Slovakia

Results of the negotiations of Cohesion Policy strategies and programmes 2007–13

INTRODUCTION
The negotiation dialogue between the European Commission and Slovakian authorities helped identify key strategic priorities to be supported through Cohesion Policy over the 2007–13 programming period, leading to improved links between analysis, strategy and priorities. Horizontal aspects, such as marginalised Roma community issues, equal opportunities and sustainable development are also addressed more closely in the strategy and programme. The overall objective for Slovakia is to significantly increase the competitiveness and performance of regions, the Slovak economy and employment by 2013, while respecting the principles of sustainable development. The EU funding will be invested in three strategic priorities: 1) Infrastructure and regional accessibility; 2) Innovation, information society and knowledge economy; and 3) Human resources and education.

The Slovak Republic’s strategic planning for the 2007–13 period will be implemented through 11 Operational Programmes: nine programmes co–financed by the European Regional Development Fund (ERDF), two of which are also co–financed by the Cohesion Fund (CF), and two programmes by the European Social Fund (ESF). In addition, Slovakia is taking part in four cross–border co–operation programmes, two transnational co–operation programmes and in interregional co–operation with all Member States.1

COHESION POLICY ADDRESSES TODAY’S PROBLEMS AND FUTURE CHALLENGES

Mitigating regional disparities
The principle of regional balance was a key issue in the negotiations. Indicative allocations at the regional level are thus embedded in programming documents to ensure that regions, in particular those covered by the Convergence Objective, will receive financial support reflecting their economic and social needs. Accordingly, underdeveloped regions will receive higher financial support from the Funds. In order to maximise the impact of the limited funding, the agreed approach is that some spending areas, such as regional infrastructure, health infrastructure, R&D, universities, and support (mainly through innovation) for the competitiveness of enterprises and services, will be concentrated in ‘growth poles’.

Cohesion Policy delivering the Lisbon Agenda
Funds will help implement the priorities of the Slovak National Reform Programme

1 The figures mentioned in the following chapters refer to planned interventions in the programmes under the Convergence and, where applicable, the Regional Competitiveness and Employment Objectives only. It is not possible to identify the exact contribution of each Member State to a given theme in programmes under the European Territorial Co–operation Objective.
(NRP). For example, key weaknesses identified in the NRP, in respect of low investments in ICT infrastructure and services and in R&D, are to receive a substantially higher contribution from the Funds compared to the previous programming period. In financial terms, it is expected that 58% of the total Community contribution will be directly invested in priorities of the growth and jobs agenda.

Responding to globalisation and structural change

Almost one third of total Community resources (some €3.5 billion) will be invested by Slovakia to improve transport infrastructure and thus increase the accessibility of its territory to core markets. There will also be a particular focus on developing TEN-T networks (around €2.2 billion). Considerable time savings are expected as a result of the transport investments of €350 million or so per year in railroads and about €72 million per year in roads. Reconstruction of regional and local roads will improve accessibility to the main transport corridors for all citizens.

Recognising the importance of investing in the knowledge economy, Slovakia has significantly increased (more than 100 times) the allocation to Research, Development and Innovation (RD&I) for the period 2007–13. The Funds will invest some €2.6 billion (23% of the total allocation) in this area. As a result of the negotiation dialogue, the role of applied research in R&D oriented interventions has been increased, thematic concentrations have been clearly described and links to the national R&D strategy have been improved, thus achieving a better concentration of interventions.

The development of entrepreneurship, especially among SMEs, is closely linked to innovation as indicated in the National Strategic Reference Framework (NSRF). Around €438 million (nearly 4% of the Community contribution) have been allocated specifically for projects supporting the competitiveness and innovation of enterprises. Some 820 co-operation projects between enterprises and research institutions are expected to be supported during the programming period. Slovakia will also make use of new innovative financing mechanisms such as the JEREMIE financial engineering instrument. In four Operational Programmes, JEREMIE will be supported to the tune of €156 million or thereabouts.

An significant increase in allocations was also achieved for ICT infrastructure and services. In fact, Slovakia has the highest allocation in relative terms compared with the other Member States, with ICT accounting for 10% of the total allocation for Slovakia (roughly €2.1 billion). The investments will for example focus on developing electronic services, content and infrastructure for public administration. It is expected that as a result of the investments an additional 900 000 inhabitants will have access to a modern broadband network.

Over €173 million have been allocated to actions aimed at increasing the adaptability of workers and enterprises. ESF assistance will focus on: developing specific services for employment, training and support in connection with the restructuring of sectors and firms; developing systems for anticipating economic changes and future requirements in terms of jobs and skills; and providing support for self-employment and business start-ups.

A major part of the ESF allocation (almost €547 million) will be invested in human capital through the two ESF Operational Programmes (OP) – OP Education and OP Employment and Social Inclusion. The employability of jobseekers and people entering the labour market will be supported through actions targeted at improving active labour market policy measures, modernising public employment services, facilitating labour mobility, improving education quality and decreasing skill mismatch by providing new skills for new jobs via a modern education and training system. All these activities will take into account the specific needs of disadvantaged population groups, including the Roma minority.

