1. Basic Information
   1.1 CRIS Number: 2003-004-995-03-15
   1.2 Title: Strengthening regional and local capacities for managing and implementing Structural Funds
   1.3 Sector: Regional policy and co-ordination of structural instruments
   1.4 Location: Slovak Republic

2. Objectives
   2.1 Overall Objective(s):
   To strengthen the administrative conditions for and capacity to absorb funding at regional and local levels, for the implementation of the Structural Funds support in Slovakia (both the 2004-06 period – National Development Plan, Operational Programmes plus Single Programming Documents Objectives 2 and 3 – and in support of preparation and absorption for the 2007- programming period).

   2.2 Project Purpose:
   To ensure the effective management & capacity to absorb EC funds in area of economic and social cohesion.

   2.3 Accession Partnership (AP) and NPAA Priority:
   Accession Partnership (November 2001)
   Regional policy and co-ordination of structural instruments
   - Establish a clear division of responsibilities and improve the administrative capacity, in particular in terms of recruitment and training; ensure effective inter-ministerial co-ordination
   - To set up the required monitoring and evaluation systems for Structural Funds, in particular for ex-ante evaluation and for the collection and processing of the relevant statistical information and indicators
   - To align with the specific financial management and control procedures for future Structural and Cohesion Funds under the relevant EC Regulations
   - Develop the technical preparation of projects eligible to Structural and Cohesion Funds assistance (project pipeline)

   NPAA (2001)
   This project will contribute towards the achievement of the medium-term priorities for Regional Policy and Cohesion given in the National Programme for the Adoption of the Acquis (NPAA) by preparing the Ministry of Construction and Regional Development (MCRD) to take on the tasks of the Managing Authority for the CSF (and the ROP and SPD) and will “create the conditions for programming and preparing successful projects in the area of economic and social cohesion, including grant schemes” (NPAA priority 2c). In addition, this project will address Administrative requirements by “enhancing the capacity for the preparation of programmes and projects within PHARE regional development and PHARE cross-border co-operation, and by providing professional training to the staff”.
The project will also contribute towards the achievement of the following NPAA objectives:

- To complete the institutional administrative structures and to create a system for their efficient operation;
- To develop the methodology, rules and procedures for preparation, implementation and assessment of the Structural Funds programmes and Cohesion Fund projects.

2.4 **Contribution to National Development Plan:** N/A

2.5 **Cross Border Impact:** N/A

3. **Description**

3.1 **Background and Justification:**
As of the date of the accession, the Slovak Republic must be able to manage assistance in the area of economic and social cohesion received through Structural Funds in line with the relevant EC Regulations especially 1260/99/EC. Nevertheless, the capacity to generate and implement development projects has been identified as the weak point of preparation for Structural and Cohesion Funds.

The project will therefore target and provide direct training and skills transfer to three main groups of actors that will address this absorption capacity problem:

1) The emerging and urgent need to address the looming absorption and development capacity problems by targeting “hands-on” support to development agents and potential project promoters on the ground. **Target group – beneficiaries;**

2) Administrative/managing capacity: The ongoing need to develop skills and competence among persons likely to be involved as intermediaries and as managers of the projects on the regional level. **Target group – managers;**

3) Training capacity: The need to ensure sustainable human resource capacity building by finalising the development of curricula/materials and of national and regional networks of trainers (answerable to MCRD) skilled to ensure the long-term capacity to provide training of the above target groups in the context of the further programming/management/implementation of Structural Funds’ support to Slovakia. **Target group – trainers.**

The ‘National Plan of Regional Development of the Slovak Republic’ (NDP) is a mid-term planning document detailing Slovakia’s economic development policy until 2006. The Government decided for 5 SOPs and a single ROP covering the whole of Slovakia with the exception of Bratislava County\(^1\). After EU accession, the territory covered by this single ROP will be designated as Objective 1 under Structural Funds and will be the subject of a ‘Community Support Framework’ (CSF). Bratislava County, on the other hand, will have Objective 2 and Objective 3 status and will be the subject of a separate ‘Single Programming Documents’ (SPD2 and SPD3).

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\(^1\) One of 8 self-governing counties (NUTS III regions) in Slovakia.
As regards the bodies/authorities responsible for the preparation and implementation of the Structural Funds and the Cohesion Fund, the Slovak Government has designated the following responsibilities by Government Decisions 133/2002, 317/2002, 617/2002 and 359/2002 and successive amendments:

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<thead>
<tr>
<th>Community Support Framework</th>
<th>Managing Authority</th>
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<tr>
<td></td>
<td>Ministry of Construction and Regional Development SR</td>
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<table>
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<tr>
<th>SOP - Economic Development</th>
<th>Ministry of Economy SR</th>
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<tbody>
<tr>
<td>SOP - Basic Infrastructure</td>
<td>Ministry of Construction and Regional Development SR</td>
</tr>
<tr>
<td>SOP - Human Resources</td>
<td>Ministry of Labour, Social Affairs and Family SR</td>
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<tr>
<td>SOP - Agriculture, Rural Development and Fishery</td>
<td>Ministry of Agriculture SR</td>
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| Single Programming Document (SPD) - Bratislava - Objective 2 | Ministry of Construction and Regional Development SR |
| Single Programming Document (SPD) - Bratislava - Objective 3 | Ministry of Labour, Social Affairs and Family SR |

| Interreg III A (cross-border cooperation) | Ministry of Construction and Regional Development SR |
| Interreg III B (trans-national cooperation) | Ministry of Environment SR |
| Interreg III C (interregional cooperation) | Ministry of Economy SR |

- Authority responsible for the co-ordination of the programming documents, the implementation of the programmes and their evaluation: Ministry of Construction and Regional Development SR
- Paying Authority: Ministry of Finance SR

As regards the **Cohesion Fund**, the following authorities have been designated:
- Managing Authority: Ministry of Construction and Regional Development SR
- Paying Authority: Ministry of Finance SR
- Implementing body in the field of environment: Ministry of Environment SR
- Implementing body in the field of transport infrastructure: Ministry of Transport, Posts and Telecommunications SR.

