

## INTRODUCTION

The reason for the development of the OP HR Strategic Plan for 2018-2020 is to adapt the implementation of the 2018-2020 program to the real social needs in terms of education, employment, social needs in relation to the development of human capital and the participation of the widest possible range of potential participants in the activities supported under the OP HR.

The OP HR Strategic Plan for 2018 – 2020, in its initial part, provides information on economic and social changes within the Slovak society after 2014, when the OP was approved. These changes resulted from various measures adopted at European and national level, as well as from measures supported within the OP HR so far.

The OP HR will face challenges in its second half of implementation, such as support of measures for long-term unemployed, members of marginalised Roma communities, young people, pupils/students and pedagogical and professional staff as well as measures aimed at elimination of regional imbalances, mainly through support of social economy. The aim of the OP HR will be to contribute to increase the quality of education, its interconnection to the needs of the labor market and support for inclusion, to increase higher participation of Slovak citizens in lifelong learning and in second chance education, while it will focus on support of measures in the field of adaptability of people in the labour market to the changed circumstances and on adapting to changes. The OP HR will continue in supporting measures aimed at higher employment of women caring for children younger than three years and in enhancing transparency and simplification of its implementation.

This strategic plan describes current state of implementation according to priority axes 1 to 6, while it also states the planned measures and proposals for the OP HR Amendment which will be carried out in the first half of 2018. The document, towards its end, pays attention to description of already identified synergies and complementarities between the OP HR priority axes and between the OP HR and other OP, including description of tools used in order to identify and monitor them.

The Strategic Plan presents an up-to-date view on the direction of the implementation of the OP HR, leaving scope also for possible further changes in the context of the development of the measures proposed in this SP (e.g. socio-economic development, legislative changes).

The aim of the strategic plan, in line with strengthening of the partnership principle according to article 5 of the CPR, is to involve as many partners and stakeholders as possible into discussion on priorities, measures and implementation plans of the OP HR. Therefore this proposal of the strategic plan is a subject of consultations and it will be discussed by the members of the OP HR Monitoring Committee.

## ECONOMIC AND SOCIAL CHANGES FROM THE YEAR 2014

In the frame of the Europe 2020 strategy implementation the EU Member States were requested to set up goals and identify detailed measures for the achievement of national targets included in National Reform Programs. Slovakia has set a target of reaching the employment rate of the population aged 20 – 64 years to 72 % by 2020. Prior to the OP HR adoption, the share of the employed population aged 20-64 on the total number of inhabitants of the same age group was below the EU-28 average. In 2013 this share in the SR was 65% and the average for the EU 28 was 68.4%. After the adoption of the OP HRE there is a significant growth of this indicator. By 2016, this share in the SR increased to 69.8%, i.e. Compared to 2013, this was a growth of 4.8 p.p. (in EU-28 it increased to 71.1%, but the rate of growth was slower - on average only 2.7 p.p).

Within the Europe 2020 target indicators Slovakia has set a goal to bring down the rate of long-term unemployment (lasting over 12 months) to below 3 % by 2020. Prior to the OP HR adoption, the long-term unemployment rate (more than 9 %) was one of the highest in the EU.

The most urgent issue in the field employment was the share *of the increase in long-term unemployed (LTU)* in unemployment statistics (on average 51.47 %) and *the unemployment rate of persons aged 15 – 24*, which was above average for a long time (33.60 % in 2013). More than half of the unemployed young people in this age group were unemployed for more than one year. *Low-skilled, elderly and people with disabilities* faced the biggest challenges. Employment rate of women aged 20 – 64 was 14.4 % lower as compared with the male employment rate.

Taking into account the number of young people in education, the rate of inactivity of young people under 25 years of age (NEET) was 13.7 % in the Slovak Republic in 2013. But still, with a less significant difference, the value was above the EU27 average. The rate of youth inactivity up to 29 years of age reached 19 % in 2013 (15.8 % EU27 average). In terms of education, the unemployed were mainly young people with full secondary vocational education, vocational education with no Baccalaureate and with basic education.

From 2015 till 2017 the labour market recorded positive developments, the employment rose and the unemployment fall continued in all regions of the SR. The number of long-term unemployed was falling faster in 2016 (by 18.30 %) than the drop in the total number of unemployed, but still it represented a significant share of total unemployment.

The comparison of the total number of registered jobseekers and the registered unemployment rate according to the COLSAF data is provided in the following table:

	December 2014	January 2018
<b>Number of registered Jobseekers</b>	373 754	197 268
<b>The unemployment rate</b>	12,29 %	5,88 %

The growth of Slovak economy accelerated to 3.6% in 2015 due to the growth of domestic demand and the public investment supported by the accelerated absorption of the EU funds of the programming period 2007 – 2013. The economic growth continued also in years 2016 and 2017. The number of foreign workers working in Slovakia (an increase of 8 thousand) was rapidly growing. They occupied 15 % of all newly created jobs in 2016. It is expected that in 2018 and 2019 the Slovak economy will accelerate its growth to 4 %, thanks to new production capacities.

From the point of view of the area of education, since the OP HR approval, it is important to note that the need for change at all level of education is still emphasized to make the education system increasingly reflect both current and prospective labour market needs in order to improve the quality of education including the attractiveness of the teaching profession, to increase the rate of inclusion and the share of the population involved in lifelong learning. In the terms of Europe 2020, the proportion of 30-34-year-olds with university degree is still below the EU average but this gap is gradually diminishing. The pupils' PISA 2015 results point to the continuing trend of decreasing results in natural sciences, mathematics and reading literacy, and to the markedly significant impact of socio-economic background on pupil's outcomes. On the contrary, the access to education is high, with 91% of the population finishing at least secondary school<sup>1</sup>.

