td>
<td>163 699</td>
<td>231 233</td>
<td>214 933</td>
</tr>
</tbody>
</table>

Strong regional disparities in the rate and structure of unemployment are another negative phenomenon. The highest rates can be found in the Kosice region (18.5%), the Presov region (18.3%), and an increased rate is observed in the Nitra region (15.1%). A significant proportion of the unemployed are long-term unemployed (over one year). A dramatic increase has been recorded in 2000.

<table>
<thead>
<tr>
<th>Regions</th>
<th>1999 average annual number of long-term unemployed</th>
<th>1999 % of long-term unemployed</th>
<th>2000 average annual number of long-term unemployed</th>
<th>2000 % of long-term unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bratislava</td>
<td>4 285</td>
<td>19.5 %</td>
<td>6 430</td>
<td>26.3 %</td>
</tr>
<tr>
<td>Trnava</td>
<td>13 807</td>
<td>33.5 %</td>
<td>18 073</td>
<td>39.9 %</td>
</tr>
<tr>
<td>Trencin</td>
<td>11 053</td>
<td>27.6 %</td>
<td>15 263</td>
<td>36.2 %</td>
</tr>
<tr>
<td>Nitra</td>
<td>30 196</td>
<td>42.7 %</td>
<td>37 614</td>
<td>48.0 %</td>
</tr>
<tr>
<td>Zilina</td>
<td>20 180</td>
<td>33.9 %</td>
<td>26 818</td>
<td>43.1 %</td>
</tr>
<tr>
<td>Banska Bystrica</td>
<td>34 771</td>
<td>47.2 %</td>
<td>38 475</td>
<td>51.3 %</td>
</tr>
<tr>
<td>Presov</td>
<td>41 247</td>
<td>44.8 %</td>
<td>47 355</td>
<td>50.1 %</td>
</tr>
<tr>
<td>Kosice</td>
<td>42 733</td>
<td>47.2 %</td>
<td>50 164</td>
<td>52.4 %</td>
</tr>
<tr>
<td>TOTAL</td>
<td>198 272</td>
<td>40.5 %</td>
<td>240 192</td>
<td>46.4 %</td>
</tr>
</tbody>
</table>

The average duration of unemployment is very high (46.4% of unemployed have been seeking for a job for more than 12 months, and 26% - for more than 2 years).

Further characteristics related to youth unemployment and the development of the labour market demand and supply are attached in Annex 5.

**Active labour market policy implementation**

The National Labour Office is a public institution responsible for the implementation and financing of an active and passive labour market policy. In 2000 the NLO spent 96% of its total budget on unemployment benefits and 4% for active labour market measures. The following table shows the decreasing share of active labour market measures. The support to the employment programmes was cut down due to the limited budget for active labour market programmes.
In order to stop this unfavourable development, the Government approved in July 2000 a package of short-term and medium-term stabilising measures. The effects of their implementation became apparent in the beginning of 2001 and were in line with improved economic indicators.

With regard to the limited funds of the National Labour Office available for active labour market measures, the Government of the Slovak Republic provided a contribution from the state budget of 1,2 billion SKK for "public works" focused on long-term unemployed. A summary of the results of the Public Works Programme as well as a short-term "Pilot Programme of Employment for Young Unemployed" is attached in annex 5.

**Proposed strategies:**

Recent developments and a prognosis of economic growth and of the labour market indicate that the expected or estimated economic growth in not going to be sufficient to lead to a reduction of long-term unemployment.

In order to reach a significant reversal of the growing unemployment, an "Employment Strategy of the Slovak Republic" was approved by the Government in 1999. Three strategic objectives of this policy paper have been included into the following documents:

- National Employment Plan
- Sectoral Operational Programme for Human Resources Development (SOP for HRD)
- 4 Regional Operational Plans
- Priorities of the labour market policy and main objectives of the National Labour Office (see Annex 5 for detailed information).

**Justification**

The project will build on the expected outputs of the Human Resources Development project approved in 2000, delivering its activities in the priority regions for the period 2002-2006 (Southwest, Northwest, East). The 2000 HRD supported project focused on the diagnosis of the demand and the supply side of the labour market in the priority region of Slovakia East through counselling and training at regional and local level, predominantly focused on 2 target groups, the young and the disadvantaged.

