

Slovak Republic

**Programmes covered:
National and Cross Border
Co-operation Programmes
1999-2001**

Final Report

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The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.

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GLOSSARY OF ACRONYMS

AP	Accession Partnership
APA	Agricultural Paying Agency
BIP	Border Inspection Post
CC	Candidate Country
CAP	Central and Eastern Europe
CCU	Central Co-ordination Unit
CBC	Cross-Border Co-operation
CFCU	Central Finance and Contracting Unit
COLSAF	Central Office of Labour, Social Affairs and Family
CPER	Country Phare Evaluation Review
CSDF	Community Support Development Foundation
CSO	Civil Service Office
CPI	Corruption Perception Index
DG	Directorate General
DMPA	Decentralisation and Modernisation of Public Administration
EEA	European Economic Area
EDIS	Extended Decentralised Implementation System
EIA	Environmental Impact Assessment
ESC	Economic and Social Cohesion
EU	European Union
FM	Financing Memorandum
OoG	Office of the Government of the Slovak Republic
GS	Grant Scheme
HRD	Human Resource Development
IACS	Integrated Administration Communication System
IE	Interim Evaluation
IFI	International Financing Institution(s)
IS	Information System
IPPC	Integrated Pollution, Prevention and Control
IT	Information Technology
ITMS	Information Technology Monitoring System
JA	Judicial Academy
JHA	Justice and Home Affairs
LEA	Law Enforcement Agency
MBP	Multi-Beneficiary Programme
M€	Million(s) Euros
MA	Managing Authority
MoCRD	Ministry of Construction and Regional Development
MoF	Ministry of Finance
MoEco	Ministry of Economy
MoEnv	Ministry of Environment
MoI	Ministry of Interior
MoJ	Ministry of Justice
MoLSAF	Ministry of Labour, Social Affairs and Family
NADSME	National Agency for Development of Small and Medium Enterprise
NDP	National Development Plan
NGO	Non-governmental Organisation
NLO	National Labour Office
NPAA	National Programme for the Adoption of <i>acquis communautaire</i>

OECD	Organisation for Economic Co-operation and Development
PAA	Pre-accession Adviser
PAJC	Public Administrative and Judicial Capacity
PAR	Public Administration Reform
PECA	Protocol to the Europe Agreements on Conformity Assessment and Acceptance of Industrial Products
PRAG	Practical Guide for Phare, ISPA and SAPARD
RDSA	Regional Development Support Agency
RONI	Regulatory Office for Networking Industries
RRO	Railway Regulatory Office
SAC	Sector Aid Co-ordinator
SF	Structural Funds
SEA	Slovak Environmental Agency
SEI	Slovak Environmental Inspectorate
SHMI	Slovak Hydro-meteorological Institute
SIGMA	Support for Improvement in Governance and Management
SIM	Slovak Institute for Metrology
SME	Small and Medium Enterprise
TA	Technical Assistance
ToR	Terms of Reference
WWTP	Waste Water Treatment Plant

PREFACE

The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare national and cross-border co-operation (CBC) programmes to support the Slovak Republic in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

This report has been prepared between December 2005 and February 2006,¹ and reflects the situation where the Phare national Programmes have ended. The evaluation is based on an analysis of documents provided at the start, during and on completion of the national Programmes, including previous interim evaluations, on the results of questionnaires, and on interviews with beneficiaries, contractors, and stakeholders. It examines the performance of the programmes in addressing the objectives stated in the formal programming documents, provides a general assessment of the programmes and draws conclusions and lessons learnt from them.

The evaluation of Slovak national and CBC programmes is one of a series of ten evaluations in the eight new member states, and in Romania and Bulgaria. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare national and CBC programmes, which, in turn, will form part of a consolidated *ex post* evaluation of the Phare programme.

¹ The report was prepared by Dietmar Aigner, Lead Evaluator, assisted by Senior Local Expert, Ms Viera Gazikova. It was reviewed at MWH Central Office by Martin White.

EXECUTIVE SUMMARY

Slovakia National and Cross Border Co-operation Programmes 1999-2001

Scope and Objectives

The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation programmes to support Slovakia in meeting the Copenhagen criteria in order to facilitate its accession to the European Union. The overall objective of this evaluation is to provide accountability with respect to the use of European Commission funds, and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries. The evaluation also provides for a brief update of post-2001 allocations.

Key Evaluation Findings

Individual programme design was mostly aligned with the acquis and with sector strategies.

The reviewed Phare programmes were relevant to meeting EU membership obligations and assisted Slovakia effectively in the accession process. Although needs assessments were carried out at the initial design stage for many projects, the identification of the real needs was often difficult, notably for new institution building areas such as Structural Funds. The input of Commission representatives was crucial during the consultation process. The *acquis* requirements for transposition and harmonisation of legislation were the driving factor for the design of most twinning projects in fields such as justice and home affairs, agriculture, environment and energy.

Cost-effectiveness was not always ensured. Last-minute commitment is the main characteristic of the Slovak Phare contracting process. The co-ordinating and implementing authorities performed with only mixed success in resolving this problem. This put the Commission Services and the local counterparts under great pressure to commit and disburse within the shortened period before the deadline. Implementation problems or delays caused the cancellation of programmes activities in some institution building interventions. The majority of infrastructure investments also suffered from delays, especially in the preparatory phase, due to unsolved land ownership, missing building permits or a lack project pipelines. There were also a number of Phare interventions that suffered from inadequate absorption capacity.

Phare 1999-2001 assistance has mostly resulted in improved performance of the Slovak beneficiaries. Across the eight reviewed sectors, key improvements were noted in legislative and administrative structures, systems, infrastructures and resources, and could at least be partly attributed to the Phare support provided. However, more effective results could have been expected from the support given in areas such as public administration reform, Roma minority or preparation for Structural Funds.

Phare assistance substantially impacted on Slovakia's readiness for EU membership.

Institution building projects made substantial impacts. The most visible of these were legislative and administrative impacts, especially through harmonisation of legislation, strengthening of existing institutions, and building new institutions essential for EU membership. Highly relevant reform priorities, such as decentralisation, the civil service, the judiciary, the fight against corruption or the Roma minority were actively supported by Phare, but these led to a rather mixed impact. The tight accession deadlines and the huge workload of substantial reforms sometimes did not allow for a full absorption of project results. This was

observed particularly in the preparations for the Structural Funds. Nevertheless, the overall impact is positive and visible in terms of functioning institutions and operating infrastructures.

Most Phare-assisted institutions are sustainable but administrative sustainability varies. All the newly established and upgraded bodies are generally functioning properly, and demonstrate that institutional sustainability has been achieved to a certain extent. Phare infrastructure investments are basically well sustained, and assistance given to non-governmental organisations shows good perspectives for sustainability. The only concern is staff turnover in beneficiary institutions across many sectors, which limits the intended administrative sustainability.

Conclusions

The conclusions cover overall Phare performance in Slovakia, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Slovak beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

Overall, Slovakia performed well in many sectors, but the use of Phare for technical preparation for accession was uneven. The key objectives of the reviewed Phare Slovak national and cross-border co-operation programmes were achieved. However the degree of achievement varied broadly. Slovakia's enormous effort to bring legislation, systems and structures in line with accession needs was clearly successful. The projects under review (1999-2001 and post-2001 allocations) provided helpful support in Slovakia's technical preparations for EU membership. The Slovak administration is in principle capable of operating in accordance with the obligations of membership and the evident increase in capacity and performance is partly due to the positive role of Phare. However, particularly in the area of civil service and judicial reform, a number of issues still need to be tackled after accession, partly with the help of the Transitional Facility. Also, despite stimulation by Phare over many years and some progress made, partnership and co-operation, the basic principles of public administration that are needed to allow institutions to perform successfully in accordance with accession requirements, still deserve improvement.

From an ex post perspective, Phare support addressed the accession needs, but more preparation and absorption time would often have been appropriate. The majority of Phare programmes were *acquis* driven and in practice they delivered what they were designed for. Programme design improved from the 1999-2001 programmes to the post-2001 allocations. However, a number of projects were over-ambitious with respect to the available capacities and time constraints. The enormous catch up effort, the extremely short accession calendar, insufficient understanding of some accession requirements, and insufficient human resources, were factors preventing the most effective outcomes. A number of interventions had to take place in a rather hasty manner so that opportunities for achieving cost-effective outcomes could not always be realised. Intermediate legislative and administrative impacts materialised well. Socio-economic impact is clearly positive but, due to the limited size of interventions, it is mostly evident at the micro level. Institutional sustainability is mostly ensured, but administrative sustainability is still threatened by staff fluctuation.

Stronger and more focused consideration of administrative and judicial capacities at earlier stages of the pre-accession process would have been beneficial for the country. The late start of effective reforms in the area of administrative and judicial capacity limited the success of

Phare, and resulted in a public administration and judiciary that were not ready to operate to the standards of governance and administration required by the EU or to implement the *acquis* fully by the date of accession. Whilst Phare assistance followed the pre-accession strategy, the strategy itself should have considered the inherent characteristics and inadequacies of the country in more depth. Emphasis on the substantial steps towards improved administrative and judicial capacities would have helped at earlier stages of the pre-accession strategy, to take into account the time needed to realise substantial changes in behaviour and attitudes.

Opportunities for more immediate Phare impact in civil service reform were not fully utilised. Progress was made only from 2001 onwards, and although this was remarkable for some time, the speed of reform has effectively decreased after accession. There are trends that potentially undermine the previously chosen path towards a modern civil service, such as the elimination of some key responsibilities of the Phare-assisted Civil Service Office. This throws into doubt both the impact and sustainability of results achieved by Phare during the recent years.

Phare helped Slovakia to be ready for Structural Funds on accession, but the results achieved in preparation were not cost effective. Phare's key support to economic and social cohesion and the preparation for Structural Funds clearly made positive impacts in terms of the ability to utilise Structural Funds. Without Phare, Slovakia would hardly have managed to start with for Structural Funds before accession. However, the approach lacked focus and coherence. Much was unclear at the initial stages of deciding on the proper Slovak structures and systems for this area, as the authorities had insufficient knowledge of Structural Funds, and the guidance from the Commission was sometimes unclear. Internal political discussions sometimes hindered the effective delivery of technical support. Phare economic and social cohesion structures were mostly isolated from the structures for Structural Funds, which limited the learning for Structural Funds from Phare. Phare interventions in this area could have been more cost-effective with an earlier understanding of the accession requirements, and a more focused and coherent approach towards institution building for Structural Funds. The substantial Phare support over the years, particularly in 2002 and 2003, seems to have been rather costly, compared to other sectors, which significantly increased their performance with much less Phare support.

Recommendations

To address the key findings and conclusions of the evaluation, three actions are recommended in respect of pre-accession assistance planned for current or future candidate countries.

Recommendation 1: Promote the development and monitoring benchmarks for public administrative and judicial capacity. The Commission Services should promote the definition of adequate standards and the development of benchmarks for public administrative and judicial capacity and good governance for any future accession process. Targeted pre-accession support should be made available for encouraging beneficiary countries to adopt and implement such standards and benchmarks. Their fulfilment should be part of the monitoring of accession preparations.

Recommendation 2: Ensure efficient and more sustainable preparation of projects.

The Commission Services together with the beneficiary country need to reinforce more efficient programming and project planning. There should be regular and clearly focused technical assistance covering programme planning, programme preparation, and project management. Technical assistance should also contain an element focused on the involvement and strengthening of local administrative capacity for planning and management.

Recommendation 3: Encourage impact assessment for all future Phare grant schemes.

The Commission Services should encourage the implementing authorities for future grant schemes to make assessments of impact, particularly in the area of preparation for Structural Funds.

Lessons learned

Lesson 1: A strategy for accession priority areas is required at an earlier stage in the pre-accession process. Candidate countries need to start at the beginning of the accession process with implementing a strategy for the key accession areas namely civil service reform, preparation for Structural Funds, judicial reform and agriculture. Support should be given for the preparation of *inter alia* a roadmap and a national strategy at an early stage. These documents should be a precondition to financial support for structures, systems and resources. The candidate country should regularly demonstrate how the pre-accession assistance is complemented by national and other funds to ensure that the overall objective can be met.

Lesson 2: The overall design of economic and social cohesion pre-accession assistance should be linked as closely as possible to EU Structural Funds. There should be a common implementation of pre-accession assistance and Structural Funds, to maximise the lessons learned from pre-accession assistance. National strategies should be established much earlier in the accession process, addressing the future need to build up structures, systems and administrative capacity for the management of Structural Funds.

Lesson 3: The accession process was successfully speeded up, but crucial improvements, for example in public administration, could only be tackled to a limited extent.

Although the enormous accession agenda realised by Slovakia within only a few years is remarkable, it pushed the local political and administrative bodies to their utmost capacities. Whilst the accession criteria have been fulfilled, long-lasting deficiencies requiring fundamental changes of behaviour, notably in administrative and judiciary capacity, could be resolved only to a limited extent. For more effective delivery of pre-accession support in future enlargement rounds, more realistic assessments should be undertaken of the amount of time a candidate country needs to complete the pre-accession process to a minimum acceptable standard.

Lesson 4: Sustainability should have been more strongly addressed at design stage.

Taking into consideration the staff fluctuation rate in many sectors, it would have been beneficial for the Commission Services and National Aid Co-ordination Unit to address the issue of sustainability more deeply at the programming phase, especially for institution building projects. It is important to manage the risks of high staff turnover. Based on realistic assessments of absorption capacity there could have been guarantees requested from the beneficiaries that planned beneficiary staff would be in place at the start of project activities, and that contingency plans were made to deal with the loss of staff during project implementation.

MAIN REPORT

1. INTRODUCTION

1.1. Objectives

1. The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare national and cross-border co-operation (CBC) programmes to support Slovakia in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

2. The evaluation of the Slovak national programmes is one of a series of ten similar evaluations in the ten candidate countries (CC). The results of this evaluation will feed into a consolidated evaluation of Phare national and CBC programmes in the eight new member states. In turn, this will form part of a consolidated *ex post* evaluation of the Phare programme.

1.2. Background and Context

3. In accordance with the priorities of the Accession Partnership (AP), the key objectives of the Slovak national programmes 1999-2001 were the following:

- Taking on the obligations of membership, notably in the area of Justice and Home Affairs (JHA), Internal Market, Economic and Social Cohesion (ESC), Energy, and Transport;
- Support of NGOs and improving the situation of the Roma;
- Economic reforms including SME support and land registration (cadastre);
- Reinforcement of administrative and judicial capacity, including the management and control of EU funds.

4. National and CBC Phare programmes amounted to about M€ 178 during the evaluation period (1999-2001)². The key sectors of assistance included Economic Reform, CBC and ESC, and JHA. Phare support for CBC and ESC increased substantially over the period in consideration.

5. The Slovak national and CBC programmes were subject to regular interim evaluations. A Country Phare Evaluation Review (CPER)³ concluded that, on the whole, Phare assistance had actively contributed with a positive impact on Slovakia's accession process. Particularly successful interventions were noted for addressing the *acquis* requirements of justice and home affairs and internal market. However, the enormously accelerated accession process left insufficient time to absorb the delivered results in a sustainable way. Despite the very considerable progress by Slovakia during the last years, the report pointed out that the insufficient administrative capacity was not only a matter of concern with regard to Phare management but also with regard to the capacity requirements of effectively managing the *acquis*.

² See Annex 2 for details. The programmes to be evaluated include the so called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes Community and nuclear safety programmes. Slovakia benefited from Phare-funded multi-beneficiary programmes, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

³ R/SK/CPER/03.12, issued 28 January 2004.

1.3. Evaluation Questions

6. This evaluation focuses mainly on the outputs produced by the national and CBC programmes for Slovakia. It will assess the impact and sustainability of these outputs. The evaluation also assesses the effectiveness and efficiency of the contribution of the national programmes towards the actual performance of services in Slovakia, taking into account EU standards as benchmarks where relevant.

7. Evaluation questions were established in a Terms of Reference (ToR) for the evaluation, and these were divided into performance evaluation questions, and thematic/cross-cutting questions (see Annex 1). The methodology is given in the ToR in Annex 1.

8. Following a sampling approach, a number of example projects were selected for this evaluation covering the following eight sectors: Agriculture, Cross Border Co-operation, Economic and Social Cohesion, Energy and Transport, Environment, Internal Market, and Social Affairs. Details on the evaluation planning, including definition of the sample, are given in Annex 3. Evaluation indicators are presented in Annex 4.

1.4. Limitations affecting the evaluation

9. The level of analysis that could be achieved by this *ex post* evaluation was restricted by constraints in the field, namely the limited availability of data in country (no data was systematically collected by beneficiaries after project termination), limited availability of persons familiar with the key outputs (the main contact people were those directly implementing Phare, but results are often used by the technical persons in the background); the limited number and quality of questionnaire responses, as well as the use of a small number of sample projects and the limited resources available for the evaluation in terms of staff and time.

2. PERFORMANCE OF PHARE ASSISTANCE

10. This chapter starts by examining the overall performance of the 1999-2001 Phare national and cross-border co-operation programmes, and is followed by a consideration of sectoral performance in terms of needs assessment and design, inputs, outputs, results, impact and sustainability. This review is set against the evaluation questions specified in Annex 1 and the indicators given in Annex 4.

2.1. Overall Performance was good

11. Phare has made a substantial contribution to helping Slovakia to install and implement the *acquis*. However, programmes and projects have suffered from weaknesses in design and inefficiencies in implementation, leading to uneven cost effectiveness. The results and impacts achieved were good in many cases, or even excellent, but not all the opportunities for reaching sustainable and timely impact were utilised.

2.2. Programmes were relevant, but design was often weak

12. ***Individual programme design in Slovakia was mostly aligned with the acquis and with sector strategies.*** Overall, the Phare 1999-2001 national and cross-border co-operation (CBC) programmes were relevant to meeting EU membership obligations and assisted Slovakia in the accession process. Phare interventions in Slovakia were based on the National Programme for the Adoption of the *Acquis* (NPAA), the Accession Partnership (AP) or the National Development Plan (NDP). Findings and recommendations of the annual Commission Reports on Slovakia's progress towards accession were often taken into consideration for designing assistance programmes. Very often one project was followed by at least one other pre-planned sequential project and/or sometimes even accompanied by a complementary activity, thus continuing and expanding the benefits already achieved. This basic design rationale followed the pattern common for most of the Phare countries.

13. The *acquis* requirements for transposition and harmonisation of legislation were the driving factor for the design of most twinning projects in fields such as justice and home affairs, agriculture, environment or energy (see for example Box 1). Existing sector strategies, such as the Schengen Action Plan, the National Environmental Action Plan, and the national programmes for fight against drugs and corruption, for development of small and medium-sized enterprises (SME), and for sustainable development, often formed the basic pillar of the design process. In the area of regional development, CBC, human resource development (HRD), preparation for Structural and Cohesion Funds and for the European Social Fund (ESF), programmes were adequately linked to the NDP.

Box 1: A demonstrated need for harmonisation

A positive example of the benefits of continuous Phare support to harmonisation of the *acquis* was the Phare assistance to the Slovak Hydro-Meteorological Institute (SHMI). A series of twinning interventions and investment inputs, financed under Phare 1999 and 2002 programmes and followed up from the 2005 Transition Facility, supported implementation of the Water Framework Directive and the Dangerous Chemical Substances Directive. The SHMI, together with the relevant regional authorities, significantly improved their performance in water quality monitoring. The reputation of the SHMI increased in 2003 when the Regional Office for Central and Eastern Europe within the Global Water Partnership was opened in Bratislava.

Source: SHMI, interview with SEA

14. ***Phare programming depended heavily on Commission Services' input.*** Although needs assessments were carried out at the initial design stage for many projects, the identification of

the real needs was often difficult for many Slovak authorities notably for new institution building areas. Many proposed project designs appeared to be more supply than accession-driven and thus had to be reoriented by the Commission Services. This was mainly carried out by the Commission Services Headquarters, with some involvement of the European Commission Delegation. The role and input of the Commission representatives was crucial in most programmes, as part of the consultation and commenting process.

15. The annual process of agreeing programmes appeared to become increasingly difficult due to the uneven quality of project fiches and lengthy discussions and approval procedures. Evidence for this is the formal endorsement of the 2000 national programmes only in January 2002 (and the 2001 programmes in January 2003). Communication did not always function well between the Slovak beneficiaries and the Commission Services at Headquarters at the drafting stage. This resulted in misunderstandings, lack of relevant information and unclear changes of draft documents quite often during the programming process.

16. At the national level, preparation of programmes showed some participative elements, mostly from the relevant ministries, participating institutions and beneficiaries. However, there was rarely involvement of representatives of local bodies or non-governmental organisations (NGOs) or institutional stakeholders not directly involved. For instance, the strategically important SR9913.05 *public administration reform (PAR)* programme omitted the Ministry of Interior's (MoI) traditional role in public administration and civil service reform at the design stage. The MoI was only involved after implementation had started, when the original owner - the Office of the Government - transferred the project for political reasons. This adversely influenced project ownership and final performance (see Box 2).

