



**EUROPEAN COMMISSION**

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## **Summary of the Partnership Agreement for Slovakia, 2014-2020**

### **Overall information**

The PA covers five funds: the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

The PA focus on the following priorities:

- Promoting innovation friendly business environment by enhancing the competitiveness of SMEs, improving innovation and research performance and developing an e-economy,
- Developing infrastructure for economic growth and employment, in particular key transport networks and sustainable urban transport,
- Developing human capital growth and improved labour market participation by reinforcing all levels of education, increasing access to employment of the most vulnerable groups in society (in particular the young and long-term unemployed) and promoting social inclusion of Roma communities,
- Encouraging sustainable and efficient use of natural resources through promotion of energy efficiency and a low carbon economy, protection of the environment and adaptation to climate change,
- Building a modern and professional public administration by means of a thorough reform aimed at improving governance, tackling corruption and ensuring efficiency and impartiality of the judiciary. Special attention should be given to ensure the stability and professionalism of bodies responsible for ESI Funds.

These funds are the cornerstone of Slovakia's medium and long-term development strategy. They will mobilize additional public national and private funding for growth and job creation and will reduce regional disparities in Slovakia. Investments will focus on enhancing innovation activity and competitiveness of enterprises in order to increase their added value, stimulate growth, job creation and improve the performance of the research and innovation system, including the quality of higher education, cooperation with the business sector and increased private investment. One of the key features of Slovakia's development goals is its shift to a low carbon economy, which means improving energy efficiency in buildings and enterprises and an increasing share of renewable energy sources in the overall energy structure.

Investing in human capital and helping people enter the labour market will be a top priority in Slovakia with a focus on issues highlighted in the country specific recommendations. A strong emphasis is placed on combating youth unemployment. The funds will finance initiatives to improve education and training systems and ensure young people get the right skills that make them more competitive. Early childhood

education and care as well as vocational education are key areas for investment. The funds will continue to finance projects that help people in difficulty and those from disadvantaged groups to get more support to have the same opportunities as others to integrate into society. Children, marginalised Roma communities or people with disabilities are all among those who should benefit the most. The ESF will also support Slovakia's efforts to improve the quality of its public administration through structural reforms by giving them the necessary institutional capacities.

Investments in these areas will be instrumental in helping Slovakia to respond to the Europe 2020 priorities and country specific recommendations for Slovak policy reforms under the European Semester in education, employment, social inclusion and public administration.

A substantial share of ESIF will be devoted to upgrading Slovakia's infrastructure. In the transport sector, the Commission is of the opinion that the railway sector should play a key role in ensuring a real shift to sustainable mobility. In the waste and water sectors, some investments are still needed to make sure EU environmental requirements are fulfilled.

As regards Slovakia's rural areas, the EAFRD will contribute to increasing the sustainable use of natural resources, biodiversity and climate action, the competitiveness of the agri-food sector, as well as the balanced territorial development of rural communities and economies. To achieve these objectives, investments will be targeted to projects with the highest impact in terms of environmental protection, added value of the agricultural production and diversification of rural activities with a view to increase local development and employment prospects in rural areas.

The EMFF will target increasing the competitiveness of Slovak aquaculture and the sustainable management of natural resources in rural areas.

Slovakia has chosen to finance investment under all 11 thematic objectives defined in the Regulations. Details on thematic objectives are presented in Table 1.

### **Chosen expected results**

Investments are aimed at addressing main development gaps and thus strengthening social, economic and territorial cohesion. ESI funds will assist Slovakia in achieving national targets of EU2020 and its flagship initiatives:

- R&I expenditure in relation to GDP is to increase from 0.8% (2012) to 1.2% (2020) leveraging private R&I spending from 0.34 to 0.8 GDP.
- Attainment of the target of the Digital Agenda for Europe of 100% coverage of 30mbps internet and creation of conditions for achievement of the target in the area of use of 100mbps internet
- In relation to energy objectives, ESI Funds will provide a significant contribution to reducing energy consumption in buildings and enterprises and facilitate achieving the target of 20% reduction in primary energy consumption by 2020.
- The Funds will contribute to an increased employment rate (at least 72%), reduced poverty and exclusion (by 170 thousand inhabitants) and improved adaptation of education to the labour market needs.
- The funds aim to improve the Slovak business environment by reducing administrative burden for businesses.

The commitments made in the Slovak National Reform Programme as well as the Council Recommendations for Slovakia (CSRs) were reflected in the PA. With this approach, interventions co-financed from European Structural and Investment Funds (ESIF) will reinforce the efforts of Slovakia aimed to carry out the necessary reforms and the fulfilment of the Recommendations. The Partnership Agreement, which is the strategic framework for ESI Funds, sets out clear political commitments in line with the strategic goals of Europe 2020, the EU's growth strategy.

## **Budget**

In 2014-2020 Slovakia is allocated around €4 billion for Cohesion Policy (ERDF, ESF, Cohesion Fund) including €72.2 million for the Youth Employment Initiative and €23.4 million for territorial cooperation. Additional €1.5 billion will be devoted to development of the agricultural sector and rural areas from the European Agricultural Fund for Rural Development (EAFRD). The allocation for European Maritime and Fisheries Fund (EMFF) amounts to some €15.8 million. Details on the allocation are given in a table below.