The proposed activities of this year’s proposal are aimed at fostering the employability of vulnerable groups affected by unemployment by providing them with individual active measures tailored to their specific needs in order to facilitate their access to the local and regional labour market. Taking into consideration all negative factors influencing other regions in Slovakia, the Phare 2001 project will extend
the implementation of active labour market measures to the two other priority regions, Slovakia Southwest and Northwest. Slovakia will therefore use Phare support for a sectoral approach implemented at the national level from 2001 as part of the integrated development programmes. The implementation of the proposed project activities will reinforce the proposed measures as defined in the ROP’s.

These activities will complement the implementation of the kind of measures adopted in the "National Employment Plan" and "Sectoral Operational Programme for Human Resources Development", that make use of active labour market instruments.

The Slovak authorities, for the above mentioned reasons, consider that a further intervention aiming at supporting individual active measures for target groups is justified and should be pursued by the means of this project.

3.2. Linked activities:

EU/Phare Programmes implemented by the Ministry of Labour, Social Affairs and Family, Ministry of Education, National Labour Office, National Agency for Development of SME (NADSME) include:

- PHARE T9108 Programme – Labour Market Restructuring
  Subproject VET – Upgrading of 20 Pilot Schools in the SR

- PHARE 1993 Programme – Vocational Education and Training Reform
- SR 9408 - Labour Market Development Programme

The programme provided technical and financial assistance to the elaboration of a labour market policy. Subprojects of this programme were targeted on the development of active labour market policy, pro-active labour market interventions, adult training and retraining, occupational counselling, development of local employment in the micro-region Želiezovce and the development of new training packages and training of trainers.

- PHARE SR9702-01/0017, SR9702-01/0074,SR9302-01-03/0021 - covered training of trainers and counselling services for new businesses (FM 1994 – 98)

Phare support has been given to NADSME for covering operational costs for RPICs (Regional Consultancy and Advisory Centres) and BICs (Business Innovation Centres). The training has been delivered by CEPAC Slovakia (Centre for patronage and long-term consultancy for starting entrepreneurs), that is the training institution of the National Labour Office. All training activities are co-ordinated by the Board of Directors of the NLO.

The following projects were financed through the 2000 National Programme in the frame of the Economic and Social Cohesion programme:
Business Related Infrastructure (FM – 2000)
NUTS II Micro-Loans and Seed Capital (FM – 2000)
Human Resources Development through counselling and training at regional level (FM – 2000)
EU-PHARE Programmes related to SPP for the SF/ESF:
SPP – ESF: Establishment of a National Training Institution for the ESF in the Slovak Republic (CON/99/PHA/0046)
SPP – ESF: Logistical support to the ETF for the organisation of SPP-ESF seminars in Slovakia (CON/99/PHA/0045)

3.3. Results:

The project will complement the results the NLO has reached through the active labour market measures by focusing on specific target groups.

More precisely, this project will focus on achieving the following results:

1. Prevent the drift into long-term unemployment (LTU) of the most threatened groups by providing them with employability measures.
2. Promote the re-integration and social inclusion of long-term unemployed (LTU) by improving their capacities to find a job.

These results will contribute to:
- increasing the employability of target groups consisting of long-term unemployed in particular focusing on the upgrading of competencies and the development of skills to better match the labour market needs;
- equipping young people with the skills needed to adapt to work in enterprises or getting further training;
- motivating the unemployed through counselling and advice to find work or seek appropriate training;
- enhancing the relevance of the programmes offered by public and private training providers in order to ensure that they include on-and-off-the-job training and work placements in enterprises, as well as developing entrepreneurial skills that are relevant to existing market opportunities.

3.4. Activities:

1. Implement preventive and employability-oriented strategies, building on the early identification of individual needs, addressed to those individuals that have fallen recently into unemployment before they become long term unemployed.

Short-term unemployed, notably the youngsters, should be offered an individual action plan, according to their qualification and experience. The support provided can cover a whole range of measures as there are, in-depth interviews, counselling, or individual career guidance. Following the initial guidance stage, the unemployed will be offered one or more of the following employability measures: vocational training, retraining, apprenticeship, on-the-job training or a subsidised job.