Box 2: Lost opportunity

The Slovak National Programme of Decentralisation and Modernisation of the Public Administration (DMPA) was supported by a 1999 twinning programme (SR9913.05). Following a lack of consensus on decentralisation (a key part of the DMPA programme), both the Deputy Prime Minister for Economy and the Government Plenipotentiary withdrew in August 2001 from the public administration reform (PAR) process, and relinquished responsibility for the 1999 Phare assistance. This left the Phare project without a Slovak management counterpart for many months. In November 2001, the Ministry of Interior formally took over the responsibility for elements of the PAR process, including the Phare project. The twinning covenant had to be adjusted to allow the Office for State Civil Service, which was just becoming operational, to benefit at least partly from the ongoing assistance. The Slovak Government thus missed the opportunity to make full use of the benefits, potentially offered by this Phare project.

Source: Project Final Report

17. **Programme design often suffered from unclear or over ambitious objectives.** A weakness of the design process has been the vague definition of objectives and the poor quality of the indicators of achievement. However, lessons have been learnt from the 1999-2001 programmes, and the design quality of later interventions (2002 and 2003) has improved slightly. Slovak Phare programmes were sometimes over-ambitious with respect to the time, resources and absorption capacity available. This was the case among others for the complex SK0003.01 *State Treasury* project, which provided follow-up assistance for the establishment of the new State Treasury. For an only recently emerging beneficiary institution at the Ministry of Finance (MoF) this was real challenge, as it was shortened from two to one year but still contained nine modules covering all areas of public finance management, ranging from financial planning to management of accounting and the payment system, and representing an input totalling 4,000 man-days of different expertise.

18. In some cases, the necessary conditionalities were not fulfilled. For instance, the heavy SK0103.02 '*Roma Infrastructure*' programme, though clearly relevant, suffered from

unresolved land ownership issues and missing building permits in a number of beneficiary municipalities. Such crucial deficiencies were not adequately tackled at the initial planning stage and led later to implementation problems and to the need for a one-year extension.

19. **1999-2000 institutional building programmes sometimes missed an underlying legal base or relevant strategy.** Though the vast majority of the Phare institution building interventions were relevant for their purpose and clearly accession-driven, in some areas the legislative basis or relevant sector strategy with regard to establishment of the particular institution, were missing. This caused later problems in project implementation, sometimes even leading to a loss of potential effects for the final beneficiaries. Examples of such failures can be found *inter alia* in the energy sector, with the very late establishment of the Regulatory Office for Networking Industries (RONI) severely limiting the effects achieved by the twinning SR9912 *'Implementation of Comprehensive Energy Policy'*, or the very delayed start of the Railway Regulatory Office (RRO) operations. Other beneficiary institutions established rather late were the State Treasury (delay of about one year) and the Civil Service Office (CSO). The delay in setting up the CSO had an additional adverse implications for the already suffering SR9913.05 *twinning on PAR* (see Box 2). The establishment of the Judicial Academy (JA) had to wait for a sector strategy and legislation. In the absence of an operational JA, some activities of SR9908.01 *'Strengthening the Judiciary'* had to be oriented towards a 'virtual institution'. The SK0108.01 *'Strengthening of the Judiciary'* twinning helped to introduce the tool of mediation into the Slovak judicial system, but the corresponding Law on Mediation was only approved shortly before the end of the project, instead of at the beginning when it would have allowed pilot testing.

20. **Phare tools were usually well chosen.** The different kinds of Phare interventions, such as twinning, technical assistance (TA), investment, works or grants schemes were usually selected appropriately, and worked well to produce the indented outputs. Twinning had a very good reputation amongst the majority of respondents, but in some fields, especially finance and banking, it was often difficult to find an EU twinning partner, due to competing interests. These interventions had then to be re-designed as TA (for example, the SK0003.01 State Treasury programme). Grant schemes proved to be a relevant vehicle for transferring financial means to specific targeted areas. In the Economic and Social Cohesion (ESC) sector, in addition to the small project funds supporting cooperation along the Slovak borders, a series of grant schemes was successfully introduced in the field of HRD at regional level (see Box 3). Support to civil society was provided by a well-designed grant scheme under SK0013 *ACCESS*, which represented a key contribution to NGO development. The scheme focused on two well-selected priority areas and served among others as a learning instrument in sound financial management for NGOs. From Phare 2001 onwards the use of grant schemes has been intensified under ESC with the aim of providing more hands-on experience in managing EU funds for areas such as human resources development, regional capacity building or technology transfer and innovation.

Box 3: Well-focused grant schemes successfully tackled unemployment at a local level

The human resource development grant scheme (SK0009.03) was well focused on solving the most pressing macro-economic problem of Slovakia, namely unemployment, especially long-term unemployment in the most deprived regions of the country. The design of the grant scheme comprised clearly defined measures, target groups, selection criteria and monitoring activities, successfully addressed the needs of long-term unemployed. The 2001 follow up assistance covered the whole territory of Slovakia. Here, the measures and target groups were defined in even more detail. Further assistance is being provided by 2002 and 2003 Phare programmes. All these interventions serve as preparation for SF.

Source: Project Final Report

2.3. Many outputs but not always cost-effective

21. **Phare co-ordinating and implementing authorities performed with mixed success.** The main Phare (and Transition Facility) co-ordination body - the Aid Co-ordination Unit at the Office of the Government (OoG) - has over the years tried to stabilise their team, with some success. This body is also responsible for decentralised monitoring and interim evaluation. The decentralised monitoring structures and systems, set up in 2001 for the proper implementation of Phare support in Slovakia, have improved slightly, but do not find much ownership at the local level.

22. A key Phare and CBC implementing agency - the Central Finance and Contracting Unit (CFCU) – moved from the OoG to the MoF at the beginning of 2003, and during the same year underwent massive staff changes. Staff originally paid from a Phare TA budget left and had to be replaced by MoF staff. Despite these changes, there were no major negative consequences in the contracting of Phare funds. Another key implementing agency - the Regional Development Support Agency (RDSA) at the Ministry of Construction and Regional Development (MoCRD) - took a while to reach an adequate level of performance in contracting and implementing post-Phare 2001 projects covering regional development, CBC and Roma infrastructure. The transfer of the contracting responsibility for 2000 CBC projects from the CFCU to the RDSA was not well co-ordinated, and the absence of proper communication between these two institutions caused difficulties in tendering and monitoring.⁴

23. **Phare sectoral structures suffered from instability.** During the period under review, in the areas of PAR and fight against corruption, the co-ordination bodies at the OoG collapsed whilst implementation of interventions was on-going (see Box 4). Similarly disappointing was the situation at the MoI, responsible for Schengen and assistance for the Police Presidium, where due to massive staff turnover, little collective memory remains of the Phare projects within the evaluation sample.⁵ Ongoing staff changes were seen also at the Ministry of Labour, Social Affairs and Family (MoLSAF), resulting in insufficiently skilled junior staff, lacking project cycle management skills which often adversely affected project preparation and implementation.

Box 4: Poor project co-ordination

Responsibility for overall co-ordination and implementation of the project SK0008 'Fight against corruption' was delegated in December 2000 to the Central Co-ordination Unit (CCU), under the Office for the Deputy Prime Minister for Economic Affairs at the Office of the Government. After the October 2002 elections, however, the responsible Sector Aid Co-ordinator moved to the MoF, with different responsibilities. The CCU ceased to exist physically and the entire experience with the ongoing Phare anti-corruption activities was lost.

Source: Interim Evaluation Report

24. A positive example of Phare management is the Ministry of Environment (MoEnv), where Phare and Transition Facility programming and co-ordination has been entrusted to the Department of Project Programming (DPP) at the Slovak Environmental Agency (SEA) - a service organisation of the MoEnv. The DPP, being free from other tasks, could really focus on effective management of Phare and Transition Facility funds. Staffing is quite stable, with key staff in post since 5 years. This serves as an example of good practice for other sectors.

25. **Last-minute commitment is the main characteristic of the Slovak contracting process.** The high commitment rates for the Slovak programmes under evaluation do not adequately reflect the substantial difficulties in contracting. Overall, the commitment of 1999, 2000 and

⁴ See for instance R/SK/CPER/03.12 issued 28 January 2004 (Country Phare Evaluation Review Slovakia).

⁵ This has consequences for sustainability, but also for this *ex post* evaluation.

2001 Phare funds was characterised by very late contracting⁶. Many proposals had to wait for results from previous assistance and therefore could not start as envisaged. Lengthy endorsement and contracting procedures and communication difficulties among the various parties contributed to delays. The delays created enormous pressure on both the Commission Services and the Slovak counterparts to commit and disburse the Phare funds within the programme period. In trying to meet tight deadlines, quality, sustainability and absorption capacity was not always given enough attention.

26. Investment projects were often particularly delayed. The vast majority of infrastructure investments suffered from delays, especially in the preparatory phase, such as unresolved land ownership issues, missing building permits or absent project pipelines. Delays were made worse by lengthy contracting processes, and problems in interpretation of the Practical Guide for Phare and ISPA (PRAG) manual, and later EDIS, which ultimately led to very risky shortening of implementation periods, re-allocations and cancellations. The majority of regional development and CBC investments had to cope with much reduced implementation periods. Some examples are evident from the evaluation sample shown in Table 1. The shortened implementation period led sometimes unnecessarily to problems in physical construction and in the quality and timely completion of outputs. The most notable example of delay was the project SK0103.02 'Roma Infrastructure', where poorly prepared project documentation led to a request for extension both of the commitment and disbursement periods for one year. Difficulties in co-operation and communication between various ministries involved sometimes jeopardised the completion of investment projects, such as SK0005 'Border Inspection Posts' (BIP), where the delivered equipment had to wait for the physical completion of the intended premises.

Table 1.- Planned and realised implementation periods for Phare infrastructure investment

Project	Implementation Period (months)		Main difficulties encountered	Extension required
	Project Fiche	Actual		
SK0107.03 Zemplinska Sirava	17	12	Tender preparation/process, last-minute commitment	no
SK0107.04 Industrial Park Humenne	12	12	Tender preparation/process, building permits, last-minute commitment	no
SK0107.05 Industrial Park Spisska Nova Ves	12	12	Tender preparation/process, building permits, last-minute commitment	no
SK0011.01 WWTP Tokaj	18	15	Tender preparation/ process, co-financing	no
SK0015.01 Road Radoszyce-Palota	22	20	Tender preparation/process; last-minute commitment	no
SK0101.02 Riverbed Poprad-Dunajec	24	12	Tender preparation/process, last-minute commitment	no
SK0113.03 Business Incubator Malacky	17	12	Tender preparation/process, last-minute commitment	no
SK0103.02 Roma Infrastructure (30 settlements)	29	28	Over-ambitious design, tender preparation/ process, building permits, unclear land ownership, last-minute commitment	12 months for commitment and disbursement

Source: Project fiches, interim evaluation reports.

⁶ The contracting process for the last two Phare allocations (2002 and 2003) followed the same pattern. Here, a part of the difficulties resulted from the delays achieving accreditation and effectively running the Extended Decentralised Implementation System (EDIS).

27. ***Institution building interventions suffered from low absorption capacity***, especially when new institutions or structures, often insufficiently staffed, became the subject of large assistance programmes from different EU sources, all introducing new methods and practices which had to be learnt very quickly. Staff were often overburdened with the daily tasks and tight deadlines, further limiting the absorption capacity. In many cases, participation at workshops was poor, a planned series of seminars had to be shortened, or EU advisors were left without a counterpart for transfer of know-how. This was demonstrated particularly in the area of ESC and preparation for Structural Funds (SF) (see Box 5). Absorption capacity was also reduced due to the language barrier in some sectors (for instance, home affairs).

Box 5: Absorption overload in the preparation for Structural Funds

Following the first Special Preparatory Programme for SF in 1988, two large twinning operations under Phare 2001 ('SPP 2') and 2002 provided the bulk of capacity building support. The 2001 twinning started very late and was implemented partly in parallel with the 2002 intervention. At the same time, there were numerous smaller projects financed under Phare 2001/2002/2003, such that in 2004 around 40 different Phare SF project activities were ongoing within the various institutions of the Slovak government. This massive amount of external support tested the fragile capacity of the Slovak SF staff to the limit.

Source: Project Final Reports

28. ***Cost-effective delivery could not always be fully achieved***. The Evaluators were not provided with quantitative measures of cost-effectiveness, but the vast majority of respondents claim to obtain good value for money (see for example, Box 6). Compared to the original allocations, savings of around 8% have materialised for the projects within the evaluation sample (see Annex 5). There appeared to be significant savings in some infrastructure investments due to lower prices achieved when using local open tenders. Another major reason for underspend was cancellation of activities due to problems in implementation or delays. Whilst most projects achieved their overall objectives despite the underspend, some interventions were not able to do so fully, adversely influencing the cost-effective delivery of results.⁷ Management costs or PAA fees analysed for a few twinning projects in the evaluation sample were comparable to those observed in other Phare countries. The most significant element of cost effectiveness has been the lengthy contracting difficulties and inherent weakness of many Slovak organisations (see 23, 25, and 26).

Box 6: Good value for money

The 15-month twinning SK0007 '*Implementation of the Environmental Impact Assessment Directive*' comprised four phases, divided into 19 activities. With a budget of M€ 0.5, 18 short-term experts spent more than 200 working days in Slovakia, with the following outputs:

1. *Implementation of EIA* - report on legislation concerning EIA in Slovakia; handbook of EIA; guidelines/recommendations on ISPA/EIA procedures; and a workshop of EIA in a trans-boundary context.
2. *Information system* - modules for information system and a workshop for district and regional authorities.
3. *Train the Trainers* - training programme for EIA procedure in Slovakia; workshop of EIA/SEA, and a study tour, EIA/SEA practice from different perspectives.
4. *Awareness campaign* - professional material for trainers, technical equipment for information system, leaflets, CD and video of EIA process.

Source: Final project report, *ex post* questionnaire

29. Co-financing of Phare activities was usually delivered in accordance with the given commitments. The 'joint financing' approach (combined EC/national funds co-financing one single contract) worked well and helped to guarantee continuous local commitment. It made co-financing obligations more efficient and transparent. However, a number of municipalities had difficulties in providing their co-financing share for investments projects in time.

⁷ For instance SR9913.05 '*Public Administration Reform*'; SR9912 '*Implementation of Comprehensive Energy Policy*'; SK0105 '*Rail Sector Harmonisation*'.

Among the 2001 regional investment projects, one planned intervention, SK0107.05 '*Industrial Park Roznava*' (Phare allocation M€ 2.4), failed completely due to lack of co-financing from the side of the participating municipality, and Phare funds had to be re-allocated to SF preparations⁸.

30. ***Twinning was a successful instrument in Slovakia.*** Success of twinning was dependant on a well-chosen partner, and the PAA's flexibility and managerial skills. There were cases where the PAA had to be replaced due to the beneficiary's dissatisfaction with the performance delivered. Language barriers needed to be overcome, often with the help of PAA assistants, who sometimes played an important role in the success of an individual twinning project. Operations that seemed to perform particularly well were those having the same partner for several years, such as the SK0007 '*Environment*'. On the other hand, SR9912 '*Comprehensive Energy Policy*' witnessed a combination of difficulties, including an inexperienced beneficiary (the Ministry of Economy - MoEco), miscommunication among the various PAAs responsible for individual components, overlap of the twinning with MoEco's other activities in preparation of the new Energy Act, late establishment of the RONI (making the timely twinning input impossible), and finally a decreasing interest of the beneficiary in the project as soon as the Energy Chapter was successfully closed in the accession negotiations.⁹ The situation in the energy area was however, dramatically different for the follow-up twinning under Phare 2001, realised with a different member state, where the assistance to the RONI was well focused and achieved the intended outputs.

31. ***Co-ordination with other donor assistance worked well.*** The 1999-2001 Phare and CBC programmes were usually well co-ordinated with other parallel EU or other donor assistance. This was ensured either by the relevant Programme Implementation Unit or sometimes in the case of twinning thanks to the important role of the Pre-accession Adviser (PAA). In the case of SR9913.05 *PAR* for example, the pro-active PAA co-ordinated his activities well with bi-lateral assistance. There was also good co-ordination between different twinning arrangements under the *CONSENSUS III* programme for the MoLSAF. However, in the case of SK0107.01 '*Institution Building for SF*' for the MoCRD, there was a danger of overlap with other EU activities, which forced a partial redirection of effort under the twinning. Co-ordination was very demanding for the key area of SF due to the large amount of support available before accession.

32. A good example of multi-donor co-ordination in Slovakia is the functioning of the Donors Forum, which has 21 different donor institutions (including embassies) participating and securing exchange of information about the ongoing activities for NGOs. A recent positive example of effective donor co-ordination was the Public Finance Management Reform project at the MoF, where a M\$ 5 loan from the World Bank was complemented by various Phare assistance projects, well co-ordinated by a common Steering Committee.

2.4. Intended results mostly achieved

33. ***Phare 1999-2001 assistance has mostly resulted in improved performance of the Slovak beneficiaries.*** The results achieved by the sample projects are summarised in Annex 5. The results of the 1999-2001 programmes commonly laid the basis for essential sectoral adjustments that were subsequently completed with the help of Phare 2002 and 2003 programmes. The key effects for the sectors under review are summarised in the following paragraphs.

⁸ See, for instance, Interim Evaluation Report R/SR/REG/0404, dated 13 April 2005.

⁹ See Interim Evaluation Report IE/SR/ENE/02.122, dated 19 August 2002.

34. The **agricultural** programmes resulted in legislative and other measures essential for the Common Agriculture Policy (CAP) and its supporting systems, including harmonisation of legislation on milk, investment in EU registered laboratories and a database for registration and identification of animals. Veterinary and phytosanitary BIPs in Eastern Slovakia were equipped and made operational. The work on BIPs should be finished with the help of the 2003 Phare Programme, which targets equipping the BIP at the Bratislava airport. SR9909 'Agriculture' provided the basic elements of an Integrated Administration and Control System (IACS). All these results were further developed with significant support, particularly from Phare 2002, to enable the beneficiary Agriculture Paying Agency (APA) to fulfil its CAP obligations under EU membership.

35. The vast majority of **Cross Border Co-operation** programmes took the form of investments in the environment, such as wastewater treatment plants (WWTP), thus increasing water quality and protecting water resources. A second pillar of CBC was the construction of transport infrastructure, mostly roads in the border regions, thus improving the local potential for sustainable economic development. The complementary (joint) small project funds brought limited resources into the border regions for developing co-operative networks on both sides of the border but these have stimulated local initiatives.

36. Regarding **Energy and Transport**, the 2001 programmes especially resulted in institutional strengthening of the RONI together the adoption of relevant secondary legislation. Basic sections of the required energy legislation were prepared, such as the Energy Efficiency Law, which was adopted in May 2002; and the new Energy Act and the Act on Heat, which came into force in 2005. However, Phare made a rather limited contribution to the new Railway Law and the establishment of the corresponding Regulator in 2005.

37. In the area of **Environment**, Phare contributed to the ongoing implementation of the Water Framework Directive and the institutional strengthening of the SHMI, and in the implementation of the Integrated Pollution Prevention and Control (IPPC) Directive. The Slovak Environmental Inspectorate (SEI) is now a decision-maker, and acts as a permitting authority for the IPPC. Public awareness of environmental impact assessment and the opportunity to be involved in the decision making process has been increased, and the role of the SEA in co-ordination and dissemination of information has been ensured.

38. Regarding **Economic and Social Cohesion**, SMEs benefited from different kinds of support, such as access to finance in the form of loans or venture capital, which helped them *inter alia* in the start-up process and consequently in the creation of new jobs. The project SK0009.03 successfully introduced the system of grant schemes for HRD through support to the regions with highest unemployment in Slovakia. This pilot project was later being replicated under Phare 2001.

39. Phare support to SF and CF was very important, resulting in the establishment of Managing Authorities (MA), Intermediary Bodies (IB) and paying agencies, together with the preparation of SF programming documents. This directly contributed to Slovakia's ability to use this important source of member state support (see Box 7). Larger SF institution building support has been provided under later 2002 and 2003 programmes.

40. The 2001 investment inputs into regional development were concentrated on the eastern part of the country, supporting tourism development through improved environmental conditions, and attracting both domestic and foreign investors through improved business infrastructure in the form of industrial parks.

41. Phare support to the **Internal Market** has been traditionally broad, with substantial assistance provided to various sub-sectors. For example, Phare co-funded the development of a Management Information System that improved the management of the Slovak Customs. Tax legislation was harmonised, and structures and systems for internal audit and effective banking supervision were upgraded. The twinning SR 9907.01 '*Standards and Certification*' was particularly successful in improving the performance of several institutions in the area of standards and metrology. These institutions are now members of international peer organisations, certified according to ISO quality standards and acting as competent authorities. The project SK0003.01 '*State Treasury*' effectively established the key elements for building a modern State Treasury in Slovakia, including the Debt and Liquidity Management Agency.

Box 7: Website provides good practice in support of SF

The aim of the sub-project SK0107.05 was Internet-based guidance to potential SF beneficiaries, assisting them to prepare project applications. An interactive website was developed which facilitates dialogue with the Managing Authorities and the preparation of formally acceptable proposals. The public has free-of-charge access via 100 PCs installed for that purpose in various Regional Information Centres. The website has been designed attractively; it is target-oriented and contributes to considerable saving of time and money, both for the Managing Authorities and potential beneficiaries.