In this stage, Slovakia is undergoing an extensive Public Administration Reform. The change of general governmental organisation and territorial division of Slovakia already induced a lot of changes in the legislation and has a significant impact on all activities linked to the policy of economic and social cohesion and management of SFs. Competencies are being decentralised to the self-government level including those in the area of regional development (Act 416/2001 on transfer of certain responsibilities from the state administration to the self-government).

The Slovak Government decided by its Decree 157/2002 to adjust the system of the statistical territorial units at NUTS II level in line with the Agreement between the Eurostat and the Statistical Office of SR published in the Slovak Legal Code in March 1998. The structure of the statistical territorial units is listed in the following table.

<table>
<thead>
<tr>
<th>Territorial Unit</th>
<th>Number</th>
<th>Territorial Area</th>
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<tbody>
<tr>
<td>NUTS I</td>
<td>1</td>
<td>Slovakia</td>
</tr>
<tr>
<td>NUTS II</td>
<td>4</td>
<td>Bratislava, West Slovakia</td>
</tr>
</tbody>
</table>
The Act 503/2001 on Support to Regional Development sets the basis for a systematic functioning of regional policy and management of structural funds within the country. It has been prepared in view of fulfilling the provisions of EC regulations on SF, mainly Council Regulation (EC) No. 1260/1999.

This project will build upon the Phare institution building support undertaken through the 2001 (SR0107.01) and 2002 (CRIS No. 2002/000.610-11) National Programme. It will expand the process of preparing relevant institutions/actors on the regional and local level (including MCRD as a leading partner in the project), so a clearly distinguishable “development community” is functioning nation-wide by end 2006.

The rationale is given by:
- The emerging absorption problems;
- The reality of significantly increased resources for development on accession;
- The real need to invigorate local communities to participate in their own development and the need to reinforce co-operation and partnership among development agents, which leads to a sophisticated project pipeline needed for absorption of funding.

3.2 **Linked Activities:**
- **SPP I (SR 9808.04)** – Special Preparatory Programme for Structural Funds provided assistance for programming and institution building for SF, as well as for a limited series of pilot projects designed to complement and test the existing and newly established administrative structures [duration: 9/2000 – 5/2002]
  - part Twinning [France, Ireland] - Guaranteed results: Managing and paying authorities will develop the procedures needed to fulfil all the relevant provisions laid down in Council Regulation (EC) No. 1260/1999 on SF and other relevant EC Regulations;
  - part Technical assistance – **Development and set-up of monitoring systems for ERDF and ESF**, this part will provide support to analysis, design, development, testing, user and administrator training and roll out of the Subsystem for Programming of Structural Funds;
  - part Technical assistance - **Capacity building for relevant partners involved in SF programming and implementation**, this part will provide support to the creation of functioning managing authorities, paying authority, and monitoring committees in order to make them capable to conduct all the tasks connected with the programming, implementation, management and monitoring/evaluation of the structural actions co-financed by the EU Structural Funds in line with the requirements of the Regulations 1260/99/EC, 438/2001/EC and all relevant decisions of the Slovak Government;
part Technical assistance – *Preparation of programmes and projects*, this part will be used for finalisation of the ex-antes and programme complements of the OPs, SPD2 and SPD3.

- **SR 0109** – Public Internal Financial Control. The Guaranteed result should be the establishment strengthening of the Central Harmonising Unit at the Ministry of Finance and Internal Audit Units in the line ministries and spending centres (including training of auditors, preparation of manuals etc) [duration: 10/2002 – 3/2004]
- **CRIS Number 2002/000.610-11** Consolidating the Institutional Framework and Enhancing Administrative Capacity for Programming, Implementation and Monitoring of Structural Funds [duration: 2.Q/2003 – 2.Q/2005]; the project should deliver the following results: (i) Managing authorities for the Sectoral Operational Programmes, the Single Programming Documents for objective 2 and 3, Interreg III and other Community Initiatives and for the Cohesion Fund programmes have developed adequate capacity to deliver the tasks defined in Council Regulations 1260/1999; (ii) Monitoring system established and operational.