It is expected that over the period 2002 – 2004, the measures undertaken under this activity will successfully address the objectives set out in the "National Employment Plan" for mobilising the labour supply and developing the preventive approach to unemployment, especially by:
• providing initial motivation to young people to participate in education, training and employment;
• delivery of motivation courses that enhance positive attitudes towards learning, flexibility, adaptability, improvement of skills and stimulate active job search;
• the provision of focused psychological consultation, individually or in group, and of vocational and career guidance. Counselling will be supported by special training programmes based on psychological methods aimed at the development of self-awareness as well as fostering personal, interpersonal and social skills;
• development of individual action plans for young people linked to existing employment opportunities. This would include several possibilities related to each phase of the programme, covering self-assessment and building of self-esteem, motivation to join vocational training programmes, training of key qualifications, skills training and retraining as well as training for self-employment, job interviews, participation at job fairs, on-and of-the-job training and offering them a subsidised job or a new placement.

Outputs

Over this period the following outputs are expected:
• 8000 unemployed will enter a cycle comprising a wide range of programmes of preventive measures, resulting in drawing up individual training or employment plans reflecting the needs, abilities, prior learning experience of the trainee and specifying the type of measures, duration of the training and its aims in terms of achievable qualifications or skills;
• involvement for the delivery of these measure of training providers and NGOs accredited by the Ministry of Education operating on the labour market;
• up to 4 000 placements on the local job market made through employment services in co-operation with local partners (public and private sector, municipalities, etc).

Input

The activities delivered by this project will build upon the expected results of the Phare 2000 HRD project. Knowledge and experience of the labour offices staff obtained during the implementation of the latter project will be used for an operational management of programmes.

Pre-selection of the unemployed entering individual or group counselling will be provided by the local labour offices counsellors supported by trained staff of local providers on a competitive basis (output of Phare 2000 HRD project).

The total number of unemployed entering the preventive measures cycle will be approximately 8,000. The total number of trained job seekers will be approximately 6,000. Training courses will last from 2 to 16 weeks.

The average training cost will vary per participant depending on the delivered measure.

The calculation of the training cost is based on the cost per one hour training for one trainee and covers the lecture fees, didactic material, administrative costs, renting of facilities, etc. Unemployment benefits for participants will be provided by the NLO.

The total training cost for 6,000 participants is estimated at 1,400,000 EUR.
Develop and implement individual career paths for the long-term unemployed in order to promote their effective integration into the labour market.

The employability measures should reduce the stock of the long-term unemployed by improving their prospects of obtaining regular employment in the labour market. These activation strategies should also promote social inclusion by supporting the integration of disadvantaged groups into the labour market. It is expected that over the period 2002 – 2004, the measures undertaken under this activity will successfully address the objectives set out for the effective integration into the labour market, by:

- providing individual measures which include skills training;
- intervention programmes assisting women returning to the local labour market;
- short-term flexible training to upgrade skills in order to address the business environment;
- provision of special targeted training to offer the best employment prospects;
- training courses to promote access to Information and Communication Technologies (ICT) literacy skills;
- skills training for the self-employed in order to stimulate entrepreneuring and job creation as self-employed;
- support of job creation programmes in social services;
- a work-based and enterprise-based training;
- development of vocational training programmes (6-12 months) for target group with initial education and for apprentice school leavers;
- implementation of the actions plans focused on human resources development developed under the SPP.B (Special Preparatory Programme for Structural Policy).

Outputs

Over this period the following outputs are expected:

- 3,700 unemployed from the identified target groups retrained by selected public and private training providers, through approximately 100 training programmes geared to the existence of effective market opportunities (curricula and methodology elaborated under the Phare 2000 will not cover vocational training programmes for this specific target group);
- 2,200 unemployed from the identified target groups retrained through 130 training programmes delivered by public and private training providers, focusing on self-employment, post-programme counselling and support, advising on access to existing financing schemes,
- VET schools and other training providers involved in the delivery of training, retraining programmes and activities such as in-company training, part-time jobs, etc;
- curricula and training material developed for identified target groups disseminated and made available to a broader audience;
- awareness of the existing skills and employment opportunities spread to potential beneficiaries in a systematic way.

Input

In order to identify realistic options for occupational training related to local labour market needs, job seekers are entitled to an initial assessment of their needs. Related to this
assessment the type and the duration of the training, as well as the required attendance or the type of support will be specified.

Technical assistance will be required within this activity to develop vocational training programmes (6–12 months) for long-term unemployed with initial education and apprentice school leavers or people without qualifications in order to meet specific demands of the labour market.

TA provided by 2 ST EU experts (4m/m) supported by 2 ST Local experts (5m/m) will be focused on designing the curricula, development of a training methodology and internship programmes according to the type of qualification.