In 2015 was adopted the Act on Vocational Education and Training 61/2015, in which were elaborated the elements enabling the preparation of pupils in the dual education system (the pupils were able to be teach in this system from the school year 2015/2016). Subsequently the Quality Assurance Report on Vocational Education and Training was adopted in the area of Vocational Education and Training following the EQAVET Recommendation with the formulation of measures for 2016-2020 in order to achieve positive changes in the quality of Vocational Education and Training.

The experience of the implementation of the dual education system in practice as well as of the obstacles identified by schools and employers responds to the forthcoming amendment to the Act on Vocational Education and Training, which should enter into force on 1 September 2018.

In the framework of the Long-term Plan for Education, Research, Development and Other Creative Activities for the Area of Higher Education for the Years 2016-2021 approved by the Government of the Slovak Republic in 2016, priority is given to ensuring the availability and diversity of higher education and increasing the quality and relevance of higher education.

In 2017 Ministry of Education drew up a model of objectification of the number of professional staff in the school including measures that enable to achieve a more effective education for pupils with special educational needs without discrimination and on the basis of equal opportunities in the integrative education system.

In 2017 a revision of regional and higher education spending<sup>2</sup> was in place to effectively allocate additional resources to education. The final report of this review states that in addition to increasing education spending, further reforms are needed to improve the quality of education. In 2018, the revision of expenditure continues with the assessment of expenditure with an impact on the social inclusion of groups at risk of poverty and social exclusion, as the adverse impact of socio-economic disadvantage on children, the involvement of the most vulnerable in pre-school education and the development of quality and inclusive education need to be more strongly corrected.

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<sup>1</sup> Review of Expenditure on Education Final Report 2017

<sup>2</sup> Cooperation of the Ministry of Finance and the Ministry of Education as a part of the project Value for money

NPs implemented within the PA 5, as well as projects granted within the DDC aimed at support of local civic neighbourhood watch (LCNW), enabled creation of hundreds of work placements for field social workers, field workers, employees of community centres and members of local neighbourhood crew. Just within the LCNW there were 830 work placements supported in municipalities with the MRC.

Support of the construction/reconstruction of kindergartens and community centres, as well as support of the removal of illegal landfills, construction of collection yards and access to drinking water (through e.g. drilled wells or the construction of dispensing sites) secured investments aimed at increasing of the housing quality of the MRC.

The labour market situation was influenced by **measures in the social field adopted at European and national level, as well as measures resulting from the OP HR implementation:**

Addressing the specific issue of youth employment has been intensified by the use of specific European *Youth Employment Initiative*. Many major changes have been made in the field of youth employment, based on new project solutions and changing approaches helping to promote youth employment.

The baseline for the youth employment strategy is the *National Framework Program for the Implementation of the Guarantee for Young People in the Slovak Republic*, adopted by the government of the SR (2014), which contains a timetable for reforms (legislative changes) and initiatives (programs and projects) to support young people's employment. Strategically, the guarantee is *addressed exclusively to young people who are not employed, do not continue their education nor participate in vocational training (NEET) up to 29 years of age*, while the age group 25 – 29 is mainly covered by long-term unemployed (over 12 months) or young people unemployed for more than 6 months.

Support for young people is geared to a good quality offer of *employment, further education, apprenticeships or internships* within four months after losing their jobs or after leaving formal education system. The guarantee is set up to provide a second chance for education (graduation, obtaining of professional qualifications). It also provides training on how to start self-employment and helps to employ young people with disabilities, etc.

*National Employment Strategy of the Slovak Republic* by 2020 creates a strategic framework for the coordination of employment policy by 2020 in co-operation with relevant ministries and social partners and sets up strategic employment targets for 2020, including measures to achieve them.

Some legislative changes in 2014 have significantly influenced the labour market. The amendment to *the act on assistance in material needs* increased the motivation of long-term unemployed and inactive persons of working age to be in the labour market and allowed the emergence of so-called *activation centres* at labour offices where 840 new jobs were created for field workers working with social welfare recipients. The amendment to *the act on employment services* adopted in the framework of the reform of active labour market measures (ALMM) has created a space for the *individualization of professional and advisory services for disadvantaged job seekers*. With the amendment to the Employment Services Act

with effect from 1 January 2015, a new AMLM has been introduced, which is a contribution to job creation in the first regularly paid employment for young people under 29 years of age. In 2016, implementation of *the pension reform* continued which linked the retirement age to life expectancy growth. For the first time, it automatically extended by 76 days in 2017. The Slovak government also approved so-called *action plans for the 12 least developed districts*. The action plans contain a list of specific project intends aimed at supporting business and investors, human resource development and local infrastructure improvement.

*Action Plan to Strengthen Integration of Long-Term Unemployed on the Labour Market in the SR* approved in November 2016 introduced new forms of support for integration of the LTU into the labour market, especially individualized counselling, including jobseekers profiling, educational and retraining programs. Establishing *the first contact points* at the labour offices contributed to the improvement of the quality of employment services.

It is expected that the newly adopted **Act on support of social economy and social enterprises** approved in March 2018 shall clear the terms of social entrepreneurship, remove barriers hindering the social economy development, create a favourable business environment for social business, define the social economy sector, its subjects and social enterprises, establish conditions for registered social enterprise, possibility of support of enterprises in the wider area of social economy, regulate state administration of the social economy governed by the MOLSF and define organizations of the social economy sector.

The government of the SR approved on 30/11/2011 the *Strategy for deinstitutionalisation of the social services system and replacement care in the Slovak republic*. This strategy provides particular systemic measures to be executed in a complex manner at national level so that obligations resulting from The United Nations Convention on the Rights of Persons with Disabilities (above all from the Article 19 providing right to an independent life) are secured. The MLSAF consequently elaborated the *National action plan for transition from institutional to community care in the social services system for 2012 – 2015* providing particular tasks ensuring support for deinstitutionalisation of the social services system. The process of transition from institutional to community care belongs to national priorities also according to the document *National priorities for the social services development for 2015 – 2020*. Consequent legislative amendments of the act on social services aimed at support of this process.