The following grant schemes are included in the 2002 National Programme - Economic and Social Cohesion:

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<tr>
<th>CRIS Number: 2002/000.610-13</th>
<th>Ministry of Construction and Regional Development (MCRD)</th>
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<tbody>
<tr>
<td>Local and Regional Development Grant Scheme (RDGS) [duration: 2.Q/2003 – 3.Q/2005]</td>
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<tr>
<th>CRIS Number: 2002/000.610-12</th>
<th>Ministry of Economy (MoE)</th>
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<tbody>
<tr>
<td>Industry Development Grant Scheme (IDGS) [duration: 03/2003 – 06/2005]</td>
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<th>CRIS Number: 2002/000.610-14</th>
<th>Ministry of Economy (MoE)</th>
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<tr>
<th>CRIS Number: 2002/000.610-15</th>
<th>Ministry of Labour, Social Affairs &amp; Family (MLSAF)</th>
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<tbody>
<tr>
<td>Human Resources Development Grant Scheme (HRDGS) [duration: 03/2003 – 09/2005]</td>
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RDGS should assist in the development of the local development agents in the regions (NUTS III to V) and to prepare a project pipeline of projects at the NUTS IV and V levels. IDGS’s main objective will be to increase the competitiveness of the Slovak industry on the international markets; TGS will concentrate on increasing the competitiveness of the tourism sector. RDGS is to provide an attractive, local, investment environment for enterprises (particularly SMEs) to locate and become successful. IDGS and TGS will provide complimentary investments in the private sector and HRDGS will support the provision of appropriate labour market skills. These parallel grant schemes are considered as ‘complementary measures’ in Structural Funds terminology. Collectively the 4 proposed grant schemes will test potential Structural Funds delivery mechanisms.

**By providing training and necessary skills transfer to the three target groups** (training shall be provided directly to an immediate audience of ‘project
promoters’/‘beneficiaries’ and ‘project managers’ plus also in parallel shall be provided to support MCRD’s development of a sustainable accredited training capacity), this project will finalise the process of regional capacity building and will allow all stakeholders to exploit opportunities provided by the grant schemes.

3.3 Results:
- MCRD, regional, and local actors human resources / professional skills and know-how improved, with an increased capacity and understanding of ‘best-practice’ in the preparation, management and implementation of programmes and projects within the strategic framework of the NDP/OPs/SPDs and the established administrative procedures for the selection of and the implementation and control of co-financed ESC actions;
- Training curricula, networks and operational systems to allow the sustainable delivery of SF/CF training developed;
- Information networks and communication channels between regions & local actors developed;
- Public awareness of the function of ESC and the possibilities offered by EC/SFs funding increased.

3.4 Activities:
Via a single service contract for Technical Assistance, the following key activities are to be undertaken and outputs delivered:
- Assessment of current capacities at MCRD, regional & local level relating to ESC activities (i) HR including training needs analysis, (ii) management, (iii) IT, (iv) publicity; ‘Action Plan’ recommendations (by the end of month 2 after contract signature);
- Assessment of existing training modules available & selection of trainees (by end month 3); development of training programme modules (by end month 4);
- Provision of training programmes: ‘beneficiaries’ & ‘managers’ (months 5-15) and, in parallel, ‘trainers’ (months 13-15);
- Support to the improvement of information network, connections, and communication channels among regions on basis of ‘Action Plan’ (months 3-17);
- Support to the development of awareness raising/ publicity about NDP/OPs/SPDs and related programme complements and all grant schemes (including CBC-Small Projects Fund; RDGS; IGS; TGS; and HRDGS) & information dissemination (months 3-17);
- On the basis of trainee evaluations, adapt/finalise materials and case studies and provide final training to core pool of trainers & support MCRD with final ‘institutionalisation’ of training capacity (months 15-17);
- Final recommendations in relation to management capacities of MCRD, regional & local actors in relation to the medium-term management of SFs (months 17-18).

N.B.
Further training to existing and new administrative structures and potential intermediaries on management of programmes and projects will be necessary due to a number of key factors: the ongoing recruitment/ turnover of public servants; the need to remedy the skills deficit evident in public administration in order to raise the overall management capacity for programmes; and the need to support the development of appropriate skills for SF among the new regional actors, including the smooth functioning of relations with final beneficiaries.
This project is intended to fund the training to the target groups identified in the Action Plan. This project will build upon a previous SPP I training project, although in a limited scope. The SPP I training was focused on rather general issues related to SFs because the basic decisions on SFs programming documents did not exist in the period of implementation of the SPP I training project. Taking this into account, the SPP I documents can be used only partially. As such, the majority of the training documents for life-long learning methodology must be developed via this project.

In addition to providing training of an immediate and direct support to both ‘beneficiaries’ and ‘managers’ responsible for promoting and implementing Structural Funds’ support in the period 2004-06, MCRD is also aware of the need to ensure a sustainable capacity to provide training and capacity building also within the context of the 2007-12 programming period. In this context, MCRD is presently assessing the need to institutionalise such a capacity, answerable to MCRD as CSF MA. Such trainers should be selected mainly from the ‘beneficiaries’ and ‘managers’. Trainers to be selected from the existing trainers will be involved only in the case of proven training provided on the basis of the SPP I project.

- **Assessment of current capacities at MCRD, regional & local level relating to ESC activities (i) HR including training needs analysis, (ii) management, (iii) IT, (iv) publicity; Production of ‘Action Plan’ recommendations (by the end of month 2 after contract signature)**

Achieving this will involve as a first step *designing and following an “Action Plan” for each NUTS III region*, whose sole purpose will be to stimulate the project development capacity and the number and quality of projects. The Action Plan will need to be approved by the appropriate regional and national structures and must be compliant with the prepared NDP, before implementation can start. The locally assigned regional expert(s), in close consultation with the relevant stakeholders and partners, will develop it in each region.