**The budget for TA is calculated 200 000 EUR.**

The total number of trainees under this activity is expected to be 5.900, from which approximately 2.200 will enter the training for self-employment and 3.700 for other measures.

The training cost per participant will vary depending on the type of programme qualification and duration. The calculation of the training costs is based on costs per one hour training per trainee and covers the lectures fees, didactic material, administrative costs, renting of facilities, etc..

**The total budget provision for the training of 5.900 long-term unemployed is estimated at 2.400.000 EUR.**

Unemployment benefits for participants will be provided by the NLO.

The National Labour Office through the tripartite committees at regional and district level and the companies will promote and negotiate flexible working arrangements of on- and off-the job training opportunities in the context of further agreed placements or subsidised jobs.

### 3.5. Selection Process

**Selection of participants benefiting from delivery of active labour market measures:**

Based on the analysis of the profiles of the unemployed, the District Labour Office will launch a promotion campaign for individual active measure among potential beneficiaries and will collect their applications. After checking them for conformity they will make the pre-selection as well as the recommendations related to the local needs and forward the results to the relevant Regional Labour Office for formal approval.

Each Regional Selection Committee selects groups of people that will benefit from preventive measures and from each training, re-training or other measure. The Steering Committee established at national level endorses the lists of selected groups and those who will benefit from individual active labour market measures.

### 3.6. Monitoring and Evaluation

The National Labour Office and its local representatives will monitor and assess the project at regional and district levels and report to the Steering Committee.

The Tripartite Committees on Regional level will review the progress of Phare supported actions.
The Ministry of Labour, Social Affairs and Family shall monitor and assess the project at national level and report to the Steering Committee of the project.

4. Institutional Framework

The Ministry of Construction and Regional Development (MCRD) is the recipient institution and has the overall responsibility for the implementation of Regional Operational Plans. The representative of the MCRD will be Deputy Chairperson of the Steering Committee.

The Ministry of Labour, Social Affairs and Family (MOLSAF) will provide policy guidance related to the implementation of measures set up in the National Employment Plan. It will also provide a rationale to the project implementation in the context of labour market and social inclusion. It will be responsible for the co-ordination of the activities in the framework of the Employment Strategy of the Slovak Republic. The representative of MOLSAF will be the Chairperson of the Steering Committee.

The National Labour Office will be responsible for the implementation of all proposed activities through its 7 Regional Labour Offices and 74 District Labour Offices.

The Steering Committee will be established at national level comprising relevant representatives of the following institutions: Ministry of Labour, Ministry of Construction and Regional Development, National Labour Office, Ministry of Education, Social Partners, NGOs, EC Delegation.

The beneficiaries of the project will be Training Institutions, NGO, NLOs, Regional and Local Labour Offices.

The final beneficiaries will be long-term unemployed.

5. Detailed Budget (in MEUR)

<table>
<thead>
<tr>
<th>Activity No.1</th>
<th>Phare Investment</th>
<th>Support Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National co-financing</th>
<th>TOTAL</th>
</tr>
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<tbody>
<tr>
<td>Activity No.2</td>
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<td>0.2</td>
<td>2.0</td>
<td>0.6</td>
<td>2.6</td>
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<td>Total</td>
<td>2.8</td>
<td>0.2</td>
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<table>
<thead>
<tr>
<th>National co-financing</th>
<th>In MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>State budget (15% of the total investment costs)</td>
<td>0.6</td>
</tr>
<tr>
<td>National Labour Office (10% of the total investment costs)</td>
<td>0.4</td>
</tr>
<tr>
<td>Total</td>
<td>1.0</td>
</tr>
</tbody>
</table>

The co-financing for investment projects supported by Phare is allocated in the State budget, pursuant to the Decree of the Slovak Government 135/2001. 10% co-financing of the proposed activities will be provided by the National Labour Office (annual budget).
6. Implementation Arrangements

The National Labour Office will be responsible for the implementation of the project.

The National Labour Office  
Mr. Jaroslav Šumný  
Župné námestie 5-6  
812 67 Bratislava  
Tel: ++421 7 59 330 501  
Fax: ++421 7 5441 0438  
E-mail: jaroslav.sumny@nup.sk

Implementing Agency

Implementing Agency for Regional Development (IARD)  
Ministry of Construction and Regional Development  
Špitálska 8  
816 44 Bratislava  
Contact: Mr. Július Slovák  
Tel: ++421 7 5975 3819  
Fax: ++421 7 59753833  
E-mail: slovak@build.gov.sk

The IARD will be responsible for tendering, contracting and financial administration of the project.