In the field of support for the process of deinstitutionalization of social services, the Ministry of Labour, Social Affairs and Family of the Slovak Republic has prepared a new National Action Plan for the transition from institutional to community care in the system of social services for the years 2016 - 2020. The individual tasks of the National Action Plan DI are realized with regard to the sustainability of services of community character, social services - personalized services provided in a natural social environment as one of the pillars of independent living.

## **CHALLENGES FOR OP HR**

As stated in **the Council Recommendations for the National Reform Program of Slovakia** adopted on 22/05/2017, the rate of the **long-term unemployment is still one of the highest in the EU**. In particular, it concerns members of the MRC, low-skilled and young people. There are also difficulties in introducing individual support for long-term unemployed and vulnerable groups. Long-term unemployment is also closely related to qualification of the unemployed. More than half of the low-skilled jobseekers do not find work until one year,

more than a third nor until two years. Taking into account costs of unemployment and the considerable lag behind the EU average, the long-term unemployed and the low-skilled jobseekers represent a priority group of the labour market. Measures targeting this priority group could, in addition to positive social impacts, also bring significant savings for public finances.

The OP HR shall therefore continuously support implementation of the APLTU aiming at:

- implementation of an integrated comprehensive approach of active inclusion of people excluded from the labour market;
- support of innovative programmes in the field of ALMM resulting from implementation of the Council's Country Specific Recommendations for Slovakia 2017 – 2018, 2019 – 2020;
- creation of partnership and support of cooperation with the NGOs and private partners using results of a research aimed at identification of barriers for the third sector to cooperate in the fulfilment of the APLTU;
- support of local partnership creation in regions with the highest concentration of the LTU;
- ensuring of individual assessment of the LTU;
- direction of the LTU to support services targeted at removing barriers for employment (targeted counselling on addiction, debts, life support, social support services, care services, integration of migrants, housing and transport support, etc.);
- support of the establishment of social enterprises, which can become a key source of jobs for the LTU;
- ensuring of preventive and activation measures while the LTU reaches 18 months;
- support of the field social work in communities remote from the labour market;
- planning of further mid-term changes in order to improve the quality of employment services by strengthening of targeted individualized services for jobseekers

**In view of the Council Recommendations for the National Reform Program of Slovakia for Education for 2017** the need to improve the quality of education and to increase the participation of Roma in the inclusive mainstream of education resonates. PO 1 OP HR will therefore reflect in accordance with its focus and setting the support of such activities that aimed at enhancing the quality of education in order to improve the employability in the labour market or in the further study. These measures will be set as closely as possible to the needs of learners in the line with the principle of partnership (round tables, questionnaire survey), largely through demand-driven projects.

**Regional imbalances persist** – the unemployment rate in eastern Slovakia is twice that of Bratislava. The challenge for the OP HR is to contribute to mitigation of persistently significant regional imbalances in economic potential of particular self-governed regions, leading to the differentiated unemployment rate and the lack of employment opportunities. The *Catching-up regions Initiative* of the EC and the World Bank should represent one element of support to the Member States to better invest and manage ESI Funds. In particular, the initiative looks in detail at those regions, which show either low growth or low income despite huge investments in the previous programming periods. The initiative was launched in Self-Governing region of Prešov. In the framework of the Catching up initiative, Commission and World Bank and regional experts together will address the challenges that currently hamper Prešov's economic development: brain drain, high unemployment rate, especially for young people, social exclusion, mismatch between the education offer and the

needs of the local labour market and a lack of cooperation in the field of innovation between the business sphere, research centres and the regional public university. At the same time, the action plan will build on the region's competitive assets, in line with the national **smart specialisation strategy**; a unique position on the border with Poland and Ukraine, important natural and cultural resources and heritage and potential for tourism as well as the presence of a faculty of Manufacturing Technologies.

In addition, regional and EU experts will seek to draw funding from the 10 different Cohesion Policy programmes that the region can access, in order to support this action plan.

Measures in the field of social economy and social enterprises support shall also be relevant.

**Social economy** represents such an economic sector performing certain business activity, but its main mission is to pursue certain social aims and objectives. Such social objectives in economic terms include, for example, employment of the LTU and other disadvantaged groups of job-seekers. The social economy subjects are neither part of the public sector nor the ordinary private sector. From the point of view of promoting employment, the development of social economy is of potential immense importance – it is one of the sectors with the best prospects for regional and local development and employment by creating jobs for disadvantaged jobseekers through social enterprises, as well as by strengthening social, economic and territorial cohesion, creating of social capital, promoting active citizenship, solidarity and an economy with democratic values that places people first, while also promoting sustainable development and social, environmental and technological innovation. In terms of employment, it is particularly important to support the so-called WISE (Work Integration Social Enterprise), whose main goal is professional integration – whether within the enterprise itself or in the normal businesses of people who have serious difficulties in the labour market. This integration is achieved through productive activity and personalized support, or through training aimed at increased skills of workers.

**Participation in lifelong learning and second chance education** remains low. This is linked to the new labour market challenge, which is the lack of qualified workforce. With the unemployment rates approaching the historical lows, in some regions and sectors, companies may face problem in gaining a skilled workforce and pressure for faster wage growth. The number of job vacancies at the labour offices reaches the historical highs, while the unemployment rate has still been declining.

According to the study of the Joint Research Centre of the EC, the *scheduled termination of coal mining in Upper Nitra will put in danger of loss more than 4000 jobs, including another 3000 directly linked to the coal sector*. It is expected that only 10 % of miners and 20 – 30 % of employees directly linked to the mining activities will be on the labour market after mines are closed. The loss of jobs as a consequence of mines closure influences not only employees losing their jobs, but also potential employees emerging on the same market, where the former miners apply for the same work placements. The OP HR shall therefore determine appropriate conditions for the effective integration of potential group of unemployed, particularly within the PA 1 and PA 3.