At a minimum, an Action Plan will need to determine:

a) After extensive research and on the ground consultation, the partners in the regions and their classification according to whether they are project developers, final beneficiaries, or intermediary bodies;

b) The overall project capacities (project capacity, broader development capacity, number and nature of ‘ready’ projects, number and nature of project ideas);

c) The methods for investigating ideas and their transformation into projects;

d) The optimum flow of information and contacts between the already established committee structures and the identified potential project promoters;

e) Clear structure of assistance for potential project promoters or partnerships, leading to tailored support and ‘hands-on’ coaching to each identified initiative and intervention area;

f) Clear, quantified and qualified performance targets for all activities and consistent with ROP/SOPs development;

g) A training plan to support the project promoters and partners;

h) Implementation plan for ‘hands-on’ assistance and coaching;

i) Recommendations;

j) Monitoring and reporting systems.

- **Assessment of existing training modules available & selection of trainees (by end month 3); development of training programme modules (by end month 4)**
It is necessary to prepare training materials that will be used in the training. In the first instance, all relevant materials already prepared (manuals on procedures prepared by the SPP project of 1998, handbooks of operation and other materials prepared by the twinning experts within the twinning project SR0107.01) should be reviewed. All training packages should fully consider also all the methodological papers/working papers prepared by the EC. Twinning will provide “thematic inputs” for the technical assistance, mainly concerning the content of the training programmes and information tools.

The presentations and the content of the training materials must be made in such a way that it is possible to change/complete these materials according to the finalisation of the programming documents for Structural Funds intervention in Slovakia as well as the changes in the institutional framework when possible and applicable. However, it can be anticipated that at the moment of the project implementation all SF programming documents will be finalized and approved by the European Commission.

Activities are:

- **Review all relevant materials already prepared**
- Develop single teaching, **life-long learning methodology** (in English and Slovak) for Structural and Cohesion Funds, to be applied as the modular and curricula basis of future administration training (central and regional management); materials are to be printed for each of the trainees targeted below (**incidental expenditures**);
- **Select trainees** for each target group defined below

### Provision of training programmes (months 5-15)

#### a) Target Group - Beneficiaries

**Main Issue - Absorption and Development Capacity**

Activities are:

- Provide training to ensure appropriate level skills in line with ‘Action Plan’;
- Assess, appraise successful candidates; identify potential trainers for inclusion to core pool of SF trainers.

Beneficiaries is the core target group for training in this project. Absorption and development capacity activities will all focus on the emerging and urgent need to address looming absorption and development capacity problems by provision of operational expertise, targeting tailor-made training, ‘hands on’ day-to-day administrative assistance and coaching support to development agents and potential project promoters/developers on the ground.

Target group of potential trained beneficiaries includes: Regional Development Agencies (RDA), economic development departments of municipalities, economic development units of NUTS III regions, Chamber of Commerce, RPICs (RAICs), BIC, labour offices, municipalities, regional authorities, NGOs, training institutions, schools and universities, SMEs, unions and associations of employers, economic and social partners, associations of towns and municipalities and others.

Specific training directed on project preparation will be delivered to ensure a functional project pipeline on the regional level. It is essential that the same level
of competency be maintained at all concerned levels. However, the responsibilities vary considerably and therefore separate programmes of training will have to be developed to match the required level of responsibility and authority.

Training should also be provided in relation to project management in line with EC and other administrative requirements for the operation of Structural Funds assistance in Slovakia, including project reporting and control.

Training will also cover the ability to identify priorities in social and economic aspects and the integration of these with other initiatives, such as human resources development, housing requirements and health. This is specifically directed at the institutions at NUTS III level ("higher territorial self-government units") that are responsible for drafting Plans of economic and social development of the counties and should be in line with the ROP and SOPs.

It is envisaged that at minimum 400 people receive training (50 per NUTS III region).

b) **Target Group - Managers**

**Main Issue - Administrative and Managing Capacity**

Activities are:

- Provide training to ensure appropriate level skills in line with ‘Action Plan’;
- Assess, appraise successful candidates; identify potential trainers for inclusion to core pool of SF trainers.

Administrative capacity activities all focus on the on going need to develop skills and competence among persons likely to be involved as intermediaries and other future managers at both central and regional level.

Target group of potential trained managers includes: designated intermediary bodies for all Programmes, higher territorial self-government units, County Development Agencies (CDAs), designated implementing structures for the ROP/SOPs/SPD2/SPD3, different Monitoring Committees and others.

Training is required relating to EC procedures and guidance on programme and project monitoring and evaluation, management and control, within the context of the operation of Structural Funds and Cohesion Fund in Slovakia.

It is envisaged that at minimum 100 people receive training.

c) **Target Group – Trainers (months 13-15)**

**Main Issue – Training Capacity**

Activities are:

- Identify trainers for inclusion to core pool of SF trainers;
- Support MCRD establish ‘institutional’ setting for the management of trainers for the period 2006-09 and the corresponding ‘conditions’ for accreditation of trainers and the provision of follow-up training;
- Provide fast-track training with regard to the finalized training curricula and materials (in form of a Trainers’ Manual), in order to ensure continuity and consistency of appropriate level of skills in line with ‘Action Plan’.
Trainers are to be selected mainly from the staff of the development agents, in addition from the group of managers and existing trainers. Trainers should be selected to ensure sufficient regional and skills diversity so as to allow for the development of local and regional networks of trainers.

In selecting trainers from the ‘Beneficiaries’ target group (approx. 70% of the pool) special attention should be paid to practitioners already active in development structures previously supported by Phare or other EU resources as part of ESC preparation or Phare CBC.

In selecting trainers from the ‘Managers’ target group (approx. 10% of the pool), attention should be paid to agreement with appropriate ministries inputs of specific administrators already active on SF preparation.