Concentration of funds on limited number of priorities is one of the main principles of the reformed cohesion policy. For Slovakia, thematic concentration, meaning the level of ERDF or Cohesion Fund expenditure aimed at research and innovation (TO1), ICT (TO2), competitiveness of enterprises (TO3) and low carbon economy (TO4) in relation to allocation account for 58.2% in less developed regions and 70.7% for the more developed region (Bratislava), including 22.1% for low carbon economy. Thematic concentration is kept above the minimum requirements.

The share of ESF in the allocation of ESI Funds amounts to 22.75% or €2.2 billion and is above the required minimum share of 20.9%.

The whole territory of Slovakia, except for the capital region of Bratislava, belongs to less developed regions. Given Bratislava's important intra-regional disparities, and its importance especially in R&D activities in the country, Slovakia decided to increase the allocation for Bratislava to €329 million through a transfer of the maximum 3% from less developed region.

Significant attention is given to the territorial dimension of interventions in particular in the area of urban development and access to public services. At least 5% of the ERDF allocation will be invested in sustainable urban development actions implemented in Slovakia mainly through Integrated Territorial Investments in regional capital cities and their functional areas. At least 5% of total EAFRD contribution to the rural development programme and 1.4% of total ERDF contribution to Integrated Regional Operational Programme will be reserved for Leader / CLLD.

More than 22% of the allocation will make a contribution to climate change mitigation and adoption measures.

## **Programmes architecture**

Cohesion policy will be delivered by 7 operational programmes (OPs), so 4 less compared to 2007-13 period:

- 3 national OPs co-financed by ERDF (OP Research and Innovation, Integrated Regional OP, OP Technical Assistance)
- 2 national OPs co-financed by ERDF and CF (OP Integrated Infrastructure, OP Quality of Environment);

- 1 national OP co-financed by ESF and ERDF (OP Human Resources);
- 1 national OP co-financed by ESF (OP Effective Public Administration)

Moreover there is 1 Rural Development Programme (financed by EAFRD) and 1 Fisheries programme (financed by EMFF).

Details on allocations to operational programmes are presented in table 2.

**Table 1: Allocation: breakdown by thematic objective and by fund (except territorial cooperation).**

Thematic objective	ERDF	ESF	Cohesion Fund	EAFRD	EMFF	Total
	Euro					
1. Strengthening research, technological development and innovation	1 797 792 387	0	0	51 333 136		<b>1 849 125 523</b>
2. Enhancing access to, and use and quality of, ICT	805 516 752	0	0	20 166 840		<b>825 683 592</b>
3. Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF)	398 984 150	0	0	502 981 310	12 670 020	<b>914 635 480</b>
4. Supporting the shift towards a low-carbon economy in all sectors	1 050 275 034	0	0	68 896 188		<b>1 119 171 222</b>
5. Promoting climate change adaptation, risk prevention and management	260 901 369	0	419 346 261	315 051 361		<b>995 298 991</b>
6. Preserving and protecting the environment and promoting resource efficiency	88 328 116	0	1 441 766 000	326 181 901	2 167 880	<b>1 858 443 897</b>
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	1 187 989 455	0	2 307 139 166	0		<b>3 495 128 621</b>
8. Promoting sustainable and quality employment and supporting labour mobility	215 860 548	918 099 996	0	55 598 250		<b>1 189 558 794</b>
9. Promoting social inclusion, combating poverty and any discrimination	836 575 659	433 699 291	0	137 396 773		<b>1 407 671 723</b>
10. Investing in education, training and vocational training for skills and lifelong learning	263 000 000	458 745 509	0	14 998 073		<b>736 744 582</b>
11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	0	267 311 313	0	0		<b>267 311 313</b>
Technical assistance	455 071 912	89 737 971	0	52 669 012	947 100	598 425 995
<b>Total</b>	<b>7 360 295 382</b>	<b>2 167 595 080</b>	<b>4 168 251 427</b>	<b>1 545 272 844</b>	<b>15 785 000</b>	<b>15 257 199 733</b>

The allocation to Youth Employment Initiative accounts for €72million.

**Table 2: Allocation to programmes**

<b>Operational programme</b>	<b>Thematic objectives covered</b>	<b>ESI Fund</b>	<b>Allocation (EUR)</b>
OP Research and Innovation	TO 1, 3	ERDF	2 266 776 537
OP Integrated Infrastructure	TO 2, 7	ERDF, CF	3 966 645 373
OP Human Resources	TO 8,9,10	ESF, ERDF, YEI	2 204 983 517
OP Quality of Environment	TO 4, 5, 6	ERDF, CF	3 137 900 110
Integrated Regional OP	TO 1, 4, 6, 7, 9, 10	ERDF	1 754 490 415
OP Efficient Public Administration	TO 11	ESF	278 449 284
OP TA	N/A	ERDF	159 071 912
Rural Development Programme	TO 1, 2, 3, 4, 5, 6, 8, 9, 10	EAFRD	1 545 272 844
OP Fisheries	TO 3, 6	EMFF	15 785 000