



**Minutes of the Sectoral Monitoring Sub-committee Meeting
ECONOMIC AND SOCIAL COHESION**

1.	Location: Bôrik Hotel, Bratislava
2.	Date: 21 June 2005
3.	Participants: Ms Kornélia Čajková, Aid Coordination Unit, Office of the Government of the SR Ms Denisa Smileková, Aid Coordination Unit, Office of the Government of the SR Ms Soňa Gabčová, Aid Coordination Unit, Office of the Government of the SR Mr Martin Orth, Aid Coordination Unit, Office of the Government of the SR Ms Andrea Daubnerová, National Fund, Ministry of Finance of the SR Mr Peter Bagin, National Fund, Ministry of Finance of the SR Ms Silvia Czuczorová, Central Finance and Contracting Unit, Ministry of Finance of the SR Ms Martina Galabová, Central Finance and Contracting Unit, Ministry of Finance of the SR Mr Miroslav Škvarka, Central Finance and Contracting Unit, Ministry of Finance of the SR Ms Mária Hrachovcová, Regional Development Support Agency Ms Anna Reinerová, Regional Development Support Agency Mr Marián Méry, Regional Development Support Agency Ms Veronika Orsavová, Ministry of Labour, Social Affairs and Family of the SR Ms Zuzana Kováčová, National Agency for Development of Small and Medium Enterprises Ms Júlia Štěpánková, Ministry of Education of the SR Ms Judita Smatanová, Ministry of Education of the SR Ms Linda Winklerová, Ministry of Health of the SR Mr Ivan Ištvánffy, Ministry of Construction and Regional Development of the SR
4.	Minutes taken by: Aid Coordination Unit
5.	Minutes approved by: SMSC members by written procedure

Agenda of the Meeting

1. Sectoral Monitoring Report

- follow-up of the implementation of the programmes/ projects covered by the SMSC;
- recommendations for the improvement of the implementation of the programmes/ projects covered by the SMSC;

2. Conclusions, suggestions for the Joint Monitoring Committee.

The Sectoral Monitoring Sub-committee (SMSC) meeting was chaired by Ms Kornélia Čajková, Acting Aid Coordination Unit (ACU) Director on behalf of the National Aid Coordinator (NAC).

The above-mentioned agenda was adopted.

Ms Čajková informed about the letter that the European Commission addressed to the NAC concerning the transfer of the essential activities of the Phare Transition Team in the EC Representation to DG Enlargement in Brussels by the end of June 2005. That is why all official correspondence regarding the implementation of Phare and Transition Facility (requests for project fiche modifications, reallocations, extensions, etc.) shall be directed to the DG Enlargement's address as of 15 June 2005. Furthermore, the official representation of the Commission services will be mainly limited to the Joint Monitoring Committee and no official presence will be ensured for the monthly meetings, steering committees, SMSCs, etc. However, Ms Čajková pointed out the continuous importance of reporting and monitoring activities for proper implementation of Phare and Transition Facility projects in Slovakia.

Ad 1) Sectoral Component Monitoring Reports

Ms Čajková introduced the Sectoral Component Monitoring Reports (MR) issued by the ACU covering the period from 1 January to 30 April 2005.

The ACU on behalf of the NAC presented a critical assessment of Phare projects' implementation in the sector as follows:

- Insufficient project design in particular with respect to basic conditions/assumptions, leading to consequent delays and contracting and implementation difficulties;
- Long period between programming of projects and their implementation, causing changes of conditions for projects' implementation and subsequent modification of project fiches;
- Late elaboration of Terms of Reference and Technical Specifications causing late and risky contracting of FM 2003 projects;
- Contracting difficulties and delays because of a switch from EU procurement rules (PRAG/GGAPP) to national procurement legislation limiting time for project implementation and achievement of results;
- Weaker administrative capacities of the implementing authorities/beneficiaries, namely Ministry of Labour, Social Affairs and Family;
- Regularity of the monthly meetings organised by the Ministry of Labour, Social Affairs and Family should be consolidated in order to identify problems in their early stages and solve them in time.

Social Affairs and Human Resources Development

As regards project *SR0103.02 Infrastructure for Roma Settlements*, construction works were contracted in all 29 municipalities and in 3 of them already completed. The remaining works will have been finished by September 2005. The RDSA informed about the damage on Phare-financed infrastructure caused by the recent floods in Pečovská Nová Ves village. A meeting of all stakeholders is going to take place in coming days to find a solution to this problem.

Activity 1 of *2002/000.610.03 Further Integration of Roma Children in the Educational Field and Improved Living Conditions* was successfully tendered and is being implemented. Upon the completion of selection of suitable localities under Activity 2, tender for Activity 3 (preparation of technical documentation for selected villages) was launched and contract shall be signed until 30 June 2005. The Ministry of Education pointed out delays in signing donation agreements with final beneficiaries. The CFCU committed itself to check the situation and proceed with all pending donation agreements.

As regards project *2003-004-995-01-05 Support to Integration of Roma in Education*, the re-launched tender for service should be completed by August 2005 and project's activities are scheduled to start at the beginning of the school year 2005/2006.

Although project *2003-004-995-01-06 Improved Access to Health Care for the Roma Minority* suffers from several delays due to long process of project fiche modification and preparation of documents for public procurement, all components are expected to be tendered by contracting deadline (30.11.2005).