In selecting existing trainers (no more than 20% of the pool), attention should be paid to the professional record and availability of trainers regarding ESC training, and proven training abilities provided on the basis of previous projects.

Training should be provided relating to the set of training curricula and materials developed under the project into a single adult learning methodology, to ensure appropriate levels and skills.

It is envisaged that at minimum 200 people receive training (25 per NUTS III region).

- **Support to the improvement of information network, connections, and communication channels among regions on basis ‘Action Plan’ (months 3-17)**

  Activities are:
  
  - Support the development of a comprehensive database of the identified bearers of economic development and other potential project developers in each NUTS III region created by the relevant assigned local expert(s);
  - Support the development of regional and local means of communication and project networking, including in relation to the exchange of ‘best-practice’.

  Limited incidental expenditures are foreseen.

- **Support to the development of awareness raising/ publicity about NDP/OPs/SPDs and related programme complements and all grant schemes (including CBC-Small Projects Fund; RDGS; IGS; TGS; and HRDGS) & information dissemination (months 3-17)**

  Partnership is strengthened by effective dissemination of information. Aside from the means of training by which know-how is being transferred, an up-to-date information on SF and all the related issues should be made available to the largest possible number of stakeholders. This will be achieved by involving media on central and regional levels, provision of seminars/conferences, brochures, etc. as well as by an information web site for regional development and SF that could be administered by the regional authorities. The content of it will include in the first
place technical information on the operation of SF such as rules and regulations and access information.

The materials should be prepared in a way to give the interested public an overall picture on the Structural Funds, their assistance to Slovakia, main principles of the assistance and a road map to the Managing authorities, Intermediaries as well as other local development agents. Part of this information should be also a more popular description of programme complements, intended measures and supported activities.

Regional conferences will be organised to support a better understanding of rules and procedures for Structural Funds. The content should be tailored for each region to cover the specific activities supported by Structural Funds in the region.

Limited incidental expenditures are foreseen.

- **On the basis of trainee evaluations, adapt/finalise materials and case studies and provide final training to core pool of trainers & support MCRD with final ‘institutionalisation’ of training capacity (months 15-17)**

Activities are:

- Further review curriculum and materials for "key skills" for successful SF preparation and implementation;
- Provide further training to group (c), as required, relating to the final training modules;
- Materials are to be printed for distribution to regional training network centres *(incidental expenditures)*;
- Support to MCRD with the finalisation of the ‘institutional’ setting for the management of trainers for the period 2006-09 and the corresponding ‘conditions’ for accreditation of trainers and their provision of follow-up training.

- **Final recommendations in relation to management capacities of MCRD, regional & local actors in relation to the management of SFs (months 17-18)**

The provision of final recommendations in relation to:

- Progress achieved to date in meeting the goals of the project;
- Detailed strategy and 2-year ‘Action Plan’ for further development of regionally based training networks and the delivery of sustainable training;
- The capacity of the Slovak administration/intermediaries to manage the administrative requirements of SF preparation and implementation;
- Further steps proposed to be undertaken by MCRD (and as relevant regional & local actors) in relation to SFs’ management in Slovakia, in particular with relevance to the management of post-2006 financial assistance for ESC.

**Means**

Technical Assistance contract

Estimated Technical Assistance input will include:

**Central Co-ordination /Management of Project (duration: 18 months)**
- 1 x International Team Leader (12 person-months input): for overall project management and technical implementation, including the co-ordination of short-term experts and with the regions.

Key Requirements:
Broad economic development, SF projects management and consultancy experience (at least 10 years);
Proven successful ability to prepare and develop projects, including drafting of project documentation;
Proven successful ability to train, coach and facilitate development processes based on solid professional and communications skills;

- 1 x International Training/Administration Expert (12 person-months input): under the direction of the Team Leader, responsible for supporting the overall planning and development of the training programme, administrative and procedures manuals and programme publicity activities

Key Requirements:
Broad economic development, SF projects management and consultancy experience (at least 10 years);
Proven successful ability to prepare and develop training programmes, procedural manuals and support related information/publicity activities;
Proven successful ability to train, coach and facilitate development processes based on solid professional and communications skills;
Knowledge and experience of SF preparations in CEECs.

- 1 x Local Expert (12 person-months input): under the direction of the Team Leader, responsible for central co-ordination & the NUTS III region of Bratislava.

Key Requirements:
Broad economic development & SF-preparation experience in Slovakia;
Experience of development conditions in Slovak regions;
Experience of Slovak institutions at central and regional level;
Evidence of project management & consultancy experience (at least 10 years).

NUTS III Regions (excluding Bratislava) (duration: 18 months)
- 7 x Local Expert (12 person-months input each): under the direction of the Team Leader & Central Co-ordination Unit, responsible for the co-ordination of training and other inputs within the respective NUTS III region. Each region will provide office space and administrative staff to support the experts.

Key Requirements:
Broad experience of economic development programmes and projects assisted through EC programmes in the Slovak Republic in recent years;
Fluent in Slovak and English and with relevant experience and knowledge of the respective region;
Evidence of project management & consultancy experience (at least 5 years).

Central pool of Short-Term International & Local Experts
Specialised central pool of local and international experts [to be used in regions as required]; the expected minimum number of person-months is 100 (International at least 50) to be provided to cover the main areas of expert input/advice as follows:

- Small-Scale Infrastructure to Enhance Competitiveness;
- SME/Productive Investment - especially SME Finance, Innovation and Inter-enterprise Co-operation;
- Employment/HRD including design of major training programmes and projects at local level;
- Small-Scale Spatial Planning (local, urban, rural, "bottom-up"/integrated);
- Experts/trainers for delivery of required inputs for the parts of the project supporting the development of administrative capacity and procedures, regional networks, informatics and publicity.