6.2. Twinning: not applicable

6.3. Non-standard aspects

The Practical Guide to PHARE, ISPA, SAPARD Contract Procedures will be strictly applied.

6.4. Contracts

1 T.A. contract is expected for a total amount of 0.2 MEUR. Contracts with the training institutions will result from a tendering procedure according to the Practical Guide to PHARE, ISPA, SAPARD Contract Procedures.

7. Implementation Schedule

7.1. Start of tendering: 1st quarter 2002
7.2. Start of project activity: 2nd quarter 2002
7.3. Project completion: 3rd quarter 2004

8. Equal Opportunity

Equal opportunity principles and practises ensuring equitable participation will be guaranteed. In particular, the design of the project reflects the EU four pillars scheme.

9. Environment: not applicable
10. Rates of return: not applicable

11. Investment Criteria:

11.1 Catalytic effect:
The Phare support will contribute to increasing the activity of the productive sector, strengthening human resources development, improving business related infrastructure, adapting the labour force to required skills, promote co-operation of all relevant partners to develop regional policy, enhance the supply capacity of vocational education and training providers, including through networking, encourage them to participate into regional programmes implementation.

11.2 Co-financing:
The National Labour Office – public legal institution, responsible for labour market policy implementation will provide financial contributions to each measure selected on local and regional level and approved by the Board of Directors. The NLO and the state budget will contribute 25% of the programme’s total costs.

11.3. Additionality:
No other financiers will be displaced by the PHARE intervention. This project proposal will complement active labour market support provided by the National Labour Office and national employment programmes.

11.4 Project readiness:
All necessary assessment of the regional and local labour market needs will be made in advance by the analysts of the National Labour Office before starting the project activities.

11.5 Sustainability:
Relevant government policies ensure the sustainability. Required allocation of resources from the National Labour Office budget will provide the guarantee for the operation of all activities within the project. Quantified results of the project are foreseen to increase the employability of the target groups and maintenance of created vacancies as well as increased number of self-employed persons. In the long run additional resources for the creation of new vacancies and subsidised employment will be provided by involved ministries and regional state administration form the state budget, by the National Labour Office within its own budget as well as NADSME.

11.6 Compliance with state aids provisions:
Investments respect the provisions of the Europe Agreement regarding the state aids and the provisions of the Act No 231/1999 on State Aid.

11.7 Contribution to National Development Plan
The project will contribute to the HRD Sectoral operational programme and to the strategic priority and specific goals of the ROP’s as outlined in the National Plan for Regional Development. Some 11,900 unemployed will receive tailored training.

12. Conditionality and sequencing
The project is mature and ready to be implemented in the second quarter of 2002, provided the Phare 2000 project activities have started, curricula approved.

**Annexes to project Fiche**

1. Logical framework matrix in standard format (compulsory) (see overleaf)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)
4. List of relevant laws and regulations
5. Detailed characteristics of the labour market development
<table>
<thead>
<tr>
<th>Logical Framework Planning Matrix for:</th>
<th>Programme name: HRD through preventive and individual active measures for the unemployed</th>
<th>Date of drafting: June 2001</th>
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<td></td>
<td>Contract period expires: 30.11.2003</td>
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<tr>
<td>Country: Slovak Republic</td>
<td></td>
<td>Disbursement period expires: 30.11.2004</td>
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<tr>
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<td></td>
<td>Total budget (MEUR) 4.0</td>
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<td></td>
<td></td>
<td>PHARE contribution (MEUR) 3.0</td>
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</table>

<table>
<thead>
<tr>
<th>Intervention logic</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| **Overall objectives:** Strengthening the economic and social cohesion by fostering the employability of the most vulnerable groups. | • Increased employment in the priority regions | • Report on Regional Operational Plan implementation  
• Regular statistical surveys provided by Statistical office | • Implementation of NDP and relevant ROP’s  
• Sufficient financial resources available from the NLO budget  
• Legal and financial conditions for enterprise development |