2002/000.610-15 Human Resources Development Grant Scheme (GS) comprises of three components that will be finished during 2nd and 3rd quarter of 2005. Within the Technical Assistant included in this GS, there should have been purchased computer equipment in the total sum of 18 000 EUR. Process of public procurement (of computer equipment) was in full responsibility of the RDSA. After couple of requests for processing of public procurement addressed to the RDSA by the Ministry of Labour, no equipment has been purchased yet. Given that the project is almost completed, the use of the equipment is in question. This issue shall be resolved as soon as possible by relevant institutions (RDSA, Ministry of Labour, with assistance of the ACU).

Implementation of project 2003-004-995-03-11 *Grant Scheme on Equal Opportunities and Social Inclusion Support* is delayed. The Call for Proposals will be launched by the end of June 2005. Administrative capacities of the Ministry of Labour and RDSA should be reinforced.

The completion of project 2003-004-995-03-13 *Create the Administrative Capacity for Implementing the Equal Initiative* is expected in July 2005, no problems were observed during implementation.

Project 2003-004-995-03-14 *Preparing for ESF Project Management* is considered as risky, in particular tendering of three Service Contracts.

As regards the 2002/000.610.02 *UIBF The Assessment and Management of Environmental Noise*, project was successfully completed in 2004, final report approved by all relevant parties in April 2005.

As regards project 2003-004-995-03-06 *Strengthening of statistics health information system and its harmonisation with EU requirements*, TWL part was already finished, delivery of HW was prolonged and service tender for SW will be launched in June 2005.

Within project 2003-004-995-03-07 *Strengthening of Surveillance and Control of Communicable Diseases* following problems have to be solved: second modification of the project fiche (already approved by NAC and NAO, ten-working-day period for EC Representation's comments is running) and subsequent process of public procurement; assignment of RTA (replacement/prolongation) to be decided by the Ministry of Health until 15 July 2005, since the current contract for RTA terminates in August 2005.

FM 2004 projects are in the phase of preparation of TW Workplans and tender documentation.

Regional Development

FM 2002

Local and Regional Development GS administrated by the RDSA: individual projects are being implemented and are going to finish. Advance payments from Phare and state budget in the ratio 80% to 20% were ensured and were continuously disbursed to final beneficiaries.

Consolidating the Institutional Framework and Enhancing Administrative Capacity for Programming, Implementation, and Monitoring of Fund administrated by the CFCU: the project is successfully running, the duration of the project was prolonged until 21 October 2005 for Components A, C and D. Component B was closed in March 2005.

As Regards the 2002 Grant Schemes administered by the NADSME (*Industry Development GS, Tourism Development GS and Innovative and Technology Development GS*), the implementation is ongoing, on the spot monitoring is being carried out in order to disburse the final payments in a regular way.

FM 2003

Support to Local and Regional Project Development Grant Scheme administrated by the RDSA: a call for proposals for TA Measure 1 and TA Measure 2 was launched on 12 May 2005. Deadline for submission of project proposals for TA Measure 1 was on 20 June 2005 and for TA Measure 2 on 21 June 2005.

External Border Initiative administrated by the RDSA: after the ex-ante endorsement of call for proposals and project fiche modification, the call for proposals was launched on 21 April 2005 with deadline on 20 June 2005. Evaluation is scheduled for July 2005.

Strengthening Regional and Local Capacities for Managing and Implementing Structural Funds administrated by the CFCU: terms of reference were drawn up and tender was launched with deadline on 4 August 2005. Contract is planned to be signed by October 2005.

As regards the 2003 Grant Schemes administered by the NADSME (*Support to innovative SMEs and Tourism Development GS*), calls for proposals have been launched and the administrative and technical evaluation are ongoing in line with the action plan.

Cross-border Cooperation

FM 2002

Investment projects: were interrupted because of bad weather conditions, however, deadlines in September should be met.

Joint Small Projects Funds: there were identified irregularities in sub-project 2002/000-603.02-004 (SK/HU), control has been carried out and payments for faked activities will not be disbursed.

Grant schemes: implementation of environmental GS is ongoing; the RDSA received the first interim report.

FM 2003

Joint Small Projects Funds: implementation of projects SR/H has begun, implementation of projects SR/PL is ongoing, the RDSA received the third interim report.

Grant schemes: deadline for call for proposals for tourism support scheme project was on 20 June 2005. There are two types of activities – investment and non-investment and in case there are more eligible projects that exceed the allocation under one activity and less eligible projects not utilising the whole allocation under another activity, a project modification will be requested to transfer funds between these activities.

Ad 2) Conclusions, suggestions for the Joint Monitoring Committee

Line ministries together with the CFCU have to catch up with FM 2003 contracting delayed because of the switch from EU rules (PRAG, GGAPP) to national public procurement rules. The CFCU shall prepare a reasonable contracting schedule to be followed during the remaining FM 2003 contracting period.

The SMSC members pointed out the need for sufficient administrative capacities at the RDSA as well as the NADSME as the heavy workloads regarding the finalisation of FM 2002 GS and evaluation of FM 2003 GS will increase during summer and autumn 2005.

The ACU informed about the Commission's EDIS follow-up audit mission that will take place from 11 to 15 July 2005. On 14 July the audit will be carried out at a line ministry, too. Against this background, the Senior Programme Officers were requested to prepare necessary documentation regarding the management of Phare and Transition Facility projects within their line ministry: internal (organisational) structure, reporting lines, job description of staff assigned to the different tasks, training plans, supervision, complete project files, management plans, etc.

Ms Čajková brought the meeting to a close by thanking all those who had attended for their active participation.