In accordance with the action plans for the transformation of OP LZ regions, it will be appropriate the OP HR shall create conditions for better targeting of projects at anticipation of changes, improving of **adaptability** to changed conditions, adaptation of employees to these changes

and shall provide support for job retention and job creation, especially in areas offering new sources for growth.

**Roma participation in the labour market** is still low and progress in increasing their employment rate is small. Measures resulting from the implementation of the APLTU, as well as measures supporting the social economy and social enterprises will contribute to the increased participation of the MRC members in the labour market. However, the registration of unemployed persons from the MRC environment is not available in any officially available database, so it is not possible to precisely determine the share of registered unemployed persons from the MRC environment.

Measures that primarily create jobs with long-term sustainability will not be implemented through the measures of PO 5 OP HR. But through activities of the PO 5 OP HR in particular the performance of field social work and community work will help MRC persons to increase their employment and employability. In a view of this it is not possible to expect a significant improvement in the registered unemployment rate in the target community through interventions of PO 5 OP HR. Even a small percentage increase in employment for MRC members could have a significant impact on the socio-economic level of the communities as a whole, and consequently on the quality of their lives. The target value is set at 33.0%, which would mean a reduction in the number of registered unemployed persons of MRC from 119 389 to 111 552 it means, a decrease of 7 837 MRK.

**The low employment rate of women caring for children under the age of 3 years** is influenced by the fact that the maternity/parental leave is rarely taken by men. There is a shortage of childcare facilities, especially those under the age of three, and a low rate of flexible employment possibilities. The OP HR will therefore continue to support relevant measures.

**Discriminatory approach** to certain groups of the population is one of the causes of social exclusion. Elimination, prevention of discrimination and the removal of barriers that lead to isolation and exclusion of people from public, social, working life, based on social categories such as gender, age, disability, race, ethnicity or belief are one of the main pillars of non-discrimination and equal opportunities. OP HR will continue to provide specific and targeted support to groups of the population endangered by all forms of discrimination, especially in areas not covered by other specific objectives.

In line with the *Action plan to enhance transparency and simplify implementation of ESIF* adopted by decision No. 449/2017 of the government of the SR on 27/9/2017, an emphasis will be given to simplification of conditions for granting a non-repayable financial contribution in all DDCs and calls for NPs throughout all the priority axes of the OP HR. An opportunity to submit a request for granting non-repayable financial contribution electronically will also become a priority. Enhancing of quality of elaborated intends of national projects, as well as enhancing of quality of evaluation process will be emphasised, too. At the same time, competence requirements for assessors will be more stringent. On top of already introduced electronic selection of assessors by the lot the MA will require an opportunity for them to enter the ITMS2014+ system in order to be able to deliver their evaluation by the remote access.

**Participatory approach** to the preparation of calls, taking into accounts the needs and requirements of the practice. The MA and the IB have already participated in joint activities



under the National Effective Civil Society Initiative project in the implementation and monitoring of the ESIF by implementing participatory procedures. In the second half of the implementation of the OP HR therefore, they will ensure the preparation of measures in a participatory way, in cooperation with representatives of non-governmental sector and with the participation of a wider spectrum of organizations, institutions and persons from practice or research. It is expected that this approach will help ensure a well-targeted applicant who can correctly reflect on calls that will respond to the needs and requirements of the practice.

## PRIORITY AXIS 1 - Education

### State of play to 28/2/2018 from EU resources

Investment Priority (IP)	Overall Allocation PA 1 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
1.1	221 452 951	63 894 176	28,85%	4 362 083	1,97%
1.2	97 670 000	27 577 230	28,24%	1 633 825	1,67%
1.3	84 552 862	2 578 339	3,05%	12 947	0,02%
1.4	55 070 696	155 397	0,28%	0	0,00%
<b>Spolu</b>	<b>458 746 509</b>	<b>94 205 142</b>	<b>20,54%</b>	<b>6 008 855</b>	<b>1,31%</b>

**IP 1.1** Reduction and prevention of early school dropouts and support for access to quality pre-school, elementary and secondary education including formal, informal and common methods of education with a view to re-inclusion in education and training

**IP 1.2** Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality, including through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work-based learning systems, including dual learning systems and apprenticeship schemes

**IP 1.3** Improving the quality and efficiency of, and access to, tertiary and equivalent education with a view to increasing participation and attainment levels, especially for disadvantaged groups

**IP 1.4** Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences

The above financial uptake is at the level of 6.19 % of the milestone for 2018. In 2018, it is planned to conclude contracts in the amount of 174 914 235 EUR and the financial uptake is estimated at 34 800 541 EUR.

Implementation of 3 NPs is currently underway: *Dual education and improving the attractiveness and quality of VET; School open to all; IT academy - education for the 21<sup>st</sup> century*. The contracted amount equals to 70 867 180 EUR, thus representing 15.5 % of the PA 1 total allocation.

As of 16/02/2018, 266 project were contracted in the framework of 2 DDCs (*More successful in elementary school; Do not get disqualified!*). The contracted amount equals to 23 337 962, thus representing 5.09 % of the total PA 1 allocation. The financial uptake will be effective in the course of 2018.

Up to now implementation including contraction and spending rates has been influenced by the focus on the preparation of national projects, which in the long run negatively affected the progress in implementation and the preparation of demand-driven calls. Of the total number of 8 approved national project's intent, the Ministry of Education has decided not to further implement 4 national projects but to cover the project themes through the demand-driven calls (eg support of the preparation of future pedagogical and professional staff). Based on this experience and in order to maximize the benefits for education participants within the priority areas, the MoE will focus starting in 2018 on increased support of the demand-driven calls.