Requirements:

Broad economic development, SF projects management and consultancy experience (at least 5 years);

Proven successful ability to prepare and develop projects, including drafting of project documentation and/or to prepare and develop training programmes, procedural manuals and support related information/publicity activities;

Proven successful ability to train, coach and facilitate development processes based on solid professional and communications skills;

Knowledge and experience of SF preparations in CEECs (International Experts) and of the Slovak situation (Local Experts).

3.5 Lessons Learned:

The 1998 SPP I - Special Preparatory Programme for structural policy, completed in May of 2002, was the first Phare financed project providing a comprehensive assistance to the Candidate Countries in establishing the institutional framework and the administrative capacity building for implementation of regional and structural policies.

SPP support assisted the Slovak authorities in their preparations for future management of Structural Funds. Notably, the Programme aimed at building the administrative capacity within relevant ministries and strengthening co-ordination among relevant institutions. In addition, the technical assistance developed ex/ante evaluation of the pNDP and delivered a training package through the "SPP Diploma" project, which allowed the training in EU related issues of over 420 civil servants.

The subject matter of training is partially corresponding to "Absorption capacity" but training covered mostly very general topics. The SPP 98 training project has provided participants with a general knowledge and understanding about EU structural policies and financial instruments, strategic planning, and financial management. However, the participants still need hands on technical assistance and guidance to transfer the acquired theoretical knowledge into practice. Some training materials produced under this project may, however, be used if they are suitable for this project.

Pilot Grant Schemes

One of the important lessons learned from the pilot grant schemes implemented under the SPP 98 project was that whilst applicants often had good project ideas, they had poor understanding of how to respond to Calls for Proposals, in addition, they had difficulties in finding suitable partners and were often unclear about what was
expected in terms of project preparation. The combination of these factors proved to be a major constraint in turning good ideas into good project proposals during the early stages of the pilot schemes. There was also considerable workload associated with dealing with enquiries and questions from potential applicants and overall, there was heavy over subscription for available funding, with for example, five times as many applications for tourism grants as could be supported. A similar situation is expected for the start-up and running of the Grant Schemes 2002 and it is for this reason that large training courses should be launched on the local and regional level, so potential beneficiaries improve their skills in project preparation, management and implementation.

Another lesson learned specifically from the pilot Tourism Grant Scheme is the importance of publicizing and promoting the scheme in its entirety so as to achieve a balance of grant funded activities. The tourism scheme registered over 2,000 expressions of interest in its first Call for Proposals, which translated into 153 projects. However, the distribution of grants amongst available measures is unequal, with only 5 of the 153 being made for ‘People based development’ projects and the great majority (111) being for projects in the area of ‘Partnership & regions.’ More direct promotion of the measure ‘People based development’ may have redressed the balance of projects, alternatively the measure may have been genuinely unpopular and this finding should be an important consideration in the design of similar schemes for the future.

4. Institutional Framework

The Ministerial Council for the Regional Policy of SR, established in 1999, is the most important co-ordination body at political level. This is a governmental co-ordinating, and advisory body for the issues related to regional policy and co-ordination of structural policy. The chairman of the Council is the Deputy Prime Minister for European Integration, Human Rights, and National Minorities.

The Preparatory Committee for Structural Funds and its Secretariat, based at the Ministry of Construction and Regional Development, is an inter-ministerial co-ordination and advisory body, at the operational/working level. The Association of Towns and Villages, representatives of NGOs and other institutions participate, on the partnership principles basis, at the works of this Committee.

The National Monitoring Committee (NMC) for the NDP was established in 2001. This body respects the principle of partnership and represents economic and social cohesion actors within the Slovak Republic. This committee will be transformed to the monitoring Committee for CSF.

The provisional structure of the Intermediate Bodies under the responsibility of the Managing Authorities was approved and indicated in the Chapter 21 as follows:
<table>
<thead>
<tr>
<th><strong>Programming Document</strong></th>
<th><strong>Intermediate Bodies under MA</strong></th>
<th><strong>Designated by</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>CSF</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ROP Slovakia</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>SOP Economic Development</td>
<td><em>industry:</em> AIDR – Agency for industrial development and revitalisation, NADSME – National Agency for Development of Small and Medium Enterprises; <em>energy:</em> Slovak Agency of Energy, Implementing Agency within the Section of Energy of ME SR; regional agencies of energy; <em>investment and trade policy:</em> Slovak Agency for Development of Investments and Trade, Centre of e-business; <em>tourism:</em> Slovak Agency for Tourism; <em>consumer protection:</em> Implementing Agency within the ME SR</td>
<td>G.D. 678/2002</td>
</tr>
<tr>
<td>SOP Environment</td>
<td>Implementing Agency for Environmental Investments Projects</td>
<td>G.D. 678/2002</td>
</tr>
<tr>
<td>SOP Agriculture, Rural Development and Fishery</td>
<td>transformed SAPARD Agency</td>
<td>G.D. 678/2002</td>
</tr>
<tr>
<td>SPD Bratislava Objective 2</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Intermediary bodies with delegated responsibilities from Managing Authorities will perform the tasks in compliance with EC Regulations.