Demographic change, and more inclusive labour markets, societies and economies

Demographic developments were taken into account when preparing an NSRF strategy which addresses the implications of these changes in Slovak society. Allocation to the priority axis focusing on social inclusion represents almost one quarter of the total ESF allocation for the specific OP Employment and Social Inclusion. The related activities are focused on: using social care services to improve the social inclusion of people threatened by social exclusion; strengthening equal opportunities when it comes to accessing the labour market; and supporting the education of people with special educational needs. The NSRF is allocating around €200 million to the NSRF Marginalised Roma Communities horizontal priority.
Responding to the challenges of sustainable development, climate change and energy

Protection of the environment, including protection and rational use of water resources, as well as flood protection, waste management, regeneration of nature and landscapes, risk prevention and support for renewable energies, feature among the key strategic priorities of Slovakia. The negotiation dialogue helped to define long-term objectives to be achieved through funding and also helped to clarify certain technical issues, such as how to calculate the financial costs of implementing EU environmental legislation (totaling around €7.2 billion).

As a result of the negotiations, the water sector, as the heaviest investment sector given the environmental acquis requirements, will be supported with a €1.035 billion allocation. The projects under OP Environment will increase the number of people connected to public sewers to 4.4 million, the percentage of population connected to waste water treatment plants to 81% and the proportion of the population supplied with drinking water from public water supply networks to 91%. Investments in the environment in general, account for some €3.8 billion (34% of the Community contribution), while the allocation for mitigating climate change is of the order of €1.7 billion (15% of the Community contribution). The investments targeting energy efficiency and renewable energies are estimated at some €169 million.

Special emphasis is placed on energy production and energy efficiency, with added coordination across a number of programmes in respect of these aspects of the energy sector in Slovakia. In terms of energy efficiency, information gathered during the programming period will demonstrate inter alia the extent to which energy has been saved, the increased use of thermal insulation, and the increased use of equipment that uses renewable energy sources.

COHESION POLICY REINFORCES GOOD GOVERNANCE, OWNERSHIP AND INSTITUTIONAL CAPACITIES

Reinforcing multi-level governance and partnership

Since 2002, Slovakia has been in the process of transferring responsibilities from central government to regions. In the previous programming round, regions had only a limited role in managing the Funds. However, for the 2007–13 programming period, regions will be responsible for implementing certain activities in the regional programme and Bratislava programme, as a result of the negotiation efforts of the European Commission.

Preparation of the programming documents involved a variety of partners at national as well as regional and local level through working groups. During the programme’s implementation, monitoring committees will be the principal forum for involvement and consultation of partners.

Building institutional capacities

Efficient and sound management of the Cohesion Policy programmes requires sufficient capacity among public administrations at national as well as regional and local level, given the new role of the regions in implementing the Funds.

The actions for reinforcing administrative efficiency in the Slovak Republic are focused on strengthening the institutional capacity of the public administration and public sector. These actions are consistent with the Slovak Republic’s modernisation programme for public administration and public services and coherent with the strategic choices identified in the NSRF. The actions will be undertaken under the Employment and Social Inclusion Operational Programme.

Through the actions planned under the Information Society OP, the national authorities aim to improve public administration effectiveness in 20 key areas. This will be achieved by designing and implementing e-government applications that enable users across the entire country to access government more easily and more effectively. As well as developing national government applications, the OP will provide resources for developing electronic government services at municipal level, and will work to ensure that all of these actions are accessible and interoperable.

In addition, Slovakia will use technical assistance as provided for under JASPERS to help when preparing project applications for potential financing from the Funds.

Mainstreaming successful policies, enhancing knowledge and spreading good practices

Although Slovakia did not benefit from the URBAN initiative in the 2004–06 programming period, the concept of integrated urban development has been introduced for the period 2007–13 and will be implemented through the regional programme and Bratislava programme. Integrated urban projects account for some €202 million, while possible use of the JESSICA financial engineering instrument has also been indicated. Actions for sustainable urban development will cover issues such as the revitalisation of public spaces, housing and infrastructure (schools, culture, social services, rescue services, urban transport). The negotiation process has led to improvements as regards the concentration of resources, the focus on a limited number of cities/neighbourhoods, and the specification of selection criteria in each programme.

Within the EQUAL Community Initiative (2004–06), the Slovak Republic focused its support on six thematic fields, with most attention paid to developing active labour market policy measures, providing training for employees and introducing measures targeted at socially excluded groups. In terms of the individual factors influencing employment growth in Slovakia, the tools supported under the active labour market policy constituted a decisive element in decreasing unemployment and keeping people in the labour market. The experiences gained through EQUAL were properly mainstreamed into the ESF Operational Programmes for 2007–13, e.g. support for vulnerable groups in the areas of education and entering the labour market, support for social economy organisations, and support for NGOs and social partners.
Further information about Cohesion Policy in Slovakia can be found at:

Consult the Inforegio website for an overview of EU Regional Policy:
http://ec.europa.eu/regional_policy/

Consult the website of DG Employment, Social Affairs and Equal Opportunities for further information:
http://ec.europa.eu/social/

1) The sum of the individual sections is higher than the total funds available under Cohesion Policy for Slovakia (€11 587 904 495) due to the relevance of various categories to different thematic priorities, e.g. RD&I contains large human capital investments which are also listed separately.