Source: Project Final Report

42. In the area **Justice and Home Affairs**, Phare contributed to the improved professional capability of judges, through training and at the same time preparation of documents required for the establishment of the Judicial Academy. Slovak courts were modernised by, for instance, introduction of improved case management methods, and establishment of a Legal Information System. The twinning SR9908.02 '*Border Management and Control*' for the MoI resulted in a Schengen Action Plan, and provisions for its implementation. Reorganisation of the Border and Aliens Police was also carried out with the support from Phare. The new Aliens Act, enacted in 2001, includes several recommendations made by Phare experts. Progress in implementing government strategies against drugs and corruption were effectively supported by Phare, and equipment for the Law Enforcement Agencies (LEA) was made operational. EU member state experience provided under SR9913.05 '*PAR*' indirectly influenced some implementation aspects of the Decentralisation and Modernisation of Public Administration (DMPA) programme, particularly concerning the establishment of the higher-level territorial units. This programme provided limited results for civil service reform, through support for the establishment of the CSO.

43. Phare interventions in the **Social Sector** helped disabled people to find employment through building a network of supporting agencies (SR9919.02 '*Promoting the Employability of Disabled Persons*'). The capacity at the MoLSAF was increased for the co-ordination of EU social security schemes, for improving safety at work system and for operation of the independent Guarantee Fund protecting employees in the event of employers' insolvency. Civil society activities were financially supported via the *ACCESS* programme (SK0013), providing the opportunity for NGOs to use the gained know-how when participating in SF mechanisms. Within the evaluation sample, 29 Roma settlements were equipped with basic infrastructure (SK0103.02 '*Roma Infrastructure*'), improving their living conditions and allowing better integration of the Roma community into society. There was substantial Phare 1999-2001 support to Roma integration outside the evaluation sample, particularly in the area of education and social affairs, mostly in the form of pilot projects. These introduced, for

instance, the concept of ‘Mother and Child Care’ for kindergartens, teachers’ assistants for schools, social field workers for community work, and setting up community centres.

2.5. Significant contribution to wider objectives

44. ***Evaluation of impact is limited to information available from implementing agencies/sectoral ministries and institutions.*** The monitoring of Phare projects according to the current practice in Slovakia usually ends with the end of the project, and no further statistical data is collected afterwards for the particular intervention or the beneficiary. Responses to the questionnaires indicate that there is little understanding from the beneficiary side about the concept of impact. The existing indicators for measuring intermediate and global/ socio-economic impacts are often not followed or are not well defined, and baselines or benchmarks are missing. Final reports for investment projects do not serve monitoring or evaluation purposes as they include solely technical information. One of the few positive examples where impacts of the Phare assistance were measured six months after completion was the grant scheme SK0009.03 ‘HRD’, where the Central Office of Labour, Social Affairs and Family (COLSAF) followed up effects based on the feedback obtained from the training participants.

45. ***Phare assistance had a wider impact on Slovakia’s readiness for EU membership.*** This was especially visible in the administrative readiness to operate successfully as a member state and in the achieved harmonisation of local legislation with the *acquis*. However, besides EU support, there were other factors speeding up Slovakia’s readiness for accession to the EU and catching up with other, at that time more advanced, CCs. A major factor for this success was the accession-oriented government, which came into power in 1998 and continued in its pro-reform efforts in many areas during its second term. For instance, in 2004 the Slovak parliament approved 182 laws,¹⁰ including legislation on anti-discrimination and fiscal decentralisation. Although there are no measurements or estimates to quantify the intermediate and global impact of Phare assistance on the tremendous efforts spent in realising the accession goal, the presence and use of Phare support has been clearly positive.

46. ***Intermediate and wider legislative and administrative impacts are positive but vary according to sector.*** Slovakia is a relatively new country, and has used the advantage of having to establish new institutions to build progressive bodies, equipped with state-of-the-art technology, especially in areas of the internal market, such as finance, standards and customs. Intermediate impact has clearly materialised in the efficient work of those institutions that received Phare support. On the other hand, the chance to realise a timely impact was missed for some Phare institution building interventions, such as in the energy and transport sectors, where the establishment of the respective regulatory bodies suffered from delays.

47. ***Socio-economic impacts are identifiable mostly at local levels.*** Impact of ESC and CBC interventions is evidenced by improved environmental conditions, stimulation of the local business climate and identified employment opportunities at the micro level. The intermediate micro-economic impact mainly benefits the involved municipalities and districts, by contributing at least to some stabilisation of the individual regional economic and employment situation. However a more substantial macro-economic impact is not likely to be achieved, given the very limited size of the individual interventions. The global impact of the projects reviewed is heavily influenced by external factors. Given that all these projects relate to regional economic development, their success will be dependent on changes in the state of the national economy, labour market development, and further development in business and

¹⁰ Report on Slovakia, Institute for Public Affairs, 2004.

entrepreneurial skills. As an unintended positive impact, such investments often give the general public tangible evidence of the value of EU membership. They also provide a valuable means of developing confidence within communities, which is often the beginning of improved cohesion.

48. For the sectors under review, the key intermediate impacts (for example, improvements in legislative and administrative structures, systems and resources), and identified global/socio-economic consequences are summarised in the following paragraphs.

49. In the area of **Agriculture**, the most important intermediate legislative and administrative impact of the Phare assistance was the successful preparation of Slovakia to implement CAP and specifically to establish the Agriculture Paying Agency (APA). Though the APA had been established only at the end of 2003, by the end of March 2004 it was able to carry out the first EU-funded direct payments to farmers, amounting to M€ 60. However, not all financial support schemes were available by the date of accession. The APA was only accredited in November 2004 for granting support under the European Agriculture Guidance and Guarantee Fund, as well as funds from the state budget.

50. Legislation, prepared with the help of Phare 1999, focusing on milk policy, sugar and other selected commodities is now applied and enforced. EU-accredited testing laboratories are carrying out inspections and controls in line with member state obligations. Phare-funded equipment for BIPs at the Ukrainian border is operating, improving phytosanitary and veterinary controls so that the Slovak border authorities are now better able to prevent import of infected plants or animals from third countries and to protect external road and rail borders from import of low quality food, in line with the *acquis*. This positive impact is also a consequence of efforts funded by post-2001 Phare allocations (notably Phare 2002).

51. The 1999-2001 **Cross Border Co-operation** programmes with Poland, Austria and Hungary have had a positive impact mostly on the local environment, notably in improving the water quality in border regions through completed sewerage systems and WWTPs. All the rather small-scale CBC environment interventions certainly have a clear impact on decreasing air or water pollution for the immediate affected population and districts. However hardly any significant cross-border effects can be identified here. One identified exception was the project SK0101.02 '*Clean Water-Riverbed Poprad and Dunajec*'. Together with its mirror project on the Polish side, it decreased water pollution and improved drinking water quality for 8,000 citizens living in the area on both sides of the border.

52. The project SK0113.03 '*Business Incubator Malacky*' has positively influenced the SME sector in Western Slovakia by attracting about 30 local companies to move in. However, no Austrian investors are hosted in the incubator so far and thus the intended cross-border economic impact remains low. CBC programmes were generally a good learning tool for neighbouring regions and their administrations to learn how to co-operate. The use of INTERREG funds has been supported. However, the factual decentralisation of CBC small project funds to technical secretariats, located at selected regional institutions, took place very late (only applied for Phare 2003). In the 1999-2001 period, opportunities were lost to ensure more administrative impact at the regional levels, which would have resulted from managing and monitoring CBC small project funds.

53. In the **Energy and Transport** fields, Phare assistance was not very successful in achieving immediate impacts and the intermediate effects are mixed. SR9912 '*Comprehensive Energy Policy*' brought not much legislative impact in terms of further harmonization of the

Energy Act, since the beneficiary side choose a different philosophy when preparing this piece of legislation. Also the twinning under SK0106 *'Rail Sector Harmonisation'* was not able to deliver substantial legislative and administrative impact. The Law on the Railway Regulator passed through parliament only in late 2005, and included only a few elements of the substantial advice given by Phare experts. The Railway Regulator is up to now only a semi-independent institution¹¹, contrary to the twinning recommendations.

54. The 2001 assistance to the energy regulator (RONI) materialised in a more substantial and visible impact. Here, the independent regulator for networking industries is sufficiently staffed and performing its role without obvious difficulties. However, the energy regulator is likely to face new and difficult issues in the future. Following more complete privatisation in the energy sector and as prices converge towards cost-recovery levels, the RONI will have to monitor the price outcomes in different market segments and to ensure that competition works and users reap benefits. Some of the regulatory reforms in energy, telecommunications and transportation still need to be fully completed and enforced, in order to give entities and firms off all sizes swift access to competitive services across the territory.

55. Assistance to **Environment** brought administrative impact, especially in the areas where transition periods were agreed for Slovakia, mainly in the area of IPPC, where the SEI is now performing its role in integrated inspection. The impact of assistance to the Slovak Environmental Agency (SEA) in the area of EIA is clear and visible. The broader public has now access to comment on EIA of large investments using the Information System provided under Phare, thus ultimately contributing to sustainable development as well. The continuous support to the SHMI brought positive impact on water monitoring (see Box 8). Several ESC and CBC investments have improved the environmental conditions in their immediate intervention area, mostly by reducing water pollution.

Box 8: Impact of small-scale environment investment

A modest M€ 0.4 investment component of the 1999 programme was used to set up a modern early warning system for pollution of surface waters in Eastern Slovakia, using fish. The operation of such state-of-the-art equipment in two drinking water treatment plants (in Bardejov and Stakcin) not only improved the quality of drinking water for nearly 500,000 people in the area, but also serves as an example of good practice.

Source: SHMI

56. In the field of **Economic and Social Cohesion**, the support granted to SMEs provided them with sources of finance, which had been scarce in the past. Although not as a result of the Phare programmes, the present financial market is mature, with private banks willing to lend money to SMEs. Thus the opportunities for SMEs to obtain credit have improved over the years, leading to a decreased interest in applying for publicly supported loans. Banks, including foreign banks, have increased their efforts to map the industrial landscape and find new reliable customers among locally owned small firms. However, despite the various sources available (EU, IFIs, Government, etc), the overall volume of subsidised credits and equity capital has remained modest, and only 3 to 4 percent of the total population of small businesses make use of them.¹² This puts Phare's actual impact on SME finance into

¹¹ The 2004 OECD Report on Slovakia criticised the semi-independent status of the Telecommunications Regulator, providing constraints for the Regulator's hiring policy. Hiring of experienced market experts remains almost impossible because of the provisions governing salaries in the civil service. The OECD Report concluded that this might have been the key reason why the Regulator has been quite reluctant to issue controversial rulings that might be challenged in court by incumbent firms that can employ expensive legal and technical talent.

¹² Source: NADSME, State of Small and Medium Enterprises in the Slovak Republic 2002 (quoted in 2004 OECD Economic Survey on Slovakia).

perspective, and suggests that the Phare Guidelines related to catalytic effect and additionality have not been fulfilled.

57. The decisive contribution to the creation and growth of new firms is expected to come from the private financial sector. In addition, different Phare financial schemes have had unintended impact on the business culture and good governance, as small entrepreneurs have been forced to provide fair financial information in order to be eligible for the Phare support. Since its effective start in 1994 (Phare 1993) up to the year 2005 (Phare 1999) there were more than 2,000 loans provided under the various Phare SME schemes (support loans, micro loans, seed capital inputs). During this period this helped to create more than 2,000 jobs (both self-employed and employed), according to the National Agency for Development of SME (NADSME) statistics.¹³ The majority of these loans were provided during the earlier years of this period due to the higher demand then. As a result, utilisation was very low in 2005 when the funds were transferred to the Slovak authorities.¹⁴

58. The grant scheme under SK0009.03 HRD is evaluated positively, as having intermediate impact on decreasing unemployment, being in line with the overall positive trend in reducing unemployment in Slovakia¹⁵, however with big regional differences worsening towards eastern regions (see Table 2). Experience gained from the management of the HRD grant schemes has helped the local level particularly to understand better the operation of the ESF after accession.

Table 2.- Employment rates resulting from the SK0009.03 HRD Grant Scheme

Indicator	6 months after the end of the project	
		Total
Total nr. of unemployed that participated in the scheme		4,161 (100%)
Nr. of people employed at the industrial park Kosice	25	
Nr. of people recruited by PSA Peugeot Citroen Trnava	31	
Nr. of people employed within 6 months after finishing training in other jobs	1,604	
Direct employment consequences		1,660 (39.9%)
Nr. of people applying for financial contribution to start their own business	126	
Nr. of people involved in school leavers practice at employer	111	
Nr. of handicapped applying for financial contribution to start their own business	12	
Nr. of people involved into (further) national 9-month activation programme	2,252	
Indirect employment consequences		2501 (60.1%)

59. The wider impact of Phare interventions is that Slovakia is now operating SF and CF as a member state. Phare played a key role in preparing Slovakia for CF and SF, and effectively assisted the establishment of the basic architecture of managing authorities, intermediary bodies and paying authorities at relevant ministries and institutions. Further substantial interventions have been provided under 2002 and especially 2003 programmes. Despite a number of difficulties at the beginning, progress in SF/CF implementation is basically assessed as good by the European Commission. The 2004 annual reports on implementation of SF and CF (the most recent ones available) confirmed in principle that management and control systems of all ten new member states, including Slovakia, were in conformity with the

¹³ There were no quantified indicators of achievement defined for SK9906.02 'SME Development', in terms of job creation (and new SMEs). The relevant indicator just refers to a '... gradual increase of SME share on employment ...'.

¹⁴ A part of the SME schemes, the Support Loan Programme, a revolving fund launched in 1994, terminated in 2005. In June 2005, a memorandum of understanding (exit agreement) was signed between the EU Representation and the Slovak authorities on the future use of the funds. The money in the revolving fund was thus brought under Slovak competency (NADSME, Ministry of Economy).

¹⁵ Unemployment rate in Slovakia (as of December each year): 2002 - 17.45%; 2003 - 15.50%; 2004 - 13.07%; 2005 - 11.36% (Source: MoLSAF).

standards required by Community legislation. Furthermore, the Commission concluded that during the year 2004, effective actions were undertaken by the new member states to tackle the deficits identified when joining the SF and CF.¹⁶

60. The 2001 investment projects in the field of regional development have had intermediate local impact on economic stabilisation and development, especially in improving tourism infrastructure. However, broader impact is rather limited, often due to the absence of clear development strategies. The industrial parks supported in Eastern Slovakia have positively influenced employment in the most deprived regions of the country (as of 31 December 2004 up to 800 jobs were created, see also Box 9). According to the available information from the MoCRD, local and foreign SME investors particularly are still strongly interested in using the park for their businesses. The global impact, in terms of sustained economic growth, reduced unemployment, and increased cohesion in the longer term, has been supported by all interventions in this sector.

Box 9: Impact of an industrial park

The project idea for SK0107.04 'Industrial Park City Humenne – Guttmanovo' was initiated by the city itself to convert an existing old industrial site into a new area for investors/SMEs with access to existing transport and basic infrastructure. Phare TA assisted in the preparation of PF and tender dossier and arranged four building permits. The access road to the industrial park was enlarged, infrastructure was completed and temporary sewerage to the old WWTP was built. Shortly after the completion of the industrial park, two investors started their operation in this location. Their special textile production employ about 200 staff. It is expected that 400 working places will be created by 2007. Promotion of the park was carried out through the Slovak Investment and Trade Development Agency and through participation of city representatives at trade fairs.

Source: Interviews

61. Evaluation of impact of the *Internal Market* programmes under review shows promising results. The twinning SR9907.01 'Standards and Certification' positively helped the Slovak institutions active in metrology and standardization. The immediate impact was that the supported institutions became members of international standards organisations (CEN and CENELEC), and were certified for the ISO quality management system already in the course of the project (see also Box 10).¹⁷ The EU assessment of quality infrastructure published in December 2003¹⁸ states that Slovakia had established the institutions for carrying out accreditation and conformity assessment according to EA and EU rules.

62. The institutions and the bodies were assessed as having a good experience with the 'New Approach' directives nationally, as well as internationally. Slovakia has signed the PECA¹⁹ agreement for five directives and is planning to extend the scope. Slovakia has established an overall co-ordination for implementing of the 'New Approach' activities, which will be an advantage when it comes to exchange experience with future CCs. Further and wider impact will materialise in the longer term in the area of free movement of goods by decreasing the burden of compulsory local certification.

Box10: Increased national and international reputation in metrology

The Slovak Institute for Metrology (SIM), as one of a few metrological institutions in Europe, gained confidence in its Quality Management System from feedback given by the EUROMET Quality Forum in 2001. Since 2002, the SIM's quality system has been certified by ISO 9001:2000, thanks to Phare support). In 2004, the SIM was awarded the National Quality Award by the President of the Slovak Republic under the state administration category.

Source: SIM

¹⁶ Report from the Commission – Annual Report of the Cohesion Fund 2004, COM(2005) 544 final; Report from the Commission – 16th Annual Report on Implementation of Structural Funds 2004, COM(2005) 533 final.

¹⁷ Source: Final Report 9907.01 Standards and Certification.

¹⁸ Source: Danish Technological Institute, Assessment of Testing, Certification and Inspection, 2003.

¹⁹ PECA: Protocol to the Europe Agreements on Conformity Assessment and Acceptance of Industrial Products.

63. Despite numerous difficulties in implementation of the priority project SK0003 *State Treasury* of the MoF, including the Phare parts, the impact of is now visible. The Slovak State Treasury started operations in 2004 and is now serving 1,800 clients and over 3,000 spending units. The State Treasury is internationally recognized as a state-of-the-art instrument, effectively increasing financial planning and control, notwithstanding some temporary gaps in State budget expenditure data.²⁰ As a progressive tool of complex finance management of public finances, it now also serves as an example for the creation of the new treasury in the Czech Republic²¹. The completed State Treasury also directly impacts the ongoing reform of the public finance system, which is already well under way, and this should facilitate a more effective spending of State funds.

64. *Justice and Home Affairs*, a defined priority area in Slovakia, has been often criticised, for example in Regular Reports, for the slow processing of cases by courts and also for corruption. Phare has clearly contributed to most of the elements of the Slovak judicial reform, providing support to training of judges, to the creation of the Judicial Academy and to the court management system. Due to delayed establishment of the Judicial Academy however, the impact for this institution has been modest so far. More can be expected once further assistance has been absorbed and completed (from the 2002 Phare and 2005 Transition Facility programmes).

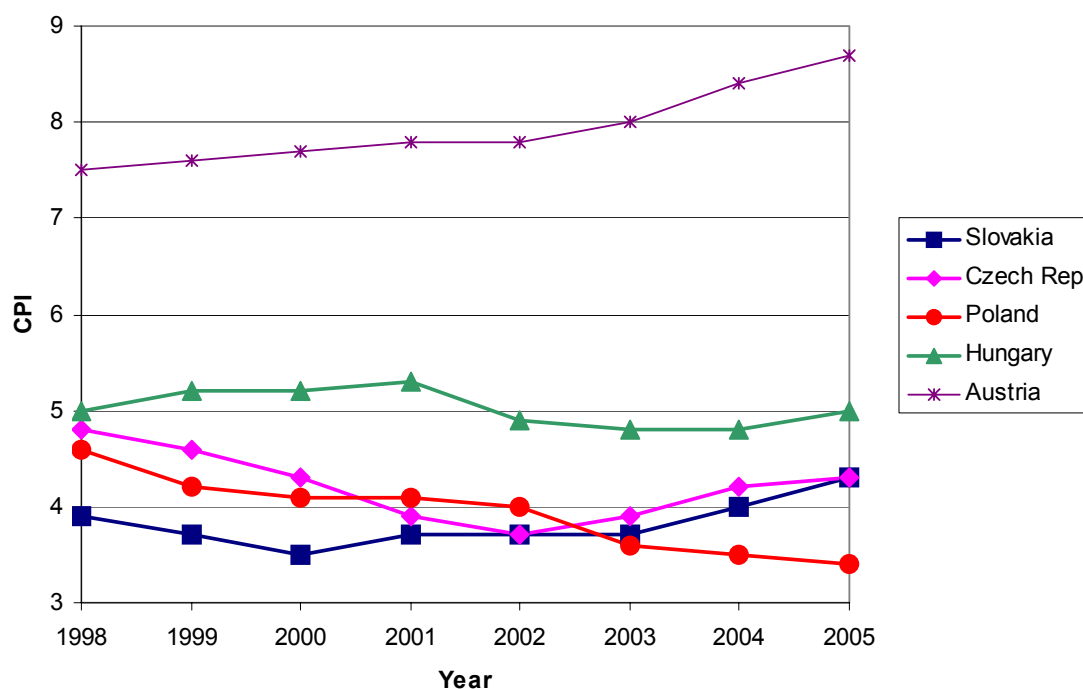
65. The fight against corruption, and the fight against drugs, were key areas under Phare 2000. Impact is positive, especially on the containment side, represented by LEAs. Phare training and equipment has helped to improve the mutual interconnection, data processing and flexibility within the triangle Police-Prosecutor-Judge. In the last two years the Corruption Perception Index (CPI) for Slovakia has indicated a reduction in the perceived corruption.²² Figure 1 shows the CPI for Slovakia and its neighbouring countries between 1998 and 2005, and it can be seen that in 2005 Slovakia improved its value to 4.3, ranking the same as the Czech Republic. Whilst the contribution of Phare to the impact of increased judicial efficiency and reduced corruption cannot be quantified, it is evident qualitatively that Phare has contributed to these moderate but identifiable improvements.

²⁰ Source: International Monetary Fund, Slovak Republic – 2004 Consultation Mission.

²¹ Source: Final Report, interviews.