The preparation and set-up of calls is closely related to the process of preparing and using simplified expenditure reporting (SCO) to simplify implementation on both parts - on the part of the beneficiary and as well on the part of the MoE. The MoE uses the SCO in the form of a delegated act the approval of standard EP unit cost levels, which takes an average of approximately 12 months, and the conditions of use of the SCO must be defined directly in the call / call.

At the end of January 2018 the Action Plan to Enhance Transparency in the Implementation of the PO 1 OP HR which aims to strengthen not only the transparency but as well the implementation of PO 1.

### **Planned actions**

The document Learning Slovakia for forthcoming next 10 years was published in 2017. The document formulates the changes and goals to be fulfilled to meet the challenges of Slovak education system. Following this document the MoE prepares a National Program for Development of Education and Training, which will take the form of multi-annual action plans.

.. Preparation of these documents is currently in the process of elaboration. Legislative measures in regional education, higher education or further education will also be included in the documents.

It is in the interest of the MoE to link NPDET measures with the implementation of PA1.

Based on current and prospective needs, setting of PA1 - - setting of specific targets, participants in educational activities at all levels of the education system, including LLL the MoE has determined the following priorities for the PA 1 implementation in the forthcoming years:

1. Education for labour market needs (employability):  
e.g.:
  - supporting career and educational counselling
  - supporting the linkage between vocational education and training and the practice
  - improving the quality of vocational education and training
  - supporting business skills
  
2. Improvement of study results and inclusion  
e.g.:
  - supporting PISA literacy
  - supporting global education and Agenda 2030
  - improving the quality of education
  - supporting inclusive activities
  
3. Result-oriented higher education  
e.g.:
  - supporting the creation and implementation of professionally oriented bachelor programs
  - supporting IT skills
  - removing barriers to access to university education

4. Increasing the professional competencies of pedagogical and professional staff and increasing the attractiveness of the teaching profession  
e.g.:
  - improving the preparation of future pedagogical and professional staff
  - increasing the professional competencies of pedagogical and professional staff
  
5. LLL including non-formal education  
e.g.:
  - setting up a non-formal learning recognition system (validation of results)
  - improving the quality of further education
  - Supporting increased participation of adults in further education

Within the framework of the planned measures, the EC initiatives for lagging regions and transforming coal-fueled regions will also be supported in individual areas.

. The strategy of approach in implementing these priorities lies in creation of direct correlation of published call for the NP and DDCs (if relevant). Calls will be published in synergy and in relation to the particular topic, or area of defined priority. The aim is to make one NP synergic and complementary to multiple DDCs, while focus will be given on publishing DDCs.

The aim of promoting these priorities in the field of education is to contribute to quality and accessible education and to enhance the efficiency and effectiveness of the PA 1.

From the allocation of the PA1 at the current level of contracting still remains 287mil. EUR (EU resources) available, taking into consideration the allocation of announced DDCs.

Thematic priority / area of support	Allocation in mil. EUR	Forecasted contracting in mil. EUR		
		2018	2019	2020
Education for labour market needs (employment)	70,00	5,00	26,00	39,00
Improvement of study results and inclusion	68,00	13,00	21,00	34,00
Result-oriented higher education	82,00	5,00	32,00	45,00
Increasing the professional competencies of pedagogical and professional staff and increasing the attractiveness of the teaching profession	40,00	5,00	15,00	20,00
LLL including non-formal education	27,00	14,00	5,00	8,00

Meeting the n+3 rule	2018	2019
Expected drawdown of funds in PA1 <sup>3</sup>	35 000 000	153 000 000

The aim of the MoE is to conclude the remaining funds by the end of 2020. Depending on the success rate of the implemented projects (eg project delays, projects completed exceptionally, etc.), they will also use possible free sources even after 2020.

<sup>3</sup> IB in cooperation with MA will try as much as possible to get closer to the target amounts that are scheduled in the performance framework in the year. 2018

Contracts in 2018 will contribute to an increase of spending in subsequent years of implementation (since it will be contracted mainly in the fourth quarter of 2018). This also influences the achievement of the partial objectives of the values of the indicators in the performance framework, in particular the financial indicators.

### **Proposals for the OP HR Amendment**

The MoE identified the need to adjust the performance adjustment of PA 1, i.e. to adjust the values of the financial performance indicators and performance indicators focused on inclusion that exceed the milestone value, as well as to allocate the allocation to inclusion to the more developed region, and to adjust the allocations to other themes in the more developed region, while focusing of the priorities and activities within the PA 1 reflects current and prospective needs in the field of education, including specific recommendations for the NPR. It is important that the planned and implemented measures are in accordance with this setting.

Further proposed changes result from the needs identified on the basis of implementation practice so far. They serve to better define individual measures. The main PA Education modifications include, in particular, addition of reading literacy and narrative competences among the types of literacies under the specific objective 1.1.1, as well as modifying the wording of the specific objective 1.2.1 in accordance with the terminology used in legislation and with the needs of implementation practice (the VET practitioner's point of view is not only the dual education system but also the study and learning disciplines, in which it is not possible to introduce a dual education system) and the possibility of using financial instruments. As a part of activities, the MESRS plans to complement specific activities supporting the EC initiatives focused on lagging regions and initiative for transforming coal regions.

## PRIORITY 2 – Youth Employment Initiative

### State of play to 28/2/2018 from EU resources

Investment priority (IP)	Overall Allocation PO2 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
2.1	206 715 082	164 537 498	79,60%	23 340 286	11,29%

**IP 2.1** Sustainable integration into the labour market of young people, in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee

The above financial uptake is at the level of 17.96 % of the milestone for 2018. In 2018, it is planned to conclude contracts in the amount of 50 million EUR and the financial uptake is estimated at 120.7 million EUR.