The area of Slovakia is divided in 8 NUTS III regions - higher territorial self-government units (Bratislava, Trnava, Trenčín, Banská Bystrica, Žilina, Košice and Prešov) with elected regional councils and Regional Development departments. Supported by the Act 503/2001 on Support to Regional Development, higher territorial self-government units should play an important role in projects initiation, development and promotion.

There are three parallel networks of agencies in NUTS III regions established by central government institutions.

Network of business centres established by National Agency for Development of Small and Medium Size Enterprises (NADSME) of the Ministry of Economy SR consists of 12 Regional Consultancy and Information Centers (RPIC) and 4 Business Innovation Centers (BIC). Main activities of these business centers are to initialize and to carry out projects in support of SMEs in each region within Slovakia.
Network of 21 Regional Development Agencies (RDA) was established by the Ministry of Construction and Regional Development SR. Activities of these agencies are focused on preparation of regional development projects, analysis of region’s potential and participation on drafting of the NDP/ROP.

The above-mentioned organizations are located in NUTS III regions as follows:

- **Prešov county**: RRA Kežmarok, RRA Prešov, RRA Svidník, RRA Humenné, RPIC Poprad, RPIC Prešov
- **Košice county**: RRA Rožňava, RRA Moldava nad Bodvou, RRA Královo Chlmec, RRA Spišská Nová Ves, BIC Spišská Nová Ves, BIC Košice, RPIC Košice, RPIC Trebišov
- **Žilina county**: RRA Cadca, RRA Žilina, RRA Dolný Kubín, RPIC Martin
- **Banská Bystrica county**: RRA Banská Bystrica, RRA Lucenec, RRA Rimavská Sobota, RPIC Lucenec, RPIC Zvolen, BIC Banská Bystrica
- **Trencín county**: RRA Prievodza, RRA Trencín, RPIC Považská Bystrica, RPIC Trencín, BIC Prievodza
- **Nitra county**: RRA Komárno, RRA Šahy, RPIC Nitra, RPIC Komárno
- **Trnava county**: RRA Galanta, RPIC Dunajská Streda
- **Bratislava county**: RRA Malacky, RRA Senec

The scope of this project should not be limited to the institutions described above, but all other regional actors should be considered as recipients for training, such as SAPARD Agency regional offices, regional offices of the National Labour offices etc.

A Steering Committee for the project will be established by the Preparatory Committee for Structural Funds at the Ministry of Construction and Regional Development of the Slovak Republic responsible for managing of the training as an executive unit. This Steering Committee will be created by the representatives of Twinning, Contractor, Preparatory Committee and members selected by the MCRD SR. The meetings of the Steering Committee will be organized every month.

5. **Detailed Budget (in MEUR)**

<table>
<thead>
<tr>
<th></th>
<th>Phare Support Investment Support</th>
<th>Institution Building</th>
<th>Total (I+IB)</th>
<th>Phare National Co-financing</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Assistance</td>
<td>2.4</td>
<td></td>
<td>2.4</td>
<td>-</td>
<td>2.4</td>
</tr>
<tr>
<td>Total</td>
<td>2.4</td>
<td></td>
<td>2.4</td>
<td>-</td>
<td>2.4</td>
</tr>
</tbody>
</table>

6. **Implementation Arrangements**

6.1 **Implementing Agency**

CFCU - Central Finance and Contracting Unit:
Mrs. Silvia Czuczorova, Director/PAO
Radlinskeho 32
813 18 Bratislava
Tel.: 00421 2 5726 2707
Fax: 00421 2 5726 2727
813 18 - Bratislava, Slovak Republic
Implementing Authority:
Ministry of Construction and Regional Development of the SR
Contact person: General Director of the Section of the EU Assistance
Špitálska 8
SK-816 44 Bratislava, Slovakia
Tel.: +421 - 2 – 5975 3916
Fax: +421 – 2 – 5296 4517

6.2 Twinning: N/A

6.3 Non-standard aspects: The project will be implemented according to the rules of the Practical Guide for Phare, ISPA and SAPARD contracting procedures.

6.4 Contracts: 1 services contract of 2.4 MEUR

7. Implementation Schedule
7.1 Start of tendering/call for proposals: 1st quarter 2004
7.2 Start of project activity: 2nd quarter 2004
7.3 Project completion: 4th quarter 2005

8. Equal Opportunity
Equal opportunity principles and practices in relation to participation in the project will be guaranteed. All contractors will be required to provide regular monitoring data recording the participation of men and women in terms of experts/consultants employed and trainees participating in funded actions (as an integral component of all project progress reports and as a pre-condition for MCRD’s approval of disbursement of funds).

Such monitoring data will be reported to the Project Steering Committee and in Monitoring & Assessment Reports prepared during implementation of the project.

9. Environment: N/A

10. Rates of Return: N/A

11. Investment Criteria: N/A

12. Conditionality and Sequencing:
MCRD prepares a detailed list of existing & potential trainers, plus other ministerial staff and practitioners active in the field of ESC as the basis for the TNA & trainee selection.