²² The CPI is an internationally accepted indicator prepared by Transparency International. The CPI score relates to perceptions of the degree of corruption as seen by business people and country analysts and ranges between 10 (highly transparent) and 0 (highly corrupt).

Figure 1.- Corruption Perception Index 1998 – 2005



66. Phare provided significant funds to support the preparation of Slovakia for Schengen border management (protection of the EU external border with Ukraine), and implementation of the Dublin Convention, including heavy investments into equipment and buildings. The Schengen Plan, set up with the help of Phare, serves as the basic strategic document in the area. Whilst the intermediate impact of the assistance for Schengen will be seen only in the future when Slovakia joins the system (probably in 2007), impact of the assistance on immigration is already identifiable. For instance, the number of asylum seekers coming to Slovakia decreased substantially since Slovakia became a member state, partly as a direct result of enforced border management and harmonised asylum procedures (see Table 3).

Table 3.- Asylum applications submitted in Slovakia

Year	2001	2002	2003	2004	2005
Applications	8,150	9,700	10,360	11,390	3,490

Source: UNHCR²³

67. The provisions for awarding asylum have been effectively harmonised within the EU context. In 2004, only 159 asylum seekers obtained Slovak citizenship.²⁴ These developments were realised with the help of Phare.

68. Despite good potential, the twinning SR9913.05 'PAR' was one of the least successful projects within the evaluation sample, resulting in a very limited intermediate legislative impact on the decentralisation process in Slovakia and, due to lack of time, also uneven administrative impact for the CSO. More assistance to PAR, particularly civil service reform, has been mobilised under the 2002 and 2003 Phare programmes. Their effects should help to strengthen also the impact of SR9913.05 'PAR'.

²³ UNHCR: *Asylum levels and trends in industrialised countries 2005*; 17 March 2006. The annual change of asylum applications 2004-2005 shows a general decreasing tendency for the EU, but the decrease is particularly remarkable for Slovakia: EU-25: -15%; EU-15: -12%; New member states: -35%; Slovakia: -69%.

²⁴ Report on Slovakia 2004, Institute for Public Affairs.

69. In the *Social Sector*, a strong impact from Phare would be particularly appreciated by the Slovak population. Slovakia is ranked among the poorest EU member states with more than 7% of inhabitants officially living in poverty (in 2004). The most urgent problem to be addressed in this context is the Roma minority totalling 320,000 people.²⁵ Of all Slovakia's ethnic groups, the Roma minority generally lives in the harshest conditions, with the lowest level of education, and poverty is a widespread phenomenon for the majority of Roma citizens. The pilot project SK0103.02 '*Roma Infrastructure*' had a direct impact in terms of improved living conditions in 29 Roma settlements in Eastern Slovakia. As a catalytic impact, more settlements are being included in further EU and government programmes. However the total impact from the 2001 pilot intervention is rather limited, as the potential total of Roma settlements in Slovakia is almost 800, with 46% of them identified as having no infrastructure, only 39% connected to water, 13% to sewerage, 15% to gas and 89% to electricity. The Phare 2001 Roma pilot project covered less than 4% of these settlements. According to the MoCRD, 30 additional settlements are expected to be supported in the near future with the help of SF (their preparation was assisted by Phare 2002). Another 30 settlements might be targeted in the following years. Together with other new member states and candidate countries, Slovakia is now also participating in the World Bank Initiative for the Decade of Roma Inclusion (the 'Decade' Programme), which aims to speed up the social inclusion of the Roma population during the period 2005-2015.²⁶

70. This assessment does not take into account whether it is really the most effective use of public funds to upgrade isolated settlements, an approach which hardly improves the integration of the minority groups. The chance to create immediate impact, via employing Roma, at least temporarily, during the construction of infrastructure was mostly missed.²⁷ There appears to be an intermediate socio-economic impact in terms of increased living conditions for those directly concerned. Stronger impact of Phare funds however, could perhaps have been achieved by more effectively tackling the main source of poverty and discrimination – unemployment. Whilst Phare 1999-2001 did have a clear positive impact on increased education of the Roma minority, introducing substantial changes in legislation and curricula, innovative approaches to create and stimulate increased employment have been quite rare and were not requested under Phare assistance, even under later 2002 and 2003 programmes.

71. The project SR9912.02 '*Promoting the Employability of Disabled Persons*' positively impacts on the employability of disabled people. The network of Agencies for Supported Employment is operational and better access to information on new jobs is secured, demonstrating some administrative and socio-economic impact achieved.

72. Compared to the more than 24,000 NGOs registered in Slovakia, the ACCESS programme (SK0013) approached only a small fraction of them (less than 100 NGOs were supported financially). Apart from some micro impact for the individual beneficiaries, the intermediate impact on the NGO sector has been moderate. However, as an identified

²⁵ Figures according to the OoG.

²⁶ A national action plan for Slovakia on the Decade Programme was adopted in 2005, identifying objectives in priority areas such as education, employment, health and housing. There has been no information available on effective progress in realising the action plan.

²⁷ The original project fiche stated that the building of the infrastructure should also contribute to employment, mainly on a temporary basis, of more than 1,000 long-term unemployed through public works schemes. Based on the figures provided by the benefiting municipalities during construction, this estimate was much too high. Interim evaluation concluded that there had only been a very minor involvement of Roma. Summary figures, indicating the total involvement of Roma working on the infrastructure, were not accumulated by the responsible implementing agency.

unintended positive impact, the benefiting NGO often had to improve its financial management. Some broader beneficial impact will materialise in the longer term for the two priority areas covered by ACCESS, namely environmental protection and provision of social services.

2.6. Institutional reforms largely sustainable

73. *Most Phare assisted institutions appear to be sustainable.* Overall Slovakia is capable of performing its role as a member state. All the newly established agencies are functioning more or less efficiently, and demonstrate that institutional sustainability has been achieved. RONI is now fully staffed and performs its regulatory role, such as energy price regulation, properly. The recently established Judicial Academy has started to provide training to judges, prosecutors or court officials and their candidates. The State Treasury 2004 has been fully performing its role in management of public finance since 2004. On the other hand, though the RRO was established only late in 2005, the Phare input is questionable due to delays with the set-up of the RRO. Also its semi-independent status hardly provides a thorough basis for long-term institutional sustainability. Serious concerns appear in case of the Phare assistance provided to the CSO.²⁸ Continuing policy changes have adverse effects on sustainability of both previously completed (1999, 2002) and ongoing interventions (2003).

74. *Sustainability of administrative capacity varies across the sectors.* The new EU structures and systems that had to be established required practical input in terms of capable staff. However, the issue of human resources received inadequate attention during this crucial period. In many sectors, it was apparent that the new requirements could be hardly addressed with the existing staff. The usual action was to recruit new, mostly fresh graduates, willing to work on the EU agenda under pressure, despite poor remuneration. Whilst this approach partly worked in fulfilling the immediate accession requirements, the longer-term impact is uneven. A characteristic element of such staffing policy is a high turnover of staff, which still seems to be widely accepted within the administration, despite the fact that it contradicts the announced official political position of moving towards a well remunerated, highly qualified and impartial civil service.

75. Phare provided essential know-how and skills for immediate needs under membership conditions, particularly during the last few years before accession. Here, it was extremely beneficial in bringing expertise to mostly young civil servants, allowing them in a very short time to work at an EU-acceptable level. However, junior staff were often delegated responsibilities beyond their capabilities, especially in view of their limited experience. Sustainability was again often undermined by a high staff turnover.

²⁸ See Interim Evaluation Report R/SR/JHA/0106, dated 17 February 2006.

76. Staff turnover was also increased by internal moves, where in many ministries junior staff were often quickly promoted to senior positions or sent to Brussels. In the course of the *ex post* evaluation, it has been difficult to find persons with an institutional memory for a number of projects, since those originally involved have left or changed the service in the meanwhile.²⁹ Although the government has tried to improve salaries for civil servants (among other motivational factors), the difference between public and private sector remuneration is still too big. In the area of SF, motivation of staff is partially secured by higher salaries offered to civil servants working on the EU-agenda compared to the average for the sector.³⁰

Box 11: Sustainability of the Slovak NGOs

In 2004, 24,129 NGOs were active in Slovakia, of these 22,0707 civic associations, 468 non-investment funds, 677 non-profit organisations and 277 foundations. Thanks to successful lobbying of the 3rd sector, the 2004 tax reform increased the possibility to donate 2% (previously only 1%) of the income tax to a NGO. In 2004, more than SKK 20m were gained by NGOs from this importance financial source.

Source: Institute for Public Affairs

77. **Assistance to NGOs show good a prospect for sustainability**, especially in the area of environment. An example is the raising awareness of NGOs and local authorities about sustainable development through the publication of indicators of achievement in that area. Recently introduced changes in the tax legislation should support the principal sustainability of the NGO sector (see Box 11). Individual grants given under ACCESS (SK0013) were mostly found to give sustainable results.

78. **Phare infrastructure investment is basically sustainable**. Concerning the various regional development activities (business parks, incubators, etc.) sustainability is guaranteed by a continued commitment by the respective city/municipality. In many cases there are further expansion plans building on the results accomplished so far. The same is true for the benefits of transport and environmental infrastructure projects, where municipal ownership and commitment is the major factor ensuring the sustainability of results. These investments are often highly relevant to local and micro-regional priorities (even if not always to the same degree to national priorities). With local government taking strong ownership of results, effective measures for sustainability are apparent. However, sustainability of the 29 settlements upgraded under SK0103.02 'Roma Infrastructure' varies. Twenty of the supported settlements are participating in the State social housing programme, where further national support will potentially continue and should sustainability should be ensured. For the remaining nine settlements, the respective municipalities were not able – or not willing – to request such national support. Consequently, the longer-term sustainability is at risk.

79. **Phare implementing bodies should be sustainable, at least in the mid-term perspective**. Most agencies involved in Phare implementation appear to be sustainable, especially ones involved in the CF and SF, such as the NADSME or the RDSA. The CFCU is an integrated part of the MoF and its accumulated experience is still being used for finalising Phare and the Transition Facility. The ACU is becoming involved in managing Swiss bilateral aid and the European Economic Area (EEA) and Norwegian financial mechanisms. Sustainability of the

²⁹ A particular example is the MoI, where difficulties with high turnover of staff still persist and contribute to difficulties in the management of Phare programmes. Information flows at the MoI are very restricted, which is probably a result of its specific internal (police) structure. For the management of any sort of foreign assistance, this causes difficulties that otherwise could be easily avoided.

³⁰ Through so-called 'Euro officers' (with salaries topped-up from the TA budgets of the SF programmes) the MoCRD assumes that the issue of human resource leakage, brain drain, and the steady need to hire new staff could be resolved. In 2005 there should have been around 600 'Euro officers', at central, regional and local levels working under the SF Agenda (see Interim Evaluation Report No. R/SR/ESC/0404, dated 14 April 2005).

Civil Society Development Foundation (CSDF), which finished as a Phare implementing agency for civil society programmes (including ACCESS) in November 2003, is presently secured as it manages the Slovak bilateral aid given to Serbia and Montenegro, using the know how gained through Phare (see also Table 4).

Table 4.- Future of Slovak Phare key bodies

Phare institution	Role under Phare	Post-Phare role
ACU	National aid co-ordination	Co-ordination of Transition Facility, EEA, Norwegian financial mechanisms and Swiss bilateral aid
CFCU	Implementation agency	Integrated part of the MoF, Transition Facility
RDSA	Implementation agency	Integrated part of the MoCRD, Managing Authority INTERREG A/ Basis Infrastructure Operational Programme/ Bratislava Objective 2 Programme
CSDF	Implementation agency	Co-ordination of Slovakia's Official Development Aid
NADSME	Implementation agency	National SME support, Intermediate Body Operational Programme Industry and Services

3. THEMATIC/ CROSSCUTTING FINDINGS

80. Having examined overall and sectoral performance of the Phare Programme in Chapter 3, this chapter reviews progress made, with the support of Phare, towards three key thematic areas of the pre-accession strategy:

- Phare's factual contribution to Slovakia's improved performance in the pre-accession process,
- Building public administrative and judicial capacity (PAJC) to apply the *acquis*, and
- Supporting ESC and the preparation for the SF.

81. Much has been accomplished as far as the first key objective is concerned and positive effects have clearly materialised. However, results and sustainability have been often adversely affected by limited progress on the second key objective, horizontal PAJC reforms. As to the third key objective of Phare, Slovakia has been enabled to utilise SF under member state conditions. There are clear impacts, but with mixed prospects for sustainability.

3.1. Phare improved the performance of Slovakia's pre-accession process

82. *Phare programmes were part of an enormous national reform agenda.* Since 1998 Slovakia has benefited from two continuous governments that ensured strong commitment to achieving accession in the first enlargement round. Besides the EU agenda, the government included a number of further substantial reforms, including pension reform, effective privatisation, market liberalisation, foreign investment, decentralisation and reduction of public expenditure. Dealing with this enormous political agenda tested the political and administrative capacities to the utmost and consequently influenced the performance of Phare.

83. *Phare's role has been fundamental in many sectors, and addressed real needs.* Phare has been the major pre-accession instrument and its role has been fundamental in supporting all key areas of the *acquis*, especially in harmonisation of legislation and institutional building. This was essential for Slovakia, taking into account the inadequate institutional structures and resources in many sectors and the extremely short time available for fulfilling the accession criteria. From a mid-term perspective, Phare support has been clearly beneficial in preparing the required legislation, in bringing experience from functioning peer bodies in member states and in training staff, despite the delays in establishing some institutions. Programme design improved from the 1999-2001 programmes to the post-2001 allocations. In many cases, the 1999-2001 programmes laid the basis for essential sectoral adjustments that were often successfully completed with the help of 2002 and 2003 interventions.

84. *From an ex post perspective, more time was required for absorbing Phare outcomes.* The tremendous needs for the country to catch up development in such little time made the entire accession preparations, including the use of Phare, sometimes very difficult and uneven. Against a dramatically accelerating race against the clock, where originally set timetables for legislative adoptions and institutional set-ups were often not able to cope with the real political and institutional progress, the conditions for efficient delivery of Phare were difficult and constantly moving. In a number of projects initial programming provisions could not fully cope with the reality once the assistance was finally implementable. Lengthy contracting efforts together with the rigidity of the Phare procedures allowed only for minor changes of programming provisions. Where applicable, however this was usually done. A number of interventions had to take place only in a rather hasty manner and too much was done under crucial time pressure and consequently, opportunities for achieving more effective outcomes

could not always be realised. Without doubt it was Phare with its complex interventions that encouraged the Slovak authorities to develop partnership and inter-institutional co-operation. Still the achievements to date are limited and such basic principles of modern public administration, needed to allow institutions to perform the accession requirement successfully, need further improvement.

85. The Slovak administration can perform its EU tasks at a reasonable level. Over the years, despite the persisting limitations, the Slovak administration has been successful in building the self-confidence needed for participating in the EU systems. The majority of problems, where they occur, are linked with the high turnover of staff. Despite this, the absorption capacity has been generally improving and the Slovak administration has been made enabled to perform its tasks in accordance with member state rights and obligations. Without doubt this tremendous improvement, compared to previous periods of the country, can be attributed to the long-term presence of Phare and its beneficial influence.

3.2 Successful but uneven Phare contribution to strengthened administrative and judicial capacity

86. *Administrative and judicial reforms were declared national priorities.* The incoming government in 1998 had set PAR as a top priority. The overall reform programme had four components: new regional structure; decentralisation of competence, finance and political power; reform of the institutions of public administration; and modernisation of public administration. Overall the right priorities were chosen, and Phare was available to support progress in the identified areas. Phare programmes were also beneficial for strengthening internal financial control and enhancing financial management. Phare assistance to the government fight against corruption had a horizontal implication on all sectors. Several legal changes were made and special units were created to strengthen integrity and reduce corruption.

87. *Overall the progress in decentralisation has been remarkable,* taking into account the very short time frame for such fundamental re-orientation. Phare, together with other donors, helped Slovakia in its complex decentralisation process. There was a delay to the whole reform, which limited the scope of the originally designed assistance (especially the twinning under SR9913.05 'PAR'), but achievements are there. The first regional elections took place in late 2001. Responsibility for providing the main welfare services, including education, health, railway and social welfare services, were transferred to regional governments in 2003. The decentralisation process was nominally completed in 2004, but fine-tuning of structures, systems and capacities is still ongoing (for instance the tax system), and still involving the expertise offered by Phare.

88. *Progress in civil service reform has been made only since 2001.* Although civil service reform has been high on the agenda of the two successive governments ruling since 1998, and part of their overall reform strategy, factual progress was made only from 2001 onwards. Major developments have been the adoption of a Civil Service Law³¹ (2001) and the establishment of the Civil Service Office (2002), which has the responsibility for the overall management of the civil service.

³¹ The Civil Service Law created basic legal conditions for building a civil service on a new qualitative foundation, based on principles compatible with those applied in the civil service systems of the EU and OECD member states (professionalism, political independence, efficiency, flexibility, impartiality and ethics).

89. After three years of the Civil Service Act being in force, there have been improvements observed concerning the quality of human resource management. Civil service positions are filled following appropriate recruitment and selection procedures. The use of regular service assessment has led to a better handling of staff by managers. A concept for training of civil servants has defined a more unified and systematic approach to civil servant training. Nevertheless, the views on Slovakia's recent efforts to tackle the inherited difficulties of administrative structures and capacities effectively remain mixed (see for example Sigma's 2003 report on Slovakia (see Box 12).

Box 12: SIGMA's 2003 opinion on Slovakia

'The legal framework for the state civil service, although with many shortcomings, is in general appropriate and in line with civil service standards prevailing in EU Member States. The general legal framework for staff delivering public services and those in municipalities is, however, below standard and will not resolve the problem of the weak professionalism of staff at these levels. Some envisaged amendments to the Civil Service Act are headed in the right direction, while others are not. If certain ideological stances, which advocate placing the civil service under labour law, become prevalent, the emerging Slovak civil service will regress to its former status.'

Sigma Report "Slovak Republic Public Service and the Administrative Framework Assessment 2003".

90. ***There remain concerns about the continuation of effective civil service reform.*** The original philosophy of the Civil Service Law adopted in 2001 has undergone substantial changes. Various legal amendments have cancelled all incentives for civil servants without reducing the obligations. Remuneration schemes have been changed and personal liability has been added, which has created confusion and an inconvenient basis for recruitment and retention of qualified staff. During the five years of existence of the Civil Service Law, its initial purpose to decrease the high turnover of civil servants and to build a professional service has not been achieved. Following accession, the speed of civil service reform has effectively decreased and political ideas and moves are potentially undermining the previously chosen path towards a modern and impartial civil service.³²

91. ***Institutional sustainability of the Phare-supported CSO is not secured.*** At the time of this evaluation, the 17th amendment of the Civil Service Law is awaiting parliamentary approval. This amendment proposes substantial changes that directly influence the role of the key beneficiary institution in the area of PAR, the CSO. Since its establishment, the original key competencies of the CSO have been gradually taken away by changes in the law. The MoLSAF has apparently been working in parallel to the CSO on amendments to the Civil Service Act, without discussing these amendments with the CSO. There are indications that major responsibilities of the CSO will be shifted to the MoLSAF, managing the Labour Code.³³ The currently proposed changes, if adopted, would in practice diminish the role of the CSO to recruitment procedures.

92. Under the current unfavourable conditions (little government commitment to the CSO), the relevance of the recently started 2003 Phare activities must be seriously questioned. Despite the fact that the CSO has suffered from a lack of political support since its establishment, it appears to have become an internationally recognised institution, with membership of several important EU and international bodies, and provides an example of good practice (see Box 13).

³² The Phare Consolidated Summary Report from March 2004 noted in this context that '*Central authorities, for example in Latvia, Slovakia and Romania, which have benefited from support towards civil service...and who have a clear picture of the implications of inadequate PAJC for their countries, have (...) great difficulty in persuading line ministries to implement (civil service) legislation and insufficient power to force them to do so...*'.

³³ See Final Report for twinning project '*Support to the Civil Service Office*'.

93. *Administrative structures and staff are subject to change.*

The accession process has generated new areas of legislation that had to be implemented, together with the building of the related administrative capacities, such as free movement of goods and services, protection of the environment, and programming and implementation authorities for SF. Though the current Government has made some efforts to downsize the number of civil servants, many EU-oriented areas in particular could increase staffing. Although institutional sustainability is mostly secure, some state institutions have been merged. For instance, the State Aid Office (also a recipient of Phare 1999), previously independent, is now under the MoF.

Provided that key staff are maintained, such institutional re-organisations should normally not have an adverse effect on administrative performance. Staff fluctuation, however, remains a problem in many sectors in Slovakia, and there have been frequent changes in organisational areas and senior management positions in many line ministries, sometimes adversely influencing administrative sustainability.

Box 13: *The CSO demonstrates good practice – innovative quality management in the civil service*

Since 2003, with the help of Phare, the CSO continues to implement a quality management system for the civil service, based on self-assessment. As one of few European countries, Slovakia is implementing the Common Assessment Framework (CAF) model in public administration. CAF is an innovative tool for public administrations that want to apply quality management principles, and bridges various models and methods used by EU member states. It provides opportunities to compare results achieved through the application of different models, and serves as a benchmarking tool between public sector organisations. The Phare pilot project attracted international recognition, and the 2nd International Conference on Quality in Public Administration, held in 2004 in Bratislava, focused on ‘CAF Model in Public Administration’.