Implementation of 7 NP is currently under way: *Through practice to employment; Graduate practice starts employment; Successfully at the labour market; The chances of employment for youth; Education of young jobseekers; RESTART for young jobseekers; Selected active labour market measures for young jobseekers.* The amount of contracted funds is EUR 163,909,804, which represents 79.29% of the PA 2 total allocation.

Only 6 projects were contracted in the framework of published DDCs (*Support of selected groups of young people when entering the labour market; New or innovative programs to improve self-employment of young people; Support for young people to enter the labour market; Activation and support of young NEETs*). The contracted amount equals to 627 693 EUR, thus representing 0.30 % of the PA 2 total allocation.

The calls to the DDC aimed at supporting the entry of selected young people into the labour market and improving the self-employment of young people were not successful, mainly due to the misconduct that limited the participation in the planned measures for jobseekers, with the condition of minimum length of registration at the labour office. The evaluation of the projects submitted under the call for support and activation of young NEETs is under way. In contrast to the first two calls, many more requests were received but the evaluation process suggests that many applicants did not achieve the minimum score required.

### Planned actions

As far as youth unemployment is concerned, public employment services have **limited capacities** for early intervention and **individual adaptation of services** by profiles of job seekers as well as for **capturing unregistered young people**. In line with the Youth Guarantee objectives it is therefore necessary to act in these areas. Priority will be given to providing specialist support to young people in order to help them find the right opportunities, prepare to find and maintain jobs through holistic services for young people who left the school, are unemployed and face barriers to find a job. The aim is to group together more effectively services they will be offered and to develop a mechanism to help them to keep an interest in continuing lifelong learning. In an effort to capture the widest range of inactive young people and unemployed young people with low qualifications, the MA will work with representatives of civil society and local and regional governments on the basis of regular

workshops. The aim will be to identify examples of good practice, applicable in the wider context of the calls aimed at this target group. At the same time the MA will be inspired by the experience of some EU Member States in the application of using so-called "Template calls" - calls with predefined measures, the preparation of which is understandable and simple for potential applicants, which also confirms the experience with the calls have made so far in the PA2. Potential applicants are small NGOs and small self-governments, often with the presence of MRK

At the current level of the concluded contracts there are 42 million EUR left from the PA 2 allocation. It is assumed that the COLSAF will not succeed in spending of 58 million EUR. This is due to the fact that the initial set-up of some national projects was based on a much higher number of young unemployed registered persons. After the change in the labor market situation, the set values of the indicators in the projects have become unrealistic. Thus there are 100 million EUR of the EU support available for the planned measures.

After assessing effectiveness of measures implemented so far, the MA will focus on

Thematic priority / area of support	Allocation in mil. EUR	Expected contraction in mil. EUR		
		2018	2019	2020
Successfully implemented national projects aimed at supporting young people who are provided with individual counselling, mentoring, incorporation and the possibility of increasing work and professional skills.	63	63	0	0
Support of the preparation of the jobs for long-term unemployed and low-skilled young people - DDC	10	0	10	0
Support of tracking and activation of unregistered young NEETs -DOC	10	3,6	6,4	0
Specific projects for Eastern Slovakia	17	0	17	0
Support of cooperation between labour offices and representatives of business sector in identifying opportunities to raise the skills of young people needed for their employment in an area, which was not a subject of their studies (e.g. sector of ICT).	under the existing measures			

Meeting the n+3 rule	2018	2019
Expected drawdown of funds in PA2	76,25	114,75

### Proposals for the OP HR Amendment

According to the above evaluation of the PA 2, there is no need for fundamental changes to its setup. The MA proposes to modify the name of the specific objective 2.1.1 so that it is in line with the Youth Guarantee (the specification of "job seekers" will be deleted) and the

condition for the length of jobseeker's registration at the labour office will also be reduced. The MA will also suggest reduction of target values in case of measurable indicators for long-term unemployed participants and addition of measurable indicators for inactive participants (non-registered young NEETs).



## PRIORITY AXIS 3 – Employment

### State of play to 28/2/2018 from EU resources

Investment Priority (IP)	Overall Allocation PA3 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
3.1	710 924 737	483 864 617	68,06%	185 239 925	26,06%
3.2	50 000 000	57 500 000	115,00%	9 179 905	18,36%
3.3	35 000 000	20 540 548	58,69%	1 971 293	5,63%
<b>Total</b>	<b>795 924 737</b>	<b>561 905 166</b>	<b>70,60%</b>	<b>196 391 123</b>	<b>24,67%</b>

**IP 3.1** Access to employment for jobseekers and inactive people, including the long-term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility

**IP 3.2** Equality between men and women in all areas, including in access to employment, career progression, reconciliation of work and private life and promotion of equal pay for equal work

**IP 3.3** Modernisation of labour market institutions, such as public and private employment services, and improving the matching of labour market needs, including actions that enhance transnational labour mobility as well as mobility schemes and better co-operation between institutions and relevant stakeholders

The above financial uptake is at the level of 99.31 % of the milestone for 2018. In 2018, it is planned to conclude contracts in the amount of 193 million EUR and the financial uptake is estimated at 133 million EUR.

Implementation of 20 NPs is currently under way (3 NPs to support the employment of jobseekers through selected ALMMs; 2 NPs aimed at supporting the employment of disabled citizens; 2 NPs providing childcare allowances; Chances for employment; Way out of the unemployment circle; We want to be active at the labour market (50+); Involvement of the unemployed in restoration of cultural heritage; Centre of social dialogue 2; Searching for jobs together; Placing of long-term unemployed at the labour market using non-governmental employment services; The way to the labour market; RESTART – an opportunity for LTU to come back to the labour market; Support of individualised counselling for LTU jobseekers; Forecast of the labour market in Slovakia; Education for jobseekers; Financial instruments implemented in the frame of PA 3). The contracted amount equals to 561 905 166 EUR, thus representing 70.60 % of the PA 3 total allocation.