ANNEXES TO PROJECT FICHE
1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
### LOGFRAME PLANNING MATRIX FOR PROJECT

**Programme number:** 2003-004-995-03-15

**Strengthening regional and local capacities for managing and implementing Structural Funds**

**Contracting period expires:** 30.11.2005

**Disbursement period expires:** 30.11.2006

**Total budget:** 2.4 MEUR

**Phare budget:** 2.4 MEUR

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To strengthen the administrative conditions for and capacity to absorb funding at regional and local levels, for the implementation of the Structural Funds support in Slovakia (both the 2004-06 period – National Development Plan, Operational Programmes plus Single Programming Documents Objectives 2 and 3 – and in support of preparation and absorption for the 2007- programming period)</td>
<td>• Programmes, intervention mechanisms &amp; projects successfully address regional development priorities of Slovakia (NDP strategic objective = 54-57% EU GDP PPP) • Reduced internal differentials in regional GDPs (Bratislava vs. other 7 NUTS III regions taken as a pop. weighted average)</td>
<td>• Commission reports • Government statistics</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To ensure the effective management &amp; capacity to absorb EC funds in area of economic and social cohesion</td>
<td>• Min. 1,000 people trained by core pool of trainers in year 2006 • Rate of absorption 2006 funds (end 2008 latest) increases for that of 2005 funds (end 2007) and 2004 funds (end 2006) • MCRD (CSF MA) oversees consultative process for development new programme documentation for post-2006 SF/CF funding, with a min. of 12 workshops organised in year 2006</td>
<td>• Commission reports • Government statistics • Reports from the managing and payment authorities • Monitoring reports of Agency for Support of Regional Development • MCRD</td>
<td>• National &amp; regional structures successfully assume their programming &amp; monitoring roles • Programming documents are accepted by EC (incl. OPs, Annual Reports etc.) • Publicity of EU programmes established by establishment of public interest networks etc. • Commitment of co-financing private sector resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • MCRD, regional, and local actors human resources / professional skills and know-how improved, with an increased capacity and understanding of ‘best-practice’ in the preparation, management and implementation of programmes and projects within the strategic framework of the NDP/OPs/SPDs & the established administrative procedures for the selection of and the implementation and control of co-financed ESC actions; • Training curricula, networks & operational systems to allow the sustainable delivery of SF/CF training developed; | • Min. 500 trained people in MCRD, public bodies at NUTS III, IV, V regions and economic/social partners & actors • Annual Reports (& other monitoring/programme reports) prepared by MCRD (& other ministries) accepted by EC • Trainer accreditation system & database operational & maintained by MCRD • Min. 200 trainers trained on new course materials • Publicity materials relating to ESC | • Technical assistance reports • Schedules & attendance lists training & public information meetings • Monitoring by Delegation/EC • ROP/SOPs/SPDs Monitoring Committee reports • Annual statistical reports • Monitoring reports of Agency for Support of Regional Development | • Institutional framework & project pipeline for ESC successfully established under 2001 & 2002 IB projects • Commitment of sufficient Slovak public resources (human & financial) to implementation of ESC funds • Members of all respective bodies in all NUTS III regions implement the knowledge and
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • Assessment of current capacities at MCRD, regional & local level relating to ESC activities (i) HR including training needs analysis, (ii) management, (iii) informatics, (iv) publicity; ‘Action Plan’ recommendations *(end of month 2)* | • Technical Assistance contract:  
  - 2 x international experts x 12 person-months  
  - 8 x local experts for 12 person-months  
  - International & local experts x 100 person-months  
  - Incidental expenditures: incl. printing/copying; IT database/network; publicity; conferences; translation services | • Successful co-ordination with other training actions and other institution building activities (including 2001 IB & 2002 IB ‘pipeline development’, both assumed to be operational)  
• Active involvement of, and political support, from MCRD & self-governments of higher territorial units, including in the introduction of new procedures & ordinances  
• Regional development grant scheme, Industry grant scheme, Human Resources grant scheme & Tourism grant scheme are operational  
• Agreement reached on the administrative/promotional role of regional & local actors  
• Programme documents for accessing SFs/CF revised and agreed with EC (incl. OPs) |
| • Assessment of existing training modules available & selection of trainees *(end month 3)*; development of training programme modules *(end month 4)* |  |  |
| • Provision of training programmes: ‘beneficiaries’ & ‘managers’ *(months 5-15)* and ‘trainers’ *(13-15)* |  |  |
| • Support to the improvement of information network, connections, and communication channels among regions on basis of ‘Action Plan’ *(months 3-17)* |  |  |
| • Support to the development of awareness raising/publicity about NDP/OPs/SPDs and related Programme Complements and Pre-Accession grant schemes & information dissemination *(months 3-17)* |  |  |
| • On basis trainee evaluations, adapt/finalise materials & case studies, provide final training to core pool of trainers & support MCRD with ‘institutionalisation’ of training capacity *(months 15-17)* |  |  |
| • Final recommendations in relation to management capacities of MCRD, regional & local actors in relation to the medium-term management of SFs *(months 17-18)* |  |  |
| • MCRD |  | • Reduced rate of staff turnover at MCRD & regional level |

**Preconditions**

• MCRD prepares a detailed list of existing & potential trainers, plus other ministerial staff and practitioners active in the field of ESC as the basis for the Training Needs Analysis & trainee selection
## Time Implementation Chart

Strengthening regional and local capacities for managing and implementing Structural Funds

<table>
<thead>
<tr>
<th>Project Component</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st Q</td>
<td>2nd Q</td>
<td>3rd Q</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Cumulative Contracting and Disbursement Schedule (in MEUR)

Strengthening regional and local capacities for managing and implementing Structural Funds

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th></th>
<th>2005</th>
<th></th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted</td>
<td>2.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td>0.5</td>
<td>1.0</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.0</td>
<td>2.2</td>
<td>2.4</td>
<td></td>
</tr>
</tbody>
</table>