Source: CSO

94. *Professional civil service training remains fragmented and poorly co-ordinated.* The potential benefits expected from the recently adopted concept for training of civil servants have not materialised much yet. Apart from a number of local institutes (for instance the Institute for Public Administration) practically every single ministry has its own training plan and training facilities and/or training institutions. Trainers from both state administration and private sector were also trained with the help of Phare. There is a general tendency of the Government to leave training with the individual State administrations and to encourage the use of the private sector as training providers. However the private sector is reluctant to offer training to the state administrations due to the unfavourable conditions that they impose. Such fragmented training infrastructure makes it difficult for private business initiatives. Moreover, the various training systems and activities are not centrally co-ordinated by the CSO since it has not been entrusted with any overall co-ordination function in this area.

95. *Phare has been beneficial for strengthening judicial capacity.* There exists a clear government programme for reforming the judiciary. Phare has traditionally supported the need for independence of the judiciary in Slovakia. Training of judges has been provided and the establishment of the Judicial Academy, which is now capable of providing comprehensive training, including EU law topics. Together with the establishment of the Judicial Council in 2002, the key tasks in the field of increasing the independence of judiciary have been achieved. Out-of-court settlement of cases (mediation) is now an element of the judicial legislation and is being put into practice. However Slovakia has been criticised for lengthy proceedings, in particular in civil and commercial cases. Phare tackled the problem by assisting in the court management reform, introducing *inter alia* random selection of cases for judges, and electronic court registers. This increased the transparency and efficiency of the treatment of cases. Still, progress in judicial reform and efficient court management is too slow.

96. ***Substantially improvement of the ethical aspects of the judiciary remains a priority.***

The issue of ethics for judges has been dealt with by several Phare and bilateral projects since 1994, but it attracted attention on the Slovak side only from 1999 onwards. The official Code of Ethics was adopted only in 2001. The twinning experts from the project SK9908.01 '*Strengthening the Independence of the Judiciary*', confirmed that the present legal treatment regarding the conjunction of ethics with discipline, the personal responsibility of judges, the composition of disciplinary senates, and the procedures for temporary withdrawal from the function of judge, are still not in line with the *acquis* (see Box 14).

Box 14: Insufficient progress in ethics of judges

One output of the twinning '*Strengthening of the independence of the judiciary*' was the 'Report on the Judges' Ethics' and the recommendations of the experts. The Association of Slovak Judges used this report in its preparations for the International Association of Judges (UIM). In November 2004, the UIM passed a resolution on Slovakia, in which the same inadequacies concerning the status of judges were criticised as those presented in the Phare 'Report on the Judges' Ethics'. This resolution was sent officially by the UIM to the relevant state authorities, but the situation remains unchanged so far.

Source: Questionnaire.

97. ***Slovak institutions are making their improved know how available to CCs via twinning.*** Similarly to other new member states, some Slovak authorities have started to participate in outgoing twinning arrangements, making their accession experience available to CCs. The involvement of Slovak experts, at least as junior partners in twinning operations for such countries, is beneficial. It transfers the latest hands-on experience and know-how, particularly for EU institution building. For instance, during CAP preparation the Ministry of Agriculture has been extremely successful in introducing the Land Parcel Identification System. The system is now compulsory for IACS. The Slovak knowledge gained in this area is being shared with Romania via twinning.

3.3 Phare ESC institution building was useful but not cost-effective

98. ***Without Phare, Slovakia would hardly have managed to start with SF on accession.*** EU and especially Phare support has been substantial in assisting Slovakia to build up structures, systems and capacities essential for SF.³⁴ EU experts have helped with preparation of the NDP. Under the 2001 Phare programme, up to 20 different TAs, twinning arrangements and investment inputs were mobilised for developing capacities and institutional frameworks. This included *ex ante* evaluation of different sectoral programmes, preparation of programming documents and programme complements and training on the SF information technology monitoring system (ITMS). More substantial support was given under Phare 2002 and 2003 programmes.

99. ***Phare benefited the ESC institution building process.*** Though the whole process was delayed and the new structures were established mostly with new and rather inexperienced staff, Slovakia did manage to establish its local architecture of managing authorities, intermediary bodies, and paying agencies. Preparations ran late, mostly due to late decisions on structures and system by local decision makers. The huge pressure that built up in the last two years before accession made it possible to set up the essential SF prerequisites and to equip the various SF bodies. Although some preparation activities could only be completed after

³⁴ As a new member state since 1 May 2004, Slovakia is entitled to around €1.76 billion co-funding from the European SF for the period 2004-2006. The Slovak SF programmes are aimed at supporting lagging regions and to stabilise areas affected by structural decline. For the period 2004-2006, Slovakia receives aid under Objective 1 through four multi-regional programmes covering the entire country, with the exception of the Bratislava region, which receives co-funding through a regional SPD Objective 2.

accession, overall the effect is clear and positive. Slovakia is now capable of managing and implementing SF, and the use of Phare has been positive.

100. ***Much of the Phare support to SF has not been cost-effective.*** Only a few of the Phare-based implementing authorities, such as the Implementing Agency for Investment of Environmental Projects,³⁵ are now successfully supporting utilisation of CF and SF. In the main, however, the Phare structures remain isolated, and not much know-how has been effectively transferred from the Phare system to the SF system.³⁶ In addition, most efforts undertaken to introduce and to develop new structures for implementation of SF through Phare ESC grant schemes have led to the creation of isolated structures, which are unlikely to be used for Structural Funds. In the meantime, SF projects have been launched and are centrally managed. These potentially compete with the late 2002/2003 Phare grant schemes. Co-ordination links between these two structures, although co-existing within the same institution, are usually limited (see Box 15).

101. ***ESC and CBC investments had limited impact for SF preparation.*** The RDSA has had an uneven performance since its set up in 2001, being criticised for lack of administrative and contractual capacities with negative implications for contracting of the CBC 2001, ESC and Roma infrastructure investments.³⁷ Despite this, the RDSA seems to move up the learning curve by building capacities in the area of programming of INTERREG, co-operating with higher territorial units when endorsing selected projects and being active in Euroregions. The RDSA claims that, resulting from the Phare problems with thorough project preparation and timely contracting, a major lesson has been learnt by the entire MoCRD. Thus, MoCRD now maintains a project pipeline that was established under SF, and has made the fulfilment of crucial conditions for realising investment projects (land ownership clarified, building permits available, co-financing available) a pre-condition for launching tender procedures under SF. The individual ESC and CBC investments did not contribute much to building capacities at regional and local levels, although the experience gained with implementing EU-funded projects has been useful (project cycle management, transparent tendering and financial reporting and monitoring).³⁸ Before 2001, industrial parks were an unknown element in the Slovak business environment, but thanks to co-financing provided by Phare, this type of economic stimulation has been successfully introduced to the country.

Box 15: Grant schemes provided poor SF preparation

The 2000, 2001 and 2002 Phare ESC grant schemes were intended to prepare the capacities for ESF. However, the ESF section of the MoLSAF, which suffered from staff fluctuation, was in most cases not directly involved in Phare grant scheme activities. Furthermore, the long-term experience of the COLSAF, the only local institution dealing with Phare HRD grant scheme implementation before, was of little help and mostly devoted to the implementation of the so-called 'National Programme', being co-financed by ESF. The aim of the Phare ESC projects to provide assistance on ESF management and administration to regional bodies did not fully materialise. The original regional structures of the NLO were abolished (and replaced by the creation of a new COLSAF) and ESF is currently managed centrally, without much regional involvement.

Source: Interim Evaluation, interviews

³⁵ Other examples are the APA, involved in SAPARD implementation, which is capable of implementing SF in the area of agriculture and rural development, and the RDSA at the MoCRD, implementing Phare ESC, CBC and Roma investment projects, which is now managing INTERREG.

³⁶ For instance, the RDSA at the MoCRD could collect valuable experience when preparing and implementing the 2001 business park and incubator investments. However, only the Ministry of Economy currently deals with business parks and business zones.

³⁷ See *inter alia* Slovakia CPER or Interim Evaluation R/SK/NAC/03065, dated 1 March 2004 (Aid Co-ordination Slovakia)

³⁸ See also Interim Evaluation R/SR/REG/0404, dated 14 April 2005 and, in the more thematic context, ZZ/ESC/03080, dated 23 April 2004 (Phare Economic and Social Cohesion Review).

102. ***Overall, success of the Phare ESC policy has been mixed.*** Major problems for many twinning operations have been considerable delays in starting activities and serious staff issues, making it difficult to reap synergistic effects with other projects, to gear activities towards each other and to avoid duplication.³⁹ Staff had to be changed and there were long gaps in twinning presence, which forced the Slovak authorities to prepare themselves without substantial support. There were many co-ordination issues (both major and minor). The twinning activities in the ESC area could have been more closely co-ordinated with other running projects, notably the grant schemes and the project pipelines (infrastructure and environment). Without doubt, however, Phare was the main source for developing ESC in Slovakia, and thus it can be considered as having been effective. In particular, the later twinning operations (2001 and 2002), which were undertaken under the pressure of accession negotiations and the approaching accession itself, were in this respect successful, clearly contributing to the need to develop and manage the current SF cycle. It remains to be seen in the new SF programming period 2007-2013 whether more substantial wider impact and long-term sustainability of the Phare ESC support develops.

³⁹ This was also pointed out in earlier interim assessments.

4. CONCLUSIONS AND LESSONS LEARNED

103. This chapter sets out the conclusions on strategy and performance of Phare support in Slovakia. It is crucial that lessons are fully learned about the strengths and weaknesses of the way how Phare support for Slovakia was programmed and realised in order to optimise the approach to future pre-accession support. As a way forward, this evaluation recommends three sets of actions and provides lessons learnt from the Slovak example.

4.1 Conclusions

Conclusion 1: Overall, Slovakia performed well in many sectors, but the use of Phare for technical preparation for accession was uneven.

104. *Slovakia's enormous effort to manage the accession agenda was clearly successful but Phare key objectives were achieved to varying degrees.* The entire accession agenda was managed by the country in only four years, between 1999 and 2003, and this has been a remarkable achievement. The Slovak administration is now capable of operating in accordance with the obligations of EU membership and this demonstrated increase in capacity and performance is partly due to the positive role of Phare.

105. The key objectives of the Phare Slovak national and CBC programmes during the period under review were achieved to varying degrees. Support to NGOs and for improving the situation of the Roma, in order to comply with the Copenhagen political criteria, was delivered but the effects today are very limited. Economic reforms, including SME support and the cadastre, were more effectively assisted. Support for taking on the obligations of membership, notably in the area of justice and home affairs, internal market, economic and social cohesion, energy and transport was successfully delivered. Administrative and judicial capacity, including the management and control of EU funds, was reinforced. However, the degree of achievement varied broadly across the evaluated areas. Phare success has been limited in areas such as civil service reform, preparation for SF, the fight against corruption, and judicial reform. Despite some progress, partnership and co-operation, the basic principles of public administration needed to allow institutions to perform successfully in accordance with accession requirements, still require improvement.

Conclusion 2: From an *ex post* perspective, Phare support addressed the accession needs but more preparation and absorption time would often have been appropriate.

106. The majority of Phare programmes were acquis driven and suitable for the intended purpose. In practice they delivered what they were designed for. The vast majority of Phare programmes were focused on accession priorities or gaps identified in Regular Reports on Slovakia and were, in principle, linked to the relevant government or sectoral strategies. Programmes were mostly prepared as a result of a participatory process where the Commission Services had often a key role in the drafting process. Proper sequencing of Phare interventions, building up sequentially on previous achievements, was a success factor for institution building activities. However, a number of projects were over-ambitious with respect to the available capacities and time constraints. Particularly some 1999 and 2000 institution building interventions missed the necessary legal basis or institutional infrastructure when the Phare support was about to be launched, which led to problems in implementation.

107. *Cost effectiveness was mixed.* The enormous catch up effort, the extremely short accession calendar for the country, insufficient understanding of some accession requirements

and insufficient human resources did not always guarantee the most effective outcome. Compared to final disbursement rates, many project budgets tended to be over-estimated, but the excess was either converted into further activities or paid back. Here, achievement of the overall objectives was in many cases not compromised, thus allowing cost-effective delivery of results. There were however, also cases where the underspend indicates that the planned activities had to be cancelled, due to problems in implementation, delays, or change in relevance. Lengthy planning and contracting has been a characteristic element of the Slovak Phare process, also in comparison to other Phare countries. One reason for this was the late forwarding of technical project documentation from the implementing institutions. Many proposals had to wait for results from previous assistance and therefore could not start as envisaged. Lengthy endorsement and contracting procedures and communication difficulties among the various parties also contributed to delays. Delays in setting up the benefiting institutions together with the limited possibility to react flexibly on the increasingly changing immediate accession and thus assistance needs made it for Phare sometimes difficult to ensure the most cost-effective outcome. A number of interventions had to take place in a rather hasty manner, and too much was done under severe time pressure so that opportunities for achieving cost-effective outcomes could not always be realised. These observations apply to both the 1999-2001 interventions and to many of the post-2001 allocations.

108. ***Intermediate legislative and administrative impacts materialised well, while socio-economic impact is positive but limited.*** Phare has been since 1998 integrated within a clear accession-oriented local political environment, and has been the major external source allowing the country to catch up with the preparation status of other, more advanced CCs. The most visible impacts were legislative and administrative, especially through harmonisation of legislation, strengthening of existing institutions, and building the new institutions, all essential for EU membership. Government priorities covered *inter alia* major reform packages including decentralisation, civil service, judiciary and fight against corruption. All these highly relevant reform priorities were actively supported by Phare, but impact was mixed. The tight accession deadlines and the huge workload of substantial reforms did sometimes not allow project results to be thoroughly absorbed. This has been particularly observed for the SF preparations. Nevertheless, despite some uneven impacts, overall the impact is positive and visible in terms of functioning institutions.

109. Impact of the ESC and CBC interventions is demonstrated by improved environmental conditions, stimulation of the business climate in the given intervention area, or identified employment possibilities at the micro level. The intermediate micro-economic impact mainly serves the local levels, by contributing at least to some stabilisation of the individual regional economic and employment situations. More substantial macro-economic impact is not likely given the very limited size of the individual interventions. The global impact of the projects reviewed is heavily influenced by external factors. Given that these projects are mostly related to regional economic development, their long-term effects will be dependent on changes in the state of the national economy, labour market development, and further development in business and entrepreneurial skills.

110. Institutional sustainability is mostly ensured, but administrative sustainability is still threatened by staff fluctuation. Most of the institutions established with Phare support are working effectively on EU matters, and have secured budgets based on national multi-annual budgeting. Even the NGOs in Slovakia show good perspectives of sustainability due to their successful lobbying during the tax reform, and due to their increasing participation in SF programmes. Many key areas of assistance, however suffered and still suffer from staff turnover. The Civil Service Law and increased salaries have made employment in national EU

structures more attractive, which should help in the longer term to stabilise staff fluctuation. In some cases the absorption capacity of staff, especially in the area of preparation for SF has been pushed over its limits, due to the combination of pressing tasks and overlapping assistance programmes.

Conclusion 3: Stronger and more focused consideration of administrative and judicial capacities at earlier stages of the pre-accession process would have been beneficial for the country.

111. *The late start of effective PAJC reforms clearly limited the success of Phare.* Phare tackled the main horizontal PAJC issues among other accession priorities, in line with declared government priorities. Indeed, progress in all these fields, namely decentralisation, civil service reform, judicial reform and fight against corruption, was made. Whilst Phare assistance followed the way forward indicated by the pre-accession strategy, the strategy itself should have considered the inherent characteristics and inadequacies of the country in more depth. However, this was hardly possible until 1999, for local political reasons. It would have been helpful to put more emphasis on the substantial steps towards improved PAJC at earlier stages of the pre-accession strategy, to take into account the time it needs to realise substantial changes in behaviour and attitudes. Despite the enormous efforts undertaken, the required change on all fronts of PAJC could not always be fully realised within the accession calendar. The combination of the Commission's pre-accession strategy and the country's own efforts did not result in a public administration and judiciary ready to operate to the standards of governance and administration required by the EU or to implement the *acquis* fully by the date of accession.

112. *In the area of civil service reform chances for more immediate impact were not utilised, and sustainability is partly at risk.* Actual progress in civil service reform was made only from 2001 onwards. Although progress was remarkable for some time, the speed of reform has effectively decreased after accession, and there are local trends that are potentially undermining the previously chosen path towards a modern and impartial civil service. During the five years of existence of the Civil Service Law, its initial objective to decrease the high turnover of civil servants and to build a professional service has been tackled strongly but has not been fully achieved. The CSO represents the key institution in the civil service reform process, and thus has been the main beneficiary of Phare support in this area. However, it has suffered from an absence of political support since its establishment, although it appears to have become an internationally recognised institution. Under the current political situation, key responsibilities of the Phare-assisted CSO are gradually being taken away. Such a development makes any impact achieved by Phare during the recent years questionable and raises substantial concerns with respect to sustainability.

Conclusion 4: Results of Phare support to ESC and SF preparation were mixed, and SF preparation was costly compared to the results achieved.

113. *Phare was the key provider for ESC and SF preparation but the approach lacked focus and coherence.* Too much was unclear at the initial stages of deciding on the proper Slovak structures and systems for this area, as the Slovak authorities had insufficient knowledge of Structural Funds, and the guidance from the European Commission was sometimes unclear. Internal political discussions additionally made the effective delivery of technical support difficult. The grant schemes that were intended to imitate Structural Funds procedures did not work well. Although these schemes mostly achieved their immediate results, the learning and training effect intended for the central levels was poor. Phare ESC structures were mostly

isolated from the SF structures and systems and thus there was little learning effect for SF from Phare.

114. *SF preparation in Slovakia has been an expensive lesson.* Phare support to ESC and SF preparations has clearly brought positive impacts in terms of Slovakia's ability to utilise Structural Funds. However, the substantial support provided by Phare over the years upon and ultimately after accession, through training in methodologies, procedures and regulations, investment and pilot schemes, brought not only substantial absorption difficulties but overall seems to have been rather costly, compared to other sectors, which substantially increased their performance with much less Phare support. Phare interventions in this area could have been more cost-effective with an earlier understanding of the accession requirements, and a more focused and coherent approach towards SF institution building.

4.2 Recommendations and lessons learned

119. There are three key areas in which recommendations are made. Two recommendations address Slovakia in general or are given in respect to programme/ project actions. Another set of recommendations is directed towards existing and future candidate countries.

General recommendation addressed to Slovakia

Recommendation 1: Strengthen partnership in all Phare intervention areas.

120. Slovakia is advised to make further steps in fostering participative working methods, especially effective partnership with local governments, social partners, NGOs or other relevant stakeholders, for the remaining pre-accession and transitional funds, and more importantly for the use of EU member state funds. Effective partnership working, consultation, and collaboration should be at the core of all national policies and strategies. Permanent involvement and investment in NGOs as intermediaries should be recognised as good practice. Since partnership working does not happen naturally or spontaneously, it is an approach that needs to be managed, co-ordinated and learned. Despite progress made in the past, experience from Phare shows that almost all sectors have a demand to intensify the partnership principle, and SF and Roma inclusion are the most important, with strong regional consequences. Area-based partnership could be regarded here as a specific good example.

Project specific recommendations addressed to Slovakia

Recommendation 2: The Government of Slovakia should review its commitment towards the CSO in the light of the quality of performance achieved.

121. Clear and continuous political backing to the CSO by central government is necessary if civil service reform is to be pursued and sustained. Any consideration of change in the institutional structures for local civil service reform should take into account that a central co-ordination body for civil service reform is essential. In the case of an effective abolishment of the CSO, the Government should ensure that the resources, structures and systems for the CSO established with Phare support, will remain available for the purpose of effective civil service reform. The Government should increase efforts towards improving the quality, impartiality and efficiency of its civil service. For this purpose it should make use of available external support and feedback mechanisms, such as the OECD.

Recommendations addressed to potential candidate countries

Recommendation 3: Promote the development and monitoring of benchmarks for PAJC.

122. The need for substantial changes of judicial and administrative structures, systems and attitudes requires multi-annual reform programmes, adequately and permanently supported by pre-accession assistance. The Commission Services should promote the definition of adequate standards and benchmarks for PAJC and good governance, as demonstrated by *inter alia* Sigma initiatives, for any future accession process and their fulfilment should be part of the monitoring of accession preparations. Target pre-accession support should be made available for encouraging beneficiary countries to make permanent progress in this essential area.

Recommendation 4: Ensure efficient and more sustainable preparation of projects.

123. Many projects under review, particularly investments, suffered from shortcomings in the pre-implementation phase. The Commission Services together with the beneficiary country need to reinforce more efficient programming and project planning. There should be more regular and clearly focused technical assistance covering programme planning, programme preparation, and project management. However, any TA support in this area should whenever possible contain an element focused on the involvement and strengthening of local administrative capacity for planning and management, in order to increase sustainability.

Recommendation 5: Make impact assessment obligatory for all future Phare grant schemes

124. Evidence from the *ex post* evaluation shows that there is no systematic follow up of Phare interventions following their completion. However, collecting the evidence of the impact achieved is an indispensable element for assessing the actual success of the intervention and for planning of future similar activities. The Commission Services should encourage the implementing authorities of future grant schemes to make assessments of impact one year after completion, in order to promote good practice. Particularly in the area of SF preparation, the existence and use of such internal assessment would be beneficial for increasing the learning effect expected from such pilot schemes.