| Project purpose: Facilitating the access into the labour market of the unemployed by providing them with individual active measures tailored to their specific needs | • Decreased rate of unemployed from vulnerable groups (by 1,5 % in 2004 compared to 2001)  
• Decreased number of social benefit dependants (by 2 % in 2004 compared to 2001) | • Employment Policy Review Report  
• NLO Annual Report  
• Project reports  
• Regional Operational Plan  
• State budget figures on social benefits expenditures |  

| Results: 1. Prevent the drift into long term unemployment of the most threatened groups by providing them with the employability measures  
2. Promote the re-integration and social inclusion of long-term unemployed (LTU) by improving their capacities to find a job. | • Number of unemployed people receiving preventive motivation measures and targeted training increased (by app. 6 000 in 2004 compared to 2002)  
• Number of long-term unemployed participated in self-employment training programmes increased (by 2 200 in 2004 compared to 2001)  
• Number of long-term unemployed re-integrated into the labour market increased (by 3.700 in 2004 compared to 2001) | • NLO Annual Report  
• Project reports  
• Studies, surveys, project reports  
• NGOs’ Report | • PHARE 2000 project implemented in time  
• Increased public funds available for the implementation of active employment instruments |
<table>
<thead>
<tr>
<th>Logical Framework Planning Matrix for:</th>
<th>Programme name: HRD through preventive and individual active measures for the unemployed</th>
<th>Programme no.: SR0107.02</th>
<th>Country: Slovak Republic</th>
<th>Date of drafting: June 2001</th>
<th>Contract period expires: 30.11.2003</th>
<th>Disbursement period expires: 30.11.2004</th>
<th>Total budget (MEUR)</th>
<th>PHARE contribution (MEUR)</th>
<th>4.0</th>
<th>3.0</th>
<th>Sheet no. 2</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Activities:</strong></th>
<th><strong>Objectively verifiable indicators</strong></th>
<th><strong>Sources of verification</strong></th>
<th><strong>Assumptions</strong></th>
</tr>
</thead>
</table>
| 1. Implement preventive and employability-oriented strategies, building on early identification of individual needs, addressed to those individual that have fallen recently into unemployment before they become long term unemployed | Provision for delivery of preventive measures for 6000 unemployed co-financed by the NLO | Subtotal 1. 1,4 MEUR | • NDP and ROPs approved  
• Overall interest of regional and local stakeholders  
• Co-operation of training providers sustained |
| 2. Develop and implement individual career paths for the long-term unemployed in order to promote their effective integration into the labour market | Provision for delivery of training for self-employment for 2 200 long-term unemployed  
 Provision for other active measures for 3 700 long-term unemployed  
 TA: 2 ST EU Expert – 4m/m each  
 2 ST Local Experts – 5m/m each | Subtotal 2. 2.4 MEUR  
 TA Subtotal 0,20 MEUR | |

**Preconditions:** 2000 activities started, curricula approved, rules and eligibility criteria set.
### Time Implementation Chart

#### Human Resources Development through preventive and individual active measures for the unemployed

<table>
<thead>
<tr>
<th>Time Implementation Chart (in quarters)</th>
<th>Budget allocation 2.5 MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub-programme</strong></td>
<td><strong>2002</strong></td>
</tr>
<tr>
<td>1. Implement preventive and employability-oriented strategies, building on early identification of individual needs addressed to those individual that have fallen recently into unemployment before they become long term unemployed</td>
<td>I</td>
</tr>
<tr>
<td></td>
<td>X</td>
</tr>
<tr>
<td>2. Develop and implement individual career paths for the long-term unemployed in order to promote their effective integration into the labour market</td>
<td>I</td>
</tr>
<tr>
<td></td>
<td>X</td>
</tr>
<tr>
<td>3. TA: Development of vocational training programme</td>
<td>I</td>
</tr>
<tr>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
## CUMULATIVE CONTRACTING and DISBURSEMENT SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>31.3.02</th>
<th>30.6.02</th>
<th>30.9.02</th>
<th>31.12.02</th>
<th>31.3.03</th>
<th>30.6.03</th>
<th>30.9.03</th>
<th>31.12.03</th>
<th>31.3.04</th>
<th>30.6.04</th>
<th>30.9.04</th>
<th>31.12.04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted</td>
<td>0.2</td>
<td>3.0</td>
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<tr>
<td>Disbursed</td>
<td>0.2</td>
<td>0.6</td>
<td>0.9</td>
<td>1.2</td>
<td>1.5</td>
<td>1.8</td>
<td>2.1</td>
<td>2.5</td>
<td>2.8</td>
<td>3.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NB: 1. *all contracting should normally be completed within 6-12 months and must be completed within 24 months of signature of FM*