No contracts have been signed in the framework of the published DDCs (*support of reconciliation of working and family life*). In December 2017 the DDC aimed at development of sectoral skills was published. There are calls under preparation. It shall *support job creation for LTU*, development of regional and local employment through *social economy actors*, as well as obtaining *qualifications for carers providing care for children in the sphere of the social services and support for child care in the system of the social services*.

## Planned actions

At the current level of concluded contracts there are 234 million EUR left from the PA 3 allocation. The employment activities of ALMM will be based on evaluating ongoing projects, taking into account the IFP management's conclusions and value for money. Approved AP LTU declares that its activities will be funded mainly from ESF funds. In order to secure this plan and its innovative activities, providing in particular individual services for LTU, will be used from ESF approximately 105 mil. EUR. This will be built on a wide range of measures already realized or planned to address unemployment, social exclusion and disadvantaged communities in the Slovak Republic, what in total represents about 2/3 of 2.2 billion EUR of ESF allocation to the OP HR.

After assessing the effectiveness of the measures implemented so far MA will focus on :

Thematic priority / area of support	Allocation in mil. EUR	Expected contraction in mil. EUR		
		2018	2019	2020
Comprehensive support for the development of the social economy through information and counselling activities of the NP, through the DDC aimed at support of the LTU employment unemployed and in the form of financial instruments	37,5	7,5	25	5
Support of projects in the field of active labour market policy, supporting the participation of disadvantaged people in the labor market, including targeting training, promotion of the improvement of the labour offices work delivery and of the single contact points for LTU and for young people	72, 5	122,5	0	0
Support of job creation for the LTU by the means of the DDC	5	1,5	3,5	0
Anticipating the impact of Industry 4.0 (Intelligent Industry for Slovakia), sectoral innovations and digital transformation on the key skills of employees and jobseekers in order to provide qualified workforce for the effective use of digital technology at the level applied in the labour market	30	21,5	6,5	2
Support of the adaptability/adapting of staff to changing labour market/job conditions;	70	0	12	8
Support of reconciliation of working and family life and support of capacity building for the care of minors (up to 3 years)	19	3	16	0

Meeting the n+3 rule	2018	2019
Expected drawdown of funds in PA3	300,25	414,9

## Proposals for the OP HR Amendment

Support measures in the field of **adaptability** will require minor modifications to the OP HR. to create the conditions for correctly targeting projects to anticipate the change, improve adaptability to changed conditions, adapt workers to these changes, and support job-preservation as well as job creation, which offer new sources of growth. These changes will be of particular importance with regard to changes in regions (such as Upper Nitra), which will face restructuring in the near future due to changed labor market conditions. In the PA 3, adaptability is mentioned as one of the effective tools for employment support. In order to make the issue of adaptability more visible in the OP HR, we propose to change the name of the specific objective 3.1.2 to include natural persons (employees) among the recipients and to give the separate examples of adaptability measures as examples of activities. Results of the specific objective 3.1.2 have been drafted in the following manner: *maintenance of jobs, creating new jobs, maintaining jobs for people at risk of dismissal; increased skills for adaptability of workers and adaptation of workers, enterprises and entrepreneurs to changes; improving the adaptability of employees and enterprises by better identifying the sectoral need for skills in the labour market and demand for qualified workforce.* In line with the expected results, examples activities in the PA 3 have been set: *support for systemic change and innovative solutions to provide the necessary mobility for employment, adaptability of employees and businesses; activities to anticipate change, adaptability to changed conditions, adaptation of workers, enterprises and entrepreneurs to these changes; programs related to the increase of employees' skills for the requested or notified adaptation to changed conditions.*

In connection to the promotion of **social economy and social enterprises**, it will be necessary to complement the types of beneficiaries under specific objectives 3.1.1 and 3.1.2 so as to include the following beneficiaries: legal persons associations, non-investment funds, social purpose church facilities, non-profit organizations providing generally beneficial services, companies, cooperatives and other employers. This will ensure compliance with the adopted legislation. It will also be necessary to add and modify examples of activities, e.g. *to support social economy actors to strengthen structurally stable employment.* Measurable indicators in the PA 3 will also include the common output indicator Number of micro-enterprises supported, small and medium-sized enterprises (including co-operative societies and social economy enterprises).

## PRIORITY AXIS 4 – Social inclusion

### State of play to 28/2/2018 from EU resources

Investment Priority (IP)	Overall Allocation PO4 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
4.1	152 214 301	75 371 592	49,52%	16 369 925	10,75%
4.2	142 484 990	67 145 104	47,12%	30 584 627	21,47%
<b>Total</b>	<b>294 699 291</b>	<b>142 516 696</b>	<b>48,36%</b>	<b>46 954 552</b>	<b>15,93%</b>

**IP 4.1** Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability

**IP 4.2** Enhancing access to affordable, sustainable and high quality services, including health care and social services of general interest

The above financial uptake is at the level of 82.08 % of the milestone for 2018. In 2018, it is planned to conclude contracts in the amount of 108 million EUR and the financial uptake is estimated at 32 million EUR.

Implementation of 7 NPs is currently underway: *Support of selected social services of crisis intervention at community level; Support of care services; Field social work in municipalities I; Support of the development of social work in the family environment of clients in the field of social affairs and family (Effectiveness II); Creation of new and innovated standardised clinical practice and its implementation in medical practice; Promoting protection of children from violence.* The amount of contracted funds is 134 949 380 million EUR, which represents 45.79 % of the PA 4 total allocation.