Lessons learned

Lesson 1: A strategy for accession priority areas is required at an earlier stage in the pre-accession process.

125. The Slovak example shows that candidate countries need to be encouraged to start already at the beginning of the admission process with implementing a strategy for the most important accession areas namely civil service reform, SF preparation, judicial reform and agriculture. For any future candidate country, financial support for establishing the required structures, systems and resources should be conditional on the basis of *inter alia* a roadmap and of a national strategy. These documents should include objectives, sequencing, and organisational, financial and human and other resources required, to be agreed with the Commission Services before launching any support interventions. Support should be given to the candidate country for the preparation of such strategic documents at a sufficiently early stage. Once the strategy is in place, the candidate country should regularly demonstrate how pre-accession assistance projects are complemented by the use of national funds and/or those of other donors, to ensure that the overall objective can be met. Elements of this lesson may have been already taken on board for programming the underlying strategic approach and framework of the upcoming Instrument for Pre-Accession Instrument (IPA).

Lesson 2: The overall design of pre-accession ESC should be linked as closely as possible to the SF.

126. The experience Slovakia made with Phare ESC support demonstrates that the use of pre-accession ESC support should be made conditional on a common implementation of both pre-accession assistance and SF to ensure that lessons learned under pre-accession ESC will benefit both pre-accession ESC and the SF systems. National strategies (covering regional development and public investment policies) should be established much earlier in the accession process, already addressing the future need to build up structures, systems and administrative capacity for the management of the SF. Elements of this lesson may have been already taken on board for programming the underlying strategic approach and framework of the upcoming IPA.

Lesson 3: The accession process might be successfully speeded up, but crucial improvements, for example in public administration, could only be tackled to a limited extent.

127. The accession process of Slovakia, which accelerated under the Government that came into power in 1998, has achieved its objective. The enormous agenda realised within only a few years is remarkable. All this however pushed the local political and administrative bodies to their utmost capacities. Whilst the accession criteria have been fulfilled, long-lasting deficiencies requiring fundamental changes of behaviour, notably in PAJC, could only be resolved to a certain extent with the help of pre-accession support. For more effective delivery of pre-accession assistance in future enlargement rounds, more realistic assessments should be undertaken of the amount of time a candidate country needs to complete the pre-accession process to a minimum acceptable standard, including PAJC.

Lesson 4: Sustainability should have been stronger addressed at design stage.

128. Taking into consideration the staff fluctuation rate in many sectors, it would have been beneficial for the Commission Services and National Aid Co-ordination Unit to address the issue of sustainability more deeply at the programming phase, especially for institution building projects. It is important to manage the risks of high staff turnover. Based on realistic assessments of absorption capacity there could have been guarantees requested from the beneficiaries that planned beneficiary staff would be in place at the start of project activities, and contingency plans to deal with the loss of staff during project implementation.

ANNEXES

Annex 1. Terms of Reference

[These terms of reference were approved 18 October 2005, and have not been updated to take account of small changes, for example, in the time line, that have occurred in the meantime.]

OBJECTIVES

The purpose of the *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support the Slovak Republic in meeting the Copenhagen criteria so as to facilitate its accession to the European Union.

The evaluation of Slovak national and CBC programmes is one of a series of ten evaluations in the eight new member states, and in Romania and Bulgaria. These will feed into two consolidated evaluations of **Phare national and CBC programmes**⁴⁰, which, in turn, will form part of a consolidated ex-post evaluation of the Phare programme.

BACKGROUND AND CONTEXT

In accordance with the priorities of the Accession Partnership, the key objectives of the Slovak National Programmes 1999-2001 were the following:

- The political criteria include support of NGOs and improving the situation of the Roma,
- Economic reforms including SME support and cadastre,
- Support on taking on the obligations of membership, notably in the area of Justice and Home Affairs (JHA), Internal Market, Economic and Social Cohesion (ESC), Energy and Transport,
- Reinforcement of administrative and judicial capacity, including the management and control of EU funds

National and CBC Phare programmes amounted to about M€ 178 during the evaluation period (1999-2001)⁴¹. The key sectors of assistance included Economic Reform, CBC and ESC, and JHA. Phare support for CBC and ESC increased substantially over the period in consideration.

The 2002 Regular Report⁴² pointed out that the overall impact of Phare had been positive, demonstrated by the effective transfer of know-how, equipment and financial resources into a number of accession priority areas. In 2003, the CMR⁴³ noted that the Slovak Republic had reached a high level of alignment with the *acquis* in most policy areas. In certain areas, Slovakia partially met the commitments and requirements, but there was still a need to make enhanced efforts in order to complete preparations for accession. In line with comments made in previous Regular Reports, the CMR stated that there was still room for further improvements as regards overall administrative and judicial capacity, strict enforcement of the

⁴⁰ For (i) eight new member states, and (ii) Bulgaria/ Romania.

⁴¹ See Annex 1 for details. The programmes to be evaluated include the so called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes Community and nuclear safety programmes. Slovakia benefited from Phare-funded *multi-beneficiary programmes*, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

⁴² European Commission: 2002 Regular Report on Slovakia's Progress Towards Accession.

⁴³ European Commission: 2003 Comprehensive Monitoring Report on Slovakia's Preparations for Membership.

anti-corruption measures, and further steps in improving the living situation of the Roma minorities.

Slovak national programmes were subject to regular interim evaluations. A Country Phare Evaluation Review (CPER)⁴⁴ concluded that, on the whole, Phare assistance has actively contributed with a positive impact on Slovakia's accession process. Particularly successful interventions were noted for addressing the acquis requirements of Justice and Home Affairs and Internal Market. However, the enormously accelerated accession process left insufficient time to absorb the delivered results in a sustainable way. Despite the very considerable progress by Slovakia during the last years, the report points out that the insufficient administrative capacity is not only a matter of concern with regard to Phare management but also with regard to the capacity requirements of effectively managing the acquis.

EVALUATION QUESTIONS

This evaluation will focus on the following three interrelated sets of key questions:

- Was Phare well focused on the objectives of pre-accession strategy?
- What were the results and impacts and are these results and impacts sustainable?
- Could the same results and impacts have been achieved more cost- effectively?

These framework questions will be further specified by the below performance evaluation questions and thematic/ cross-cutting questions. It should be noted that the issues and findings that are highlighted under respective questions are not necessarily exhaustive.

Performance evaluation questions

Needs assessment and design

The Interim Evaluation findings pointed to substantial shortcomings in the design of the programmes. The evaluation will therefore start with an assessment of the relevance and design of the national programmes. In particular, attention will be paid to the extent to which the objectives/ strategy of the national programmes addressed identified needs and the involvement of the stakeholders in the design (ownership).

The extent to which inputs/ activities have produced outputs

Interim Evaluation findings pointed to the enormously accelerated accession process. This led to a number of interventions that took place in a rather hasty manner under excessive time pressure ("last minute commitment efforts").

The extent to which outputs have produced intended results

The judgement criteria to assess the extent to which intended results have been achieved, include clear national/ sector strategies and related action plans, proper needs assessment, well organised beneficiaries in terms of committed and experienced staff, and adequate absorption capacity.

⁴⁴ R/ SK/ CPER/ 03.12 issued 28 January 2004

The extent to which the results/ impacts contributed to the achievement of wider objectives

Areas of positive impact include JHA (fight against drugs, border control, customs) as well as Internal Market (State Aid, public procurement and standardisation). As a result of extensive efficiency problems, potential impact has been a threat for a number of interventions in the area of ESC and Civil Society Development.

Long term viability of institutional reforms following the withdrawal of Phare support

Interim Evaluations concluded that, with respect to sustainability, results were mixed. It identified that criteria for sustainability should include a high level of beneficiary commitment, consolidated and stable administrative capacity, timely and transparent provision of co-financing, and above all clear integration and prioritisation of the assistance according to local strategies.

Thematic/cross-cutting questions**The extent to which Phare support improved the performance of Slovakia's pre-accession process**

The purpose of this question is to assess whether Phare support in practice addressed the *ex post* needs of the Slovak beneficiaries. Thus the evaluation will seek to assess whether the original objectives (*ex ante* needs) of the programme were appropriately set. This assessment would augment the analysis based on the five performance evaluation criteria.

The CMR for Slovakia provides for an indication of the *ex post* needs of the beneficiaries. As examples, this includes the need for enhanced efforts in agriculture, regional policy and coordination of structural instruments, justice and home affairs and financial control. Moreover, the report notes that the situation of the Roma minority in the Slovak Republic remains, despite continuous efforts, very difficult.

The extent to which Phare support strengthened the administrative and judicial capacity of the Slovak Republic

The examination of the Phare contribution to the public administrative and judicial capacity (PAJC) of the Slovak beneficiary administrations will fall into two parts:

- *Acquis*-specific administrative capacity issues, where the nature component concerned explicitly demands, often in some detail, a particular capacity of PAJC performance, and
- Horizontal administrative capacity issues, which are non-sector specific but are needed to meet the requirements of the first Copenhagen criterion – the 'Political Criteria'⁴⁵.

The Consolidated Summary Interim Evaluation Report⁴⁶ covering all candidate countries, concluded that in general, Phare support in this area had been hampered by – inter alia – the absence of a comprehensive strategy, poor coordination of relevant instruments of assistance and limited progress on horizontal public administrative reforms and governance.

The extent to which Phare contributed to the strengthening of ESC and to the preparation for the use of Structural Funds

⁴⁵ As emphasised in the 2000 Phare Review communication, these would involve general public administration reforms including civil service reforms, inter-ministerial coordination and anti-corruption programmes. The requirements of strengthening and reforming the administrative and judicial capacities were stressed in the Madrid, Luxembourg, Feira and Gothenburg Councils.

⁴⁶ Prepared by the EMS Consortium, issued March 2004.

Both the CMR on Slovakia and the Interim Evaluation findings have expressed concern about serious weaknesses in relation to the legislative framework, institutional structures, and financial management and control for the implementation of actions under Structural and Cohesion funds.

METHODOLOGY

Due to the phasing out of Phare, many stakeholders, both in Slovakia and in the EC have changed assignments or left the service. The EC Representation in Slovakia, as far as the Phare programme is concerned, has ceased to provide services on 30 June 2005. This presents a certain risk, as to the availability of data and information.

Following a desk study analysis, the evaluation team will undertake selected fieldwork. The analysis of documentation will be accompanied by structured interviews, carried out both in-country and at the Commission Services Headquarters, following a sampling approach. Other proven data collection tools such as surveys and questionnaires may also be used. To support the evaluation questions, a set of judgement criteria and indicators will be developed. These may be both quantitative and/or qualitative.

As to the sample selection, the Evaluation Contractor (MWH) will make a proposal in close collaboration with DG Elarg and respective national evaluation body. For this purpose the Contractor will prepare an evaluation plan for the country evaluation including a specification of the agreed sample.

Whilst the evaluation will focus on 1999-2001 allocations, it will also provide for a brief update of post 2001 allocations, based on the Slovakia CPER report as well as on the findings of the selected fieldwork.

There will be close consultations with stakeholders (either by electronic mail or by meetings, where appropriate). For this purpose, the Slovakia National Aid Co-ordinator (NAC) has nominated a representative of their evaluation body to ensure that the evaluation will be carried out in partnership, including arrangements for establishing a steering group.

REPORTING AND TARGET AUDIENCES

At the conclusion of the fieldwork, a draft evaluation report will be produced and circulated for comments. The evaluation report will contain an introduction (objectives, background and context), performance of Phare assistance, thematic/cross-cutting findings, and conclusions and lessons learned (see annex 2). It will also report on how the evaluation recommendations of the CPER have been taken into account. The scope of the evaluation will probably not allow the drafting of any country-specific recommendations but such recommendations might be extracted from the lessons learned.

The main users of the evaluation will be the Commission Services in DG ELARG, Phare and Transition facility country teams, and the country teams for the Western Balkans and Turkey. In the new EU Member States and the remaining candidate countries, the main evaluation users will include the National Aid Co-ordinators, and the relevant implementing agencies and public authorities.

ACTIVITIES, RESOURCES AND TIMETABLE

The evaluation of the Slovak national and CBC programmes will be conducted in a number of stages as follows.

Step	Activity	2005						
		Aug	Sept	Oct	Nov	Dec	Jan	Feb
1	Preparation							
2	Info gathering and processing							
3	Drafting of report							
4	Comments from E4 and national authorities							
5	Submission of final Slovak report as input into the Consolidated National Programme Report							

The evaluation will be carried out by a team consisting of the deputy project director, a key expert, other senior and junior experts, and short-term technical specialists (SSTS), both international and local.

Since the Slovakia evaluation exercise is designed as a contribution to a consolidated evaluation of Phare National and CBC programmes and not as an in-depth evaluation, the total resources envelope available for this exercise is limited to 50 man-days.

Annex 2. Phare National and CBC Programme Data for Slovak Republic 1999-2001

Progr. Number	Programme Title	Expiry Date Contracting	Expiry Date Disbursement	Allocated (M€)
1999	National			
SR9905	Political Criteria	31/12/01	31/12/02	4.3
SR9906	Economic Reform	31/12/01	31/12/02	26.7
SR9907	Internal Market	31/12/01	31/12/02	4.4
SR9908	Justice and Home Affairs	31/12/01	31/12/02	10.0
SR9909	Agriculture	31/12/01	31/12/02	4.0
SR9910	Statistics	31/12/01	31/12/02	2.0
SR9911	Environment	31/12/01	31/12/02	1.5
SR9912	Energy	31/12/01	31/12/02	1.2
SR9913	Reinforcement of institutional and administrative capacity	31/12/01	31/12/02	10.4
SR9914	Bridge Sturovo-Esztergom	31/12/01	31/12/03	5.5
	CBC			
SR9916	CBC Slovakia-Austria	31/12/01	31/12/02	4.0
SR9917	CBC Slovakia-Czech Republic	31/12/01	31/12/02	2.0
SR9918	CBC Slovakia-Hungary	31/12/01	31/12/02	2.0
	Other FMs			
SR9903	LSIF Part 4	31/05/00	31/05/01	2.4
SR9904	Phare Pre-Ins Facility	31/12/01	31/03/03	2.0
SR9919	Consensus III	31/12/01	31/12/02	2.0
SR9920	Project Preparation Facility	31/12/01	31/12/02	2.0
Total 1999				86.4

2000	National			
SK0002	Political Criteria	31/12/02	31/12/03	3.8
SK0003	Economic Criteria	31/12/02	31/12/03	6.5
SK0004	Internal Market	31/12/02	31/12/03	1.0
SK0005	Agriculture	31/12/02	31/12/03	1.0
SK0006	Employment and Social Affairs	31/12/02	31/12/03	1.5
SK0007	Environment	31/12/02	31/12/03	0.9
SK0008	Justice and Home Affairs	31/12/02	31/12/03	6.5
SK0009	Economic and Social Cohesion	31/12/02	31/12/03	4.5
SK0010	Reinforcement of administrative capacity	31/12/02	31/12/03	0.5
	CBC			
SK0017	CBC Slovakia-Austria	31/12/02	31/12/03	6.0
SK0011	CBC Slovakia-Hungary	31/12/02	31/12/03	2.0
SK0015	CBC Slovakia-Poland	31/12/02	31/12/03	4.0
	Other FMs			
SK0013	Civil Society	30/11/02	30/11/03	0.9
SK0016	Supplementary Investment Facility	30/11/02	30/11/03	4.0
Total 2000				43.1

Progr. Number	Programme Title	Expiry Date Contracting	Expiry Date Disbursement	Allocated (M€)
2001	National			
SR0103	Political Criteria	30/11/03	30/11/04	10.0
SR0104	Internal Market	30/11/03	30/11/04	3.7
SR0105	Energy	30/11/03	30/11/04	0.8
SR0106	Transport	30/11/03	30/11/04	0.5
SR0107	Economic and Social Cohesion	30/11/03	30/11/04	18.4
SR0108	Justice and Home Affairs	30/11/03	30/11/04	1.0
SR0109	Public Internal Financial Control	30/11/03	30/11/04	1.0
SR0110	Twinning light facility	30/11/03	30/11/04	0.8
	CBC			
SR0113	CBC Slovakia-Austria	30/11/03	30/11/04	6.0
SR0102	CBC Slovakia-Hungary	30/11/03	30/11/04	2.0
SR0101	CBC Slovakia-Poland	30/11/03	30/11/04	4.0
Total 2001				48.2
Total 1999-2001				177.7

Source: Financing Memoranda

Annex 3. Evaluation Planning Summary Sheet

This document defines the scope of the evaluation, the approach to fieldwork, and the evaluation sample together with the relevant contact persons. It is supported by working documents giving primary sources of evidence and evaluation criteria for each evaluation question.

Phase (1, 2 or 3)	2 – National (1999-2001) ⁴⁷	Subject	Slovak Republic
Level of Evaluation ('standard' or 'in depth')	Standard		
Evaluation Conclusions	A three-point rating system (satisfactory, barely satisfactory and unsatisfactory) will be used to rate sectoral performance (Agriculture, CBC, ESC, Energy and Transport, Environment, Internal Market, JHA, and Social Affairs). No rating will be applied to the thematic/cross-cutting questions, which will include programmes such as public administration and financial control.		
Evaluation questions	<p><u>Performance criteria</u></p> <ol style="list-style-type: none"> Needs assessment and design Extent to which inputs/activities have produced outputs Extent to which outputs have produced intended results Extent to which results/impacts contributed to achieving wider objectives Long term viability of institutional reforms following the withdrawal of Phare support <p><u>Thematic/Cross-cutting questions</u></p> <ol style="list-style-type: none"> Extent to which Phare support improved the performance of Slovakia's pre-accession process Extent to which Phare support strengthened the administrative and judicial capacity of Slovakia Extent to which Phare contributed to strengthening ESC and preparation for Structural Funds 		
Sampling	The sample projects in Table 1 have been selected in consultation with the country steering group ⁴⁸ to be representative of the sectors and thematic areas defined for this <i>ex post</i> evaluation, and taking into account the availability of staff knowledgeable about the programmes. Overall, the sample represents 31% of total funding. Note that where the sample size is small, this will reduce the confidence in the data and conclusions that can be drawn therefore.		
Sources of evidence	The potential sources of evidence are desk review, questionnaire, analysis (e.g. of a database), and interviews. In the sources of evidence document (not attached), a score is used to indicate for each evaluation question and each source whether it is dominant i.e. a major dependency on information from one source, or whether several sources support each other, giving good triangulation, or whether difficulty is expected in accessing data or the question is predominantly qualitative.		
Interviews	Present and former country coordinators from ELARG D2, and any former staff from the EC Delegation in the period 1998-2004 that can be located. Involved line DGs (such as DG REGIO for ESC, and DG AGRI for Phare support to SAPARD).		
1 Commission staff	Key Slovak national/regional administrations and public bodies identified in the attached Table 1		
2 Beneficiary staff⁴⁹	Relevant national parties such as the Office of the Government of the Slovak Republic or the Ministry of Finance/ National Fund.		
3 Other stakeholders			
Supporting documents	Table 1 (attached). - Proposed project samples with key contact persons Table 2. (Working document, attached) - Primary Sources of Evidence Table 3. (Working document, attached) - Evaluation Indicators Table 4. (Working document) - List of identified reports for desk review		

⁴⁷ The evaluation will also take account of post-2001 allocations where appropriate, based mainly on IE reports.

⁴⁸ This includes the Evaluation Units of DG ELARG and the National Aid Co-ordination units.

⁴⁹ Other beneficiaries and stakeholders may be identified during fieldwork (for example from private entities, NGOs, etc.).