2. *all disbursements must be completed within 36 months of signature of the FM*
List of relevant Laws and Regulations (optional)

- Act on employment as amended in Act no. 292/ 1999
- Social Assistance Act, 1995
- Continuing education Act, 1998
SUMMARY - characteristics of the labour market development

Youth unemployment is very high (32% for those aged between 15 – 24 and significantly above the EU average. This is due to the fact that young people, particularly school graduates from secondary and vocational schools have obtained qualifications and skills that are not adapted/responsive to the labour market needs. The highest unemployment rates appear to be for graduates of secondary vocational schools (47%), followed by the graduates of apprentices 42% and 25% of the grammar school graduates.

Although the transition did indeed generate new employment opportunities through the development of new businesses and activities, the number of jobs thus created were not sufficient to absorb all workers dismissed by declining sectors and new entrants in the labour market. The growing imbalance between the demand and the supply resulted in a significant growth of the inflow of new unemployed.

<table>
<thead>
<tr>
<th>Development of supply and demand of the labour market</th>
</tr>
</thead>
<tbody>
<tr>
<td>labour supply</td>
</tr>
<tr>
<td>labour demand</td>
</tr>
<tr>
<td>average unemployment rate</td>
</tr>
</tbody>
</table>

Public works were generated for 46 572 long-term unemployed and due to the support of this active measure the registered unemployment rate declined approximately by 2.5%.

A pilot “Short-term programme of employment for young people” has already been started in six districts in May 2000. According to the preliminary positive results of the efficiency assessment which is carried out in February, this programme should be implemented in all regions and beside the National Labour Office budget will be supported by contribution of 50 mil. SKK from the state budget.

As regards the success rate of placement (70-75%), as well as the relatively low costs, training and re-training programmes continue to be the most efficient instrument of active labour market policy. A decreased share of funds available for active labour market policy has been reflected a low number of re-trained job seekers in 2000. 14 729 registered unemployed have applied for training or re-training courses but the NLO could cover costs only for 38 % of total applicants.

Jobs for self-employment are considered and requested tool of active labour market policy as they can help the job seekers to be successful on the labour market by his/her own activities and promote the development of small businesses. Although the creation of self-employed jobs is much cheaper than jobs in industrial sector the NLO supported only the creation of 500 jobs for self-employment in 2000. The National Agency for development of SME supported through own financial contributions the creation of 2 242 self-employed jobs. This instrument could also match the situation that the scissors of supply and demand are widening constantly.

National Employment Plan sets up measures for implementation which reflect the economic situation and labour market development respond to four pillars of the European Employment Strategy, Employment Policy Guidelines, five ESF policy fields
and priorities of the French Presidency of the EU in the field of employment and social affairs;

Human Resources Development Sectoral Operational Programme (HRD SOP) which sets out the context, objectives, strategy, measures and is consistent with the National Plan of Regional Development (Preliminary NDP);

4 Regional Operational Programmes which sets out the context, objectives, strategy, measures, financing and indicative national and PHARE allocations for support (they are coherent parts of the NDP);

Priorities of the labour market policy and main objectives of the National Labour Office.

Accreditation:
The Act on Further Education No. 386/97 Col. determines the accreditation procedure for public and private institutions providing educational and training activities. This procedure guarantees the state verification of the training institution capacity to provide further education/training on the basis of conditions stipulated by this act.

Each training provider can apply for the accreditation the Ministry of Education if they fulfil the strict obligations and criteria stipulated by this act. The Ministry of Education shall establish the Accreditation Committee in order to verify submitted documentation related to the type of training activities. Accreditation Committee is responsible for issuing the accreditation certificate for a certain period for training provider who fulfil the criteria of accreditation.

The National Labour Office has developed every year the catalogue of training providers providing accredited training and cooperates with them on a competitive basis. The total number of training institution provided accredited training courses is 3 690 for 2000.

<table>
<thead>
<tr>
<th>Expenses for the active and passive labour market policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>in thousands SKK</td>
</tr>
<tr>
<td>------------------</td>
</tr>
<tr>
<td>4 000 000</td>
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<tr>
<td>3 500 000</td>
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<tr>
<td>500 000</td>
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<tr>
<td>0</td>
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</tbody>
</table>

- Other measures
- Public works
- Retraining