Table Proposed sample programmes and contact persons

SMSC/ Sector	Project No.	Project title	Allocation (M€)	Contact Person
SMSC Justice and Home Affairs				
Justice	9908.01	Strengthening the independence of the judiciary (TW)	0.800	Julius Kralik – MoJ
Home Affairs	9908.02	Border management and control (TW)	0.800	Ms Zajacova/ Ladislav Csanyi - MoI
	0008.01	Fight against corruption (INV)	3.800	
PAR	9913.05	Public Administration Reform (PAR - TW)	1.000	Peter Zvara - MoI
Total sample (37%)			6.400	
Total for the sector in the period 1999-2001			17.500	
SMSC Internal Market				
Agriculture	9909	Agriculture (3 TW)	1.400	Eva Kolesarova - MoA
	0005	Border Inspection Posts (TA, INV)	1.000	
Total sample (34%)			2.400	
Total for the sector in the period 1999-2001			7.000	
Energy and Transport	9912	Implementation of Comprehensive Energy Policy (TW)	1.200	Maria Husarova – MoE
	0105	Support to Energy Policy (TW)	0.800	
	0106	Rail Sector Harmonisation (TW)	0.500	Kvetoslav Kmec - MTPT
Total sample (27%)			2.500	
Total for the sector in the period 1999-2001			9.200	
Environment	9911	Environment (INV)	0.400	Miroslava Tuzinska - SEA
	0007	Environment (2 TW)	0.700	
Total sample (31%)			1.100	
Total for the sector in the period 1999-2001			3.600	
Internal Market	9907.01	Standards and Certification (TW)	1.800	Kvetoslava Steinlova - OSMT Matej Dostal - MoF
	0003	State Treasury Implementation (TA, INV)	4.000	
Total sample (27%)			5.800	
Total for the sector in the period 1999-2001			21.800	

SMSC Economic and Social Cohesion				
Economic and Social Cohesion	9906.02	SME Development – financial schemes (GS)	10.600	Ms. Kovacova - NADSME
	0009.03	Implementation of HRD strategy at regional level (GS)	2.000	Maria Sebova - COLSAF
	0107.01	Institution Building for Structural Funds (TW)	1.500	Monika Javorkova – MoCRD
	0107.03/.04/.06	Regional Development Investment Projects Zemplinska Sirava, Humenne-Guttmanovo, Spisska Nova Ves (3 INV)	6.800	Beatrix Baranyova – MoCRD/RDSA
Total sample (34%)			20.900	
Total for the sector in the period 1999-2001			62.100	
CBC	0011.01	WWTP and Sewerage System Tokaj Region (INV)	1.600	Beatrix Baranyova – MoCRD/RDSA
	0015.01	Reconstruction Road Radoszyce-Palota (INV)	2.000	
	0101.02	Clean Water – Riverbed Poprad and Dunajec (INV)	1.800	
	0113.03	Business Incubator Malacky (INV)	1.600	
Total sample (22%)			7.000	
Total for the sector in the period 1999-2001			32.000	
Social Affairs	9919.02	Promoting the employability of disabled persons (TW)	0.600	Sandra Stichova - MoLSAF
	0013	ACCESS (GS)	0.900	Katarina Vajdova - NPOA
	0103.02	Roma Infrastructure (INV)	6.900	Kinga Novotna - SHRM
Total sample (34%)			8.400	
Total for the sector in the period 1999-2001			24.500	

Annex 4. Evaluation Indicators

The **evaluation indicators** are a wider concept than “performance indicators”, and identify static and dynamic information and events for use in the evaluation. They are divided into three categories, **discrete**, where there are only two possible states (e.g. present/absent), **relative**, where more than two states are possible (e.g. satisfactory, barely satisfactory and unsatisfactory), and **qualitative**, where the expert judgment of the evaluator will be used to reach a conclusion based on all the evidence gathered for the evaluation criteria. This is typically in the areas of outcome and impact evaluation conclusions.

Table Evaluation Indicators

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
1. Needs assessment and design				
1.1. Adequacy of strategies	<ul style="list-style-type: none"> Clarity of objectives Quality of strategic planning documentation Availability of needs assessment 		•	•
1.2. Involvement of stakeholders in line DGs and beneficiary countries in the design	<ul style="list-style-type: none"> Whether stakeholders were consulted Degree of consultation 	•	•	
2. Extent to which inputs/activities have produced outputs				
2.1. What are the outputs: institution building projects; regulatory investment projects; investment projects?	Quantitative/qualitative measure of outputs			•
2.2. What were the tools/activities/resources used to produce the outputs?	Quantitative/qualitative description of tools/activities/ resources			•
2.3. Were there resources/tools provided that were under-used or not used?	<ul style="list-style-type: none"> Extent of participation in events Unused resources/ excess resources provided 	•	•	
2.4. Was the use and the relative importance of the tools provided appropriate?	Suitability of activities for stated purpose			•
2.5. How cost effective was the production of outputs in relative terms?	Relative cost of activities in sample programmes		•	
3. Extent to which outputs have produced intended results				
3.1. What were the improvements in legislative/administrative structures, systems and resources?	<ul style="list-style-type: none"> Clear allocation of the roles and responsibilities within and between institutions (structures) Availability of procedures and guidelines (systems) Availability of suitably qualified skilled staff and adequate financial resources (resources) 		•	
3.2. Did the legislative/administrative and judicial performance related to the political criteria improve?	<ul style="list-style-type: none"> Horizontal public administration reform Judicial capacity Rule of law Respect of the protection of the minorities 			•
3.3. Did the legislative/administrative performance related to the economic criteria improve?	<ul style="list-style-type: none"> Legislative/administrative support to a functioning economy 		•	
3.4. Did the legislative/administrative performance related to the ability to take on the obligations of the <i>acquis</i> improve?	<ul style="list-style-type: none"> Support for the transposition of the <i>acquis</i> Support for the implementation of the <i>acquis</i> Support for the enforcement of the <i>acquis</i> 		•	
3.5. Have the installed Phare equipment/ works/ grant schemes been usefully put into	<ul style="list-style-type: none"> Effective use of the investment/ infrastructure upgrade and/ or Phare 		•	

Evaluation Questions	Evaluation Indicators	Assessment		
operation?	funding mechanisms			

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
4. Extent to which results/impacts contributed to achieving wider objectives				
4.1. To what extent can the legislative and administrative impacts at programme level be separated and measured?	<ul style="list-style-type: none"> Prevailing observed changes in administrative behaviour, procedures, structures 			•
4.2. To what extent can the socio-economic impacts at programme level be separated and measured?	<ul style="list-style-type: none"> Prevailing observed changes identifiable for the national/regional macro- and/or micro economic situation 			•
4.3. Examine likely legislative/administrative /socio-economic impacts on the basis of the extent to which pre-conditions are in place or are being put in place	<ul style="list-style-type: none"> Projects conceived within a strategic framework and based on needs assessment The essentials for adequate public and administrative capacity in place, including stable institutions, appropriate public investment policies, adequate inter-ministerial and central-regional collaborative machinery of government Positive project ratings for effectiveness and achievement of objectives Contribution of project outputs to overall objectives Identifiable benefits for society or the economy Awareness of the public administrative units, ministries and regional structures involved in project implementation of the activities; and existence of complementary public administrative systems Beneficiary awareness of project outputs Relevant civil society bodies involved, and roles defined, relative to project outputs 	•		• • • •
5. Long term viability of institutional reforms following the withdrawal of Phare support				
5.1. Have the legal, administrative and organisational outputs been sustained?	<ul style="list-style-type: none"> Availability of financial and human means for continuation of accession preparation and after accession 		•	
5.2. To what extent has the trained staff in the national administrations been stable?	<ul style="list-style-type: none"> Fluctuation rate of trained staff 		•	
5.3. Are the pre-conditions for sustainability in place or being put in place?	<ul style="list-style-type: none"> Positive ratings for effectiveness in achieving project outputs Sectoral strategy documents exist containing project needs identification. Project outputs contribute to achievement of the strategic objectives Ownership is demonstrated by managers responsible for onward strategic implementation of project outputs Horizontal public administration systems stable and adequate Ongoing national finance available for maintenance, insurance, replacements, consumables, etc. 	•		• • •

Evaluation Questions	Evaluation Indicators	Assessment		
	<ul style="list-style-type: none"> • Secure provisions in place for ongoing staffing, staff replacement and training • Procedures and systems fully documented, with defined responsibility for updating 	•		•
		Discrete	Relative	Qualitative
6. Extent to which Phare support improved the performance the Slovakia's pre-accession process				
6.1. Did the national and CBC programmes address <i>ex-post</i> needs?	<ul style="list-style-type: none"> • Establishment of <i>ex post</i> needs • Alignment of project activity to <i>ex post</i> needs • Current position 		• •	•
7. Extent to which Phare strengthened the administrative and judicial capacity of Slovakia				
7.1. Development of a strategic approach for Phare support to building PAJC	<ul style="list-style-type: none"> • Existence of a strategic framework • Evidence of a needs analysis • Logic of the approach to address the defined needs 	• •		•
7.2. Development of national PAJC strategies to underpin Phare programme prioritisation	<ul style="list-style-type: none"> • Alignment with Phare priorities 			•
7.3. Adequacy of Phare support to horizontal reforms and governance	<ul style="list-style-type: none"> • Alignment of Phare support with defined needs • Extent to which project outputs contributed to achievement of objectives • Identification of non-sector specific capacities, strengthened by Phare. Current position of these capacities 			• • •
7.4. Adequacy of Phare support to cover the <i>acquis</i>	<ul style="list-style-type: none"> • Trend in the country's administrative capacities, both qualitative and quantitative 		•	•
7.5. Adequacy of Phare support to develop regional and local PAJC	<ul style="list-style-type: none"> • Identification of these capacities, strengthened by Phare • Current position of these capacities 		•	•
7.6. Efficiency, effectiveness, deployment and co-ordination of instruments (TAIEX, Twinning, SIGMA, Technical Assistance and related investments)	<ul style="list-style-type: none"> • Adequacy of inter-instrument co-ordination mechanisms • Whether the projects' effectiveness in achieving their objectives were positively rated • Extent to which project outputs contributed to achievement of overall objectives 	•	•	•
7.7. Prospects for promoting and supporting a government initiative for a systematic benchmarking approach to public administration reforms	<ul style="list-style-type: none"> • Viability of proposed key performance indicators • Level of awareness and ownership amongst key actors 			• •
7.8. Sustainability of post accession PAJC (related to, for example, scaling down of Phare support and financial/human resource constraints)	<ul style="list-style-type: none"> • Existence of planned PAJC resource levels for the medium and long term • Identification and availability of financial resources • Identification and availability of human resources • Existence and adequacy of human resource development planning 	• • •		•

Annex 5. Sample Projects - Financial Data and Key Results

SMSC/ Sector	Project No.	Project title	Allocation (M€)	Commitment (M€)	Disbursement (M€)	Key Results Achieved
SMSC Justice and Home Affairs						
Justice	9908.01	Strengthening the independence of the judiciary (TW)	4.470	4.470	4.470	<i>Structures</i> <ul style="list-style-type: none"> • statutes, the organigram, curricula for the JA; <i>Systems</i> <ul style="list-style-type: none"> <input type="checkbox"/> establishment of the EU Documentation Centre; <i>Resources</i> <ul style="list-style-type: none"> <input type="checkbox"/> practical training for judges provided;
Home Affairs	9908.02	Border management and control (TW)	4.222	4.222	4.222	<i>Structures</i> <ul style="list-style-type: none"> <input type="checkbox"/> amendment of the Schengen Action Plan for Slovakia; <input type="checkbox"/> the National Unit to Fight Illegal Immigration created; <input type="checkbox"/> new asylum legislation – new Aliens Act, Asylum Act, Consular Instruction prepared; <input type="checkbox"/> VISION Master plan; <i>Systems</i> <ul style="list-style-type: none"> <input type="checkbox"/> the new organisational structure of the Aliens Police designed and partly adopted;
	0008.01	Fight against corruption (INV)	4.910	4.910	4.910	<i>Systems</i> <ul style="list-style-type: none"> <input type="checkbox"/> Pilot communication among LEAs (MoJ,GP and MoI) tested; <i>Resources</i> <ul style="list-style-type: none"> <input type="checkbox"/> HW for LEAs delivered and SW developed; <input type="checkbox"/> IT training;
PAR	9913.05	Public Administration Reform (PAR - TW)	1.000	0.814	0.814	<i>Structures</i> <ul style="list-style-type: none"> <input type="checkbox"/> the Law on Decentralisation of Competencies, esp. in establishment of the new higher territorial units implemented; <input type="checkbox"/> legal assistance in drafting the Amendment to the Law on Budgetary rules; <input type="checkbox"/> assistance in establishment of the CSO, esp. internal organisation of the Office and training needs analysis;

SMSC Internal Market						
Agriculture	0005	Border Inspection Posts (TA, INV)	1.130	1.130	1.130	<i>Resources</i> <ul style="list-style-type: none"> ❑ IT and laboratory equipment provided to the external BIPs in Vyssne Nemecke and Cierna nad Tisou; ❑ BIPs included into the EU list of approved/accredited BIPs;
Energy and Transport	9912	Implementation of Comprehensive Energy Policy (TW)	1.200	0.920	0.920	<i>Structures</i> <ul style="list-style-type: none"> ❑ Draft Law on Regulation; ❑ Amendment of the 1998 Energy Law reviewed; ❑ Energy Efficiency Law adopted in May 2002 - to some extent prepared with the help of the Twinning; ❑ RONI applies methods and organisation of similar institutions in member states;
	0105	Support to Energy Policy (TW)	0.800	0.732	0.732	<i>Structures</i> <ul style="list-style-type: none"> ❑ New Energy Act, Act on Heat, the Energy Efficiency Act and Amendment on RONI; ❑ secondary legislation on RONI; <i>Systems</i> <ul style="list-style-type: none"> ❑ member state know-how for improved operation of RONI; ❑ action plans on renewable energy and energy efficiency;
	0106	Rail Sector Harmonisation (TW)	0.500	0.499	0.394	<i>Structures, Systems</i> <ul style="list-style-type: none"> ❑ proposals for alignment of relevant legislation and for absorption of new EU railway-related legislation; ❑ proposal for the establishment and operability of a new Regulatory Office in the railway sector, independent from the state;
Environment	9911	Environment (INV)	1.500	1.411	1.411	<i>Resources</i> <ul style="list-style-type: none"> ❑ Early warning equipment for the two pilot Water Treatment Plants in Bardejov and Stakcin provided and made operational; ❑ relevant training of the staff of the WWTPs;

	0007	Environment (2 TW)	0.900	0.767	0.767	<p><i>Systems</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> EIA handbook completed and used in practice by SEA; <input type="checkbox"/> Information system (including the internet portal and the GIS module) developed and operational; <input type="checkbox"/> Training-of-Trainers system on EIA introduced and maintained; <input type="checkbox"/> EIA awareness campaign implemented; <input type="checkbox"/> Part 3 of the IMPEL Reference Book for Environmental Inspection translated into Slovak and amended/adjusted to the current practice in the SEI and used; <input type="checkbox"/> three industry-specific guidelines developed; <input type="checkbox"/> documents to serve as a support for the SEI in making organizational decisions completed; <p><i>Resources</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> 30 inspectors trained.
Internal Market	9907.01	Standards and Certification (TW)	1.800	1.711	1.707	<p><i>Systems</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Slovak Standards Office fully trained to fulfil the tasks required from the membership in CEN and CENELEC – member since 2002; <input type="checkbox"/> SMI professionally prepared for certification according to ISO 9001:2000 - accreditation in 2002; <input type="checkbox"/> State Institute for Drug Control became a Competent Authority in medical devices and drug control; <p><i>Resources</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> SME trainers in quality management training certified;

	0003	State Treasury Implementation (TA, INV)	4.000	3.050	3.050	<p><i>Systems</i></p> <ul style="list-style-type: none"> ❑ 40 different seminars and workshops delivered to State Treasury and Debt and Liquidity Management Agency, such as on financial planning or cash and liquidity management; ❑ Needs analysis for training of clients; <p><i>Resources</i></p> <ul style="list-style-type: none"> ❑ technology for a database, for introduction of a back-up server and for the overall modernisation of the relevant information systems provided and in use;
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SMSC Economic and Social Cohesion						
Economic and Social Cohesion	9906.02	SME Development – financial schemes (GS)	10.939	10.849	10.849	<p><i>Resources</i></p> <p>Since 1994 the Phare SME schemes cumulatively resulted in:</p> <ul style="list-style-type: none"> ❑ 1192 loans paid under the Support Loan Programme, totalling SKK 3bn (~M€ 79) (until April 2005); ❑ 1,200 loans provided so far under the Micro Loan Programme, totalling SKK 0.5bn (~M€ 13); ❑ 77 investment inputs into 48 companies as of which 64 are executed under the Seed Capital Company, equalling to SKK 0.2 bn (~M€ 5), plus 13 investments under the Regional Fond in Banska Bystrica provided.
	0009.03	Implementation of HRD strategy at regional level (GS)	2.000	1.768	1.768	<p><i>Resources</i></p> <ul style="list-style-type: none"> ❑ 65 proposals out of 220 received support, 6300 participants involved into individual activities or grants, 1600 jobs created, in total more than 4,000 people involved in different activation or employment programmes;

	0107.01	Institution Building for Structural Funds (TW)	1.500	1.489	1.091	<i>Systems</i> <ul style="list-style-type: none"> ❑ programming documents for SPD2 Bratislava and OP Basic Infrastructure completed and approved; ❑ relevant programmes' complements drafted and approved; ❑ Internal manuals, audit trails for Managing Authorities and Paying Agency completed and in use;
	0107.03 / .04/.06	Regional Development Investment Projects Zemplinska Sirava, Humenne-Guttmanovo, Spisska Nova Ves (3 INV)	6.800	5.474	5.474	<i>Resources</i> <ul style="list-style-type: none"> ❑ swimming pools, WWTP and a sewerage network in the tourism area Zemplinska Sirava operational; ❑ access road to the industrial park enlarged, infrastructure completed; temporary sewerage to the old WWTP was built to serve the Industrial Park Humenne-Guttmanovo; ❑ two manufacturing halls and one administrative and light manufacturing building made operational for potential investors, along with road infrastructure and a WWTP at the Industrial Park Spisska Nova Ves;
CBC	0011.01	WWTP and Sewerage System Tokaj Region (INV)	1.600	1.387	1.387	<i>Resources</i> <ul style="list-style-type: none"> ❑ sewerage systems in municipalities of the Tokaj region constructed and the WWTP equipped, in operation;
	0015.01	Reconstruction Road Radoszyce-Palota (INV)	4.000	3.944	3.944	<i>Resources</i> <ul style="list-style-type: none"> ❑ 3.6 km road from Palota to the state border with Poland constructed and in operation;
	0101.02	Clean Water – Riverbed Poprad and Dunajec (INV)	1.800	1.458	1.458	<i>Resources</i> <ul style="list-style-type: none"> ❑ sewerage networks in nine villages and the construction of three new WWTPs in the lower Poprad riverbed finished and in operation;
	0113.03	Business Incubator Malacky (INV)	1.600	1.599	1.599	<i>Resources</i> <ul style="list-style-type: none"> ❑ 2,600 m2 of office space provided including offices and meeting facilities via re-construction of an old building and construction of a new one to serve companies; incubator operates;

Social Affairs	9919.02	Promoting the employability of disabled persons (TW)	1.943	1.545	1.545	<i>Systems</i> <input type="checkbox"/> methodology for vocational rehabilitation completed and applied; <i>Resources</i> <input type="checkbox"/> 3 Supported Employment Agencies opened in Bratislava, Banska Bystrica and Vranov nad Toplou; <input type="checkbox"/> staff of Specialised Information Centres trained and 3 centres opened, equipped with assessment system for disabled persons; <input type="checkbox"/> multimedia information system for disabled persons (REHIS) developed and in use;
	0013	ACCESS 2000 (GS)	0.900	0.884	0.884	<i>Resources</i> <input type="checkbox"/> 60 grants awarded under two rounds of selection process in the selected priority areas; <input type="checkbox"/> 38 networking grants provided – 65 individuals participated at events in 16 EU countries;
	0103.02	Roma Infrastructure (INV)	8.300	7.571	7.571	<i>Resources</i> <input type="checkbox"/> project documentation for 30 settlements completed; 29 realised; <input type="checkbox"/> infrastructure works – drinking water supply, sewerage systems and road communication in 29 settlements (out of the original total of 30) completed and in use;

Source for financial data: Perseus; figures in €; for projects finally disbursed, final commitment and final disbursement figures are identical, since the PERSEUS financial reporting system automatically de-commits any undisbursed commitment by the end of the disbursement; discrepancies between final commitment and final disbursement indicate projects with still on-going disbursements.

Source for results: project final reports.

Annex 6. *Ex post* assessment of the use of Phare for the Slovak Civil Service reform

SIGMA's Five Reform Conditions

According to SIGMA⁵⁰ effective reform seems to depend on a combination of five conditions, which are partly characteristics of the situation and partly the results of deliberate action by reformers and their political leaders. In summary form these are:

- External pressure
- Internal Dissatisfaction
- A Reform Strategy
- A Mechanism for Managing Reform
- Feedback and Evaluation

In the context of PAJC the Slovak civil service reform remains an area that will require particular attention also after accession.

The following table is assessing from the ex-post perspective the civil service reform being in progress in accordance to these five reform conditions. The consequences for the given Phare support for this national priority area are identified accordingly.

⁵⁰ Preparing Public Administrations for the European Administrative Space; SIGMA papers no 23; May 1998.

SIGMA's 5 Reform Conditions – Ex post assessment of the use of Phare for the Slovak Civil Service Reform

Condition for Effective Reform	Slovakia Civil Service Reform	Phare – Consequences and Effects
External pressure	Civil Service Reform became a political agenda only after 1998. This was mostly due the EC where reformative actions towards improved civil service became a constant element of the accession process. As a part of the EC's regular reports civil service structures and capacities became regularly subject to the EU's opinion on readiness for membership. The long-lasting and cumbersome way until the Civil Service Law was finally adopted reflects that introduction of this Law was strongly initiated by the EC.	Phare took up civil service reform as an identified priority area and respective projects were forwarded by the Slovak authorities. Apart from the initial 1999 twinning, more substantial support has been provided under Phare 2002 and 2003. These interventions were in general appropriate.
Internal dissatisfaction	Locally, there were always complaints about insufficiencies of the public service and the high costs since independence of the country in 1993. Nevertheless despite the principal internal agreement since 1998 to go for a change the orientations and methods were subject to long-lasting political disputes. The political will to develop a smaller, efficient and particularly impartial civil service remains limited. The SIGMA 2003 Report on Slovakia concluded ' <i>...it is quite apparent that in general the Slovak political class is not convinced that a professional civil service is needed for an effective and accountable public administration...</i> '	The adverse consequences of low motivation for the reforms on-going resulted for the Phare support on offer in unclear focus and ownership. This was strongly observed for the 1999 PAR twinning which had to suffer from such disadvantages.
Existence of a Reform Strategy	Coming into force in 1999 the focus of reform in public administration was clearly on the territorial reorganisation (decentralisation). Here the strategic approach was reasonably clear. In the area of civil service reform it was more difficult to identify the overall strategy but basically a reform strategy was available (<i>National Programme of Decentralisation and Modernisation of the Public Administration</i> , including two key parts – territorial decentralisation and civil service reform). In 2001 the overall political responsibility became fragmented however, leading also to a lack of ownership on a clear strategic orientation.	Phare supported various parts of the complex National Programme. In the area of decentralisation Phare's role has been beneficial, also supporting strategic/ framework issues to a certain extent. In the area of civil service reform Phare's role has that of a facilitator, by making the CSO able to implement the Civil Service Law provisions.
Existence of a Mechanism for Managing Reform	In the absence of an overall co-ordinating body for civil service reform, particularly after 2002, the activities implemented – partly definitely with success – appear to be fragmented. Initial positive steps to strengthen key competencies, by nominating a Deputy Prime Minister and a Plenipotentiary were not successful. Following its establishment in 2002, the CSO could have played some overall co-ordination role but its factual isolation due to uneven political commitment did not allow this substantially.	Phare funds have been preferably focused on making the CSO fully operational and the achievements today are promising. However, the CSO's role is already diminishing, leading also to concerns on the sustainability of the Phare support provided.
Feedback and Evaluation	Local independent feedback and evaluation on Civil Service Reform remain underdeveloped, also compared to the decentralisation part (here recent local polls show 53 percent satisfaction in the population). The CSO could perform such role to a certain extent. During the pre-accession area, apart from the EC in particular the OECD (SIGMA) provided helpful external orientations on the path and success of reformative measures.	CSO capacities, established with the help of Phare and other donors, would to a certain extent allow to follow up the impact of local reform measures. Initial steps at CSO, co-funded by Phare, in developing information systems and in implementing quality control mechanisms for the public service are promising.

Annex 7. List of Documents

Originator	Date	Title of Document
General Documents		
Office of the Government	2000, 2001	National Programme for Adoption of the <i>Acquis</i>
Government of the Slovak Republic/ European Commission	1999-2003	Financing Memoranda and Project Fiches 1999-2003
OMAS Consortium	20 April 2001	Country Assessment Review of Phare assistance up to the year 2000
European Commission	2002	Regular Report on Slovakia
European Commission	2003	Comprehensive Monitoring Report on Slovakia's Preparedness for the EU Membership
EC, DG Enlargement	April 2003	Phare Ex-Post Evaluation and Capacity Building, Slovakia
European Commission	2004	A new partnership for cohesion – Third report on economic and social cohesion
European Commission	2005	16 th Annual Report on Implementation of the Structural Funds 2004; COM(2005) 533 final
European Commission	2005	Annual Report of the Cohesion Fund (2004); COM(2005) 544 final
Office of the Government	2005	List of Programmes for TF 2004 and 2005
UNHCR	March 2006	Asylum levels and trends in industrialised countries 2005
SIGMA	2003	Slovak Republic Public Service and the Administrative Framework Assessment 2003
SIGMA	-	Policy Development in Ministries - Slovakia
SIGMA	1998	Preparing Public Administrations for the European Administrative Space – SIGMA papers no. 23
OECD	2004	Economic Surveys – Slovak Republic
Civil Service Office	May 2005	Civil Service in 2004 – Civil Service Act Implementation Report
Institute for Public Affairs	2004	Summary Report on Slovakia
Slovak Governance Institute	2003	Public policy-making in Slovakia
V. Niznansky/ J. Pilat	2002	Public Administration Reform in the Slovak Republic – Management of the Process
Berkeley Programme in Soviet and Post-Soviet Studies	2002	Civilizing the State Bureaucracy: The unfulfilled Promise of Public Administration Reform in Poland, Slovakia, and the Czech Republic (1990-2000)
Centre for Administrative Innovation in the Euro-Mediterranean Region	2004	Best Practices in the European Countries – Republic of Slovakia
Deloitte Advisory	2004	Government Strategy in the Public Sector/ Reform of the Public Administration (Slovakia)
Government of the Republic of Slovakia	2000	Strategy of Public Administration Reform in the Slovak Republic
Government of the Republic of Slovakia	2005	National Action Plan of the Slovak Republic Regarding the Decade of Roma Inclusion 2005-2015
Office of the Government of the SR	2005	Implementation Status Report for the Joint Monitoring Committee 13 December 2005

Originator	Date	Title of Document
IE Reports commissioned by EC		
EMS Consortium	2004	From Pre-Accession to Accession - Interim Evaluation of Phare Support Allocated in 1999-2002 and Implemented until November 2003, March 2004
EMS Consortium	2004	Thematic Interim Evaluation Report ZZ/ESC/0308, dated 23 April 2004 (Economic and Social Cohesion)
EMS Consortium	2004	Interim Evaluation Report R/SK/NAC/03065, dated 1 March 2004; Aid Co-ordination Slovakia
EMS Consortium	18 March 2002	R/SR/JHA/02 001
EMS Consortium	30 April 2002	R/SR/JHA/02110
EMS Consortium	12 June 2002	R/SR/PAD/02119
EMS Consortium	10 March 2003	IE R/SK/JHA/03.044
EMS Consortium	18 January 2002	R/SR/AGR/01044
EMS Consortium	19 August 2002	IE/SR/ENE/02.122
EMS Consortium	30 July 2002	IE/SR/ENV/02.121
EMS Consortium	17 July 2003	IE R/SK/INT/03.047
EMS Consortium	28 October 2002	R/SR/INT/02124
EMS Consortium	5 November 2002	R/SR/INT/02123
EMS Consortium	11 June 2003	IE R/SK/ESC/03.046
EMS Consortium	9 December 2001	R/SR/SME/01042
EMS Consortium	25 June 2002	IE R/SR/CBC/02120
EMS Consortium	11 December 2001	IE/SR/LBM/1043
EMS Consortium	10 March 2003	IE R/SK/JHA/03.044
EMS Consortium	26 March 2003	IE R/SK/CIV/03.045
EMS Consortium	23 May 2003	IE Country Summary
IE Reports commissioned by Slovakia		
MWH	22 September 2004	IE R/SR/JHA/0104
MWH	10 December 2004	IE R/SR/INT/0204
MWH	13 April 2005	IE R/SR/ESC/0404
MWH	14 April 2005	IE R/SR/ESC/0304
D&D	17 February 2006	IE R/SR/JHA/0106 (Final Draft)
MWH	12 May 2005	IE Country Summary
Justice and Home Affairs		
Government of the Slovak Republic/ General Secretariat of the Committee of Ministers for Drug Dependencies and Drug Control	1997	National Programme for Fight Against Drugs
French Ministry of Interior	October 2000	Twinning Covenant SR 99/IB/JH01

Office of the Government	18/10/2001	Twinning Covenant SK00/IB/JH-01
Office of the Government	2001	Twinning Covenant SK00/IB/JHA/02
Originator	Date	Title of Document
Spanish General Council	August 2001	Twinning Covenant SR 99/IB/JH03
Ministry of Justice	2002	Final Report for the TW 99/IB/JH03 Training of Judges 9908.01
Ministry of Interior SR	2002	Final Report for the TW 99/IB/JH01 9908.01 Border Management and Control (French and Austrian Part)
PAR	May 2001	Twinning Covenant SR 99/IB/OT01
Spanish Ministry for Public Administration		
Government of the SR	March 2000	DMPA Concept
National Council SR	July 2001	Act on Civil Service
Spanish Ministry for Public Administration	November 2002	Final Report for the TW 99/IB/OT01 Support to DMPA Implementation
Agriculture		
German Federal Ministry of Consumer Protection, Food and Agriculture	2001	Twinning Covenant SR99/IB/AG/01
German Federal Ministry of Consumer Protection, Food and Agriculture	October 2002	Final Report to TW SR99/IB/AG/01 to 9909 Preparation for Implementation of CAP
Office of the Government	2003 May	Monitoring Report M/SR/INT/02003
Administrative /authority of the Region Veneto Italy	April 2001	Twinning Covenant SR99/IB/AG/02
Administrative /authority of the Region Veneto Italy	October 2002	Final Report to TW SR99/IB/AG/02 Harmonisation of Legislation for Marking, Registration and Identification of Animals
The German Federal Ministry of Health	2000	Twinning Covenant SR99/IB/AG/03
Ministry of Agriculture SR (in Slovak)	July 2002	Final Report 0005 BIPs
Energy and Transport		
General Directorate for Energy and Raw Materials France	August 2000	Twinning Covenant SR 99/IB/EY/01
General Directorate for Energy and Raw Materials France	October 2002	Final Report TW SR 99/Ib/EY/01 Support in Implementation of Comprehensive Energy Policy 9912
German Federal Ministry of Economics and Technology	June 2002	Twinning Covenant SR IB/2001-EY-01
German Federal Ministry of Economics and Technology	June 2004	Final Report to TW SR IB/2001-EY-01 Support for the Energy Policy in the SR 01015
Ministry of Transport Posts and Telecommunications	May 2002	Twinning Covenant SK 01/IB/TR/01
Ministry of Transport Posts and Telecommunications	2004	Final Report TW SK01/IB/TR/01 Rail Sector Harmonisation 0106

Environment

Ministry of Environment of the SR/ Environmental Department of Turin Province	2000	Twinning Covenant No.SR99/IB/EN/01
Environmental Department of Province of Turin	2001/ 2002	Quarterly Reports Nr 1-4, Twinning Covenant SR99/IB/EN/01
Environmental Department of Province of Turin	December 2002	Final Report TW SR99/IB/EN/01 Institutional strengthening and support of approximation and transposition of environmental legislation of the Slovak Republic with EU.
CFCU	18 Dec 2001	Supply Contract SCORE/112169/D/S/SK
Slovak Environmental Agency/Federal ministry of Environment Germany	2001	Twinning Covenant No.SK2000/IB/ENV/01
Ministry of Environment of the SR/ German Federal Ministry of Environment	April 2003	Final Report SK 2000/IB/ENV/01 Implementation of EIA
Ministry of Environment of the SR/ Danish Ministry of Environment	2001	Twinning Covenant No.SK2000/IB/EN/02
Danish Ministry of Environment	2002	Quarterly Reports No. 1-3, Twinning Covenant No.SK0007/IB/EN/02
Danish Ministry of Environment	March 2003	Final Report to the TW 2000/IB-EN-02 Strengthening

Internal Market

Office of Standards, Metrology and Testing	May 2001	Twinning Covenant SR 99/IB/EC/01
Office of Standards, Metrology and Testing	2004	Final Report to TW SR 99/IB/EC/01 SR 9907.01 Implementation of the Standards and Certification Act
Danish Technological Institute	December 2003	Assessment of Testing, Certification and Inspection
Ministry of Finance/ Schlumberger Sema	November 2003	Final Report 0003.01

Economic and Social Cohesion

Office of the Government	19 January 2005	M/SR/ESC/04009
NADSME	2006	Progress Report on Implementation of Financial Schemes for SR9906.02
NADSME	2004	Annual Report 2003
National Labour Office	January 2004	MR M/SR/REG/04001
Office of the Government	February 2004	MR M/SR/ESC/03006/HRD
COLSAF	April 2004	Final Report GS to HRD via Counselling and Training 0009.03.02
DATAR France	2003	Twinning Covenant for the TW SK01/IB/SPP/01
DATAR France	2004	Final Report to TW SK01/IB/SPP/01 Development of Administrative Capacity for Management of SF in the SR
RDSA	2004	Final Reports for 0107.03/04/06 REG investment projects Tourism Development Zemplinska Sirava, industrial parks Humenne-Guttmanovo and Spisska Nova Ves

Originator	Date	Title of Document
Cross Border Co-operation		
CFCU	2004	Final Reports for 0011.01 and 0015.01 WWTP Tokaj Region and Reconstruction Road Radoszyce-Palota
RDSA	2004	FRs for SR0101.02 and 0113.03 Clean Water Poprad and Dunajec and Business Incubator Malacky
Social Affairs		
Ministry of Social Security and Generations, Austria	March 2001	Twinning Covenant No SR99/IB/CO/02
Ministry of Social Security and Generations, Austria	August 2002	Final Report for TW SR99/IB/CO/02 CONSENSUS III Promoting Employability of Disabled People SR9919.
ECD and CSDF	November 2001	Memorandum of Understanding
CSDF	March 2002	Guidelines for Applicants to Call for Proposals – ACCESS 2000
CSDF	July 2001	Terms of Reference Networking Facility
CSDF	January 2004	Final Report for ACCESS 2000 and Networking Facility SK0013
Ministry of Construction and Regional Development	August 2002	Inception and Interim Reports for TA under SR-0103.02 Project Infrastructure for Roma Settlement
OMAS Consortium Middle Unit	25 September 2001	R/SK/JHA/01.041 Interim Evaluation Report (Sector: Justice and Home Affairs/ Political Criteria)
MWH	13 April 2005	Information Note on 2001-2 Roma Minority Report
Ministry of Construction and Regional Development	2005	Final Reports for 23 Roma Settlements under 0103.02

Annex 8. List of Interviews

INSTITUTION	INTERVIEWEE	DATE
Ministry of Justice SR Zupne nam. 13 SK-813 11 Bratislava	Mr. Julius Kralik Head of Phare Unit	11 January 2006
Ministry of Justice SR Zupne nam. 13 SK-813 11 Bratislava	Ms. Olga Chuda Project Manager	11 January 2006
M.A.S. Global Hviezdoslavovo nam 14 SK-811 01 Bratislava	Ms. Monika Hanzelova Ex-ECD Task Manager	11 January 2006
Slovak Environmental Inspectorate Karloveska 2 SK-842 22 Bratislava	Ms. Jarmila Durdovicova Head inspector	12 January 2006
Civil Service Office Dr. Vl. Clementisa 10 821 02 Bratislava	Mr. Ljubomir Plai Chairman	12 January 2006
Civil Service Office Dr. Vl. Clementisa 10 821 02 Bratislava	Mr. Richard Toth Project Manager	12 January 2006
Ministry of Interior SR Drienova 22 SK-812 72 Bratislava	Mr. Peter Zvara Project Manager	13 January 2006
Ministry of Interior SR Drienova 22 SK-812 72 Bratislava	Mr. Gejza Petrik Director of Public Administration Section	13 January 2006
Regulatory Office for Networking Industries Bajkalska 27 SK-820 07 Bratislava	Mr. Miroslav Luptak Spokesman	16 January 2006
Ministry of Labour, Social Affairs and Family SR Spitalska 6 SK-816 43 Bratislava	Ms. Barbora Vallova Director of Equal Department	16 January 2006
Ministry of Labour, Social Affairs and Family SR Spitalska 6 SK-816 43 Bratislava	Ms. Sandra Stichova Head of Phare and Transition Facility Department	16 January 2006
Ministry of Labour, Social Affairs and Family SR Spitalska 6 SK-816 43 Bratislava	Ms. Valeria Kubalova Advisor	16 January 2006
Central Office of Labour, Social Affairs and Family Spitalska 6 SK-816 43 Bratislava	Ms. Margita Jansova*	16 January 2006

Ministry of Finance SR Stefanovicova 3 SK-810 05 Bratislava	Ms. Zora Paulikova Financial Manager CFCU	17 January 2006
Ministry of Transportation, Post and Telecommunication SR Namestie slobody 6 SK-810 05 Bratislava	Mr. Kvetoslav Kmec Director of Foreign Aid Department	17 January 2006
Ministry of Finance SR Stefanovicova 3 SK-810 05 Bratislava	Mr. Matej Dostal Deputy Senior Programme Officer	18 January 2006
Slovak Office of Standards, Metrology and Testing Stefanovicova 76 SK-810 05 Bratislava	Ms. Kvetoslava Steinlova Director Department for European Affairs	18 January 2006
European Commission DG Enlargement Financial Assistance and Follow Up Unit Rue de La Loi 130 B-Brussels	Ms. Verena Wessely Programme Manager Slovakia	19 January 2006
European Commission DG Enlargement Rue de La Loi 130 B-Brussels	Mr. Dieter Thiel Previous Head of Phare and ISPA, European Commission Delegation	19 January 2006
European Commission DG External Relations Rue de La Loi 130 B-Brussels	Mr. Domenico Gigliotti Previous Phare Country Co-ordinator	19 January 2006
National Agency for Development of SME Zahradnicka 153 SK-821 08 Bratislava	Ms. Darina Kaluznikova Director of State Programmes	19 January 2006
Ministry of Construction and Regional Development SR CSF Department Prievozska 2/B SK-825 25 Bratislava	Ms Anna Hroncakova Project Manager	19 January 2006
Ministry of Construction and Regional Development SR Regional Development Support Agency Prievozska 2/B SK-825 25 Bratislava	Ms. Maria Polniserova Project Manager	19 January 2006
Ministry of Construction and Regional Development SR Prievozska 2/B SK-825 25 Bratislava	Mr. Jozef Borbely Project Manager	19 January 2006
Ministry of Finance SR Stefanovicova 3 SK-810 05 Bratislava	Ms. Libusa Sustekova* State Treasury	23 January 2006

State Veterinary and Phytosanitary Administration SR Botanicka 17 SK-842 22 Bratislava	Ms. Gabriela Virgalova*	24 January 2006
Civil Society Development Foundation Karpatska 7 SK-810 05.Bratislava	Ms. Katarina Vajdova Director	25 January 2006
Slovak Environmental Agency Hanulova 5/d SK- 831 01 Bratislava	Ms. Miroslava Tuzinska Project Manager DPP	26 January 2006
Slovak Environmental Agency Karloveska 5/d SK- 831 01 Bratislava	Mr. Juraj Gavora Director of DPP	26 January 2006
Office of the Government SR Nam.Slobody 1 SK-811 01 Bratislava	Ms. Klara Orgovanova Plenipotentiary for Roma Communities	26 January 2006
Ministry of Agriculture SR Dobrovicova 12 SK- 812 66 Bratislava	Ms Eva Kolesarova Director Foreign Relations Dept.	27 January 2006
Ministry of Construction and Regional Development SR Regional Development Support Agency Prievozska 2/B SK-825 25 Bratislava	Mr. Julius Slovak Director General	27 January 2006
Ministry of Construction and Regional Development SR Regional Development Support Agency Prievozska 2/B SK-825 25 Bratislava	Ms. Maria Bobacicova Head of Unit Ex-ante and On-going Control	27 January 2006
Ministry of Construction and Regional Development SR Regional Development Support Agency Prievozska 2/B SK-825 25 Bratislava	Ms. Lea Hajduova Head of Unit	27 January 2006
Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1, SK-813 70 Bratislava	Mr. Kalman Petöcz Director	14 February 2006
Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1, SK-813 70 Bratislava	Mr. Martin Orth Monitoring and Evaluation Manager	14 February 2006
Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1, SK-813 70 Bratislava	Ms. Kornelia Cajkova Programme Manager	14 February 2006

Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1, SK-813 70 Bratislava	Mr. Milan Petro Programme Manager	14 February 2006
Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1, SK-813 70 Bratislava	Ms. Denisa Kutyova Programme Manager	14 February 2006
-	Ms. Alena Soltysova Previous Director for Implementation/ Regional Development Support Agency	24 February 2006

*) phone conversation

Annex 9. Respondents to Questionnaires

INSTITUTION	RESPONDENT	DATE
Regional Development Agency Filakovska cesta 9 SK-984 46 Lucenec	Ms. Martina Pavlovkinová Director	16 January 2006
Nova Training Ltd Popradská 86 SK-040 11 Kosice	Ms. Božena Jarušínská Project Co-ordinator	16 January 2006
Trade Management Consulting (for 2 grants) Dolnohorská 26 SK-649 01 Nitra	Ms. Katarína Mihalovičová Project manager	18 January 2006
Slovak Environmental Agency Tajovského 28 SK-975 90 Banská Bystrica	Mr. Vladimír Benko Director	20 January 2006
Slovak Metrology Institute Karloveská 63 SK-842 55 Bratislava	Mr. Stanislav Musil Deputy Director	23 January 2006
Tea House Babická káva Kvetná 28 SK-831 01 Bratislava	Ms. Viera Tomčíková Owner	24 January 2006
Regional Environmental Centre Vysoké 18 SK-811 06 Bratislava	Mr. Vladimír Hudek Director	25 January 2006
General Prosecution Office SR Sturová 2 SK-812 89 Bratislava	Mr. Miloš Hečko IT Manager	25 January 2006
Office of the Government SR Section of Human Rights and Minorities Nám. Slobody 1 SK-811 01 Bratislava	Ms. Kinga Novotná, Director, SPO	25 January 2006
Partners in Progress Centrum 27 SK-017 01 Považská Bystrica	Mr. Jozef Kostelanský Programme Manager	25 January 2006
State Institute for Drug Control Kvetná 11 SK-825 08 Bratislava (hard copy)	Mr. Ludevít Martinec Director	26 January 2006
Ministry of Interior SR Pribinova 2 SK-0812 72 Bratislava (in Slovak)	Ms. Katarína Zaremská Foreign Aid Section	7 February 2006
Ministry of Finance SR Stefanovicova 5 SK-810 05 Bratislava	Mr. Juraj Kosík Paying Agency for SF	7 February 2006
Association of Judges SR Ministry of Justice SR Zupne nám 13 SK-813 11 Bratislava	Ms. Jarmila Maximová Vice-President	8 February 2006