29 projects were contracted in the framework of published DDCs (*Support of social protection measures in an open environment and more effective socialisation of drug and other addicts; Support of social and legal protection of children in replacement family care; Support of social protection measures for children in natural family environment; Education for employees of representative organisations for persons with disabilities in the field of implementation of rights of persons with disabilities; More effective current and implemented new instruments aimed at enhancement of activity of person at risk of poverty and social exclusion; Development of new equipment supporting social integration of persons with disabilities*). The contracted amount is 67 316 million EUR, thus representing 2.57 % of the PA 4 total allocation. The MA continuously analyzes the reasons of low interest of potential applicants for participation in the DD calls to what regular meetings of representatives of all stakeholders involved in the preparation and implementation of the calls are organized. The MA will also invite representatives of the civil sector to identify themes and set the calls in the future in order to ensure that the calls match the expectations of potential applicants and are in line with the requirements of practice.

### Planned actions

The institutional care was considered the most appropriate way to care for children and adults with different needs in the past. However, both Slovak and international experience shows that institutional care does not allow such a quality of life as quality services in the community. In addition, institutional care often means lifelong social exclusion and

segregation. Apart from the actual implementation of the transition from institutional to community care, it is also necessary to strengthen the systemic assessment of the progress and effectiveness of this transition.

In order to set up quality, effective, and efficient support for **residential care** ("POS") in the future, it is important to search for answers to what objectives and priorities it should contribute and how to implement them. Discussions with representatives of public and private care providers have shown that demand driven calls for projects using unit costs should be preferred when setting up POS measures. The new setting will support the social inclusion of vulnerable people in their natural home environment through available field care social services.

In addition to abovementioned two thematic areas in accordance with the objectives of the OP HR will be supported measures in the field of social inclusion already identified in the action plan, prepared by the expert guarantor, which is the Social and Family Policy Section of the Ministry of Labor and Social Affairs of the Slovak Republic.

At the current level of the concluded contracts there are 152 million EUR left from the PA 4 allocation.

After assessing the effectiveness of the measures implemented so far, MA will focus on.

Thematic priority / area of support	Allocation in mil. EUR	Expected contraction in mil. EUR		
		2018	2019	2020
Support of deinstitutionalisation processes, including transformation teams and support of deinstitutionalization of establishments	50	5,5	30	14,5
Support of the provision of residential care by means of the DDC and support of the development of residential care in small villages in the form of NP;	40,2	23,9	16,3	0
Support of the prevention and elimination of discrimination by means of the DDC aimed at counselling and education, and by means of the NP in the field of gender discrimination;	15	6	5	4
Support of integration of people with disabilities, including the promotion of universal design, by means of the DDC and the NP	10	1	3	6
Support for projects providing protection and prevention of child discrimination, their social inclusion and the strengthening of equal opportunities for children with non-standard development, including support for the integration of children of migrants	7,2	6,5	0	0,7
Support of the DDC to increase activity of people at risk of poverty and social exclusion;	15	3	4	8
Support the integration of persons released from the enforcement into society	10	10	0	0
Development of quality social services	2,6	2,6	0	0
Support of creation of new and innovative procedures	2	2	0	0

for prevention and their introduction into medical practice				
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Meeting the n+3 rule	2018	2019
Expected drawdown of funds in PO4	77,6	120,8

### **Proposals for the OP HR Amendment**

In a view of the aforementioned evaluation of the PA 4 implementation, no major changes to its setup are necessary. A new indicator will be proposed: *Number of participants who have successfully undergone non-discrimination training*, including its target value. Also expand the list of eligible beneficiaries with the new two types of beneficiaries - CEDA and universities. The reason for this change is the ratification of Art. 2 of the UN Convention on the Rights of Persons with Disabilities through which the Slovak Republic in 2010 committed to its legislative and practical implementation under the conditions of the Slovak Republic.

## PRIORITY AXIS 5 – Integration of Marginalized Roma Communities

### State of play to 28/2/2018 from EU resources

Investment Priority (IP)	Overall Allocation PO5 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
5.1	139 000 000	69 485 161	49,99%	931 050	0,67%
<b>Total</b>	<b>139 000 000</b>	<b>69 485 161</b>	<b>49,99%</b>	<b>931 050</b>	<b>0,67%</b>

**IP 5.1** Socio-economic integration of marginalized communities such as the Roma

The implementation of 5 NPs is currently underway: *Field social work I.; Community centres; Land consolidation assistance I; Monitoring and evaluation; Healthy communities.* The amount of contracted funds is 52 678 553 EUR, which represents 37.90 % of the PA 5 total allocation.

144 projects were contracted in the framework of published DDCs (*Civil neighbourhood watch; Provision of mentoring and tutoring for MRC pupils with an emphasis on successful graduation and gradual transition to secondary schools*). The contracted amount equals to 16 720 923 EUR, thus representing 12.03 % of the PA 5 total allocation.

There was the call for the NP *Pre-primary education for children from MRC* published in December 2017, with an allocation of 19 718 749 EUR and the deadline as of 31 May 2018. It is expected to support projects in the total volume of 5 million EUR within the DDC aimed at mentoring and tutoring.

As part of the implementation of the NP Community Centers, a problem was identified with the insufficient number of municipalities involved. The reason is, that municipalities do not currently have a suitable building of the community centre, but also, that for the involvement of the municipalities in NPs the criteria for the involvement of the CC in NP have to be met, either as qualification requirements for community workers set in the invitation to the NP.

### Planned actions

Strategy of the PA 5 implementation was originally set in order to ensure the jointly coordinated process through the implementation of national projects. Based on the experience with the implementation of the PA5, in relation to the strategic documents on Roma Inclusion, it can be stated that the strategy of the implementation PA5 has not changed and it is in compliance with the updated Action Plans for Roma Inclusion 2016 – 2018, which are based on the *Strategy of the Slovak Republic for Roma Inclusion by 2020*. Implementation of comprehensive programme packages “Take away” has been set as the most effective by the means of the NPs, providing a guarantee that reasons for failure (*high administrative burden of the EU funded programmes combined with the absence of local capacity in municipalities, high competition in funding or municipalities' inability to co-finance programmes*) identified at the OP level will be eliminated as much as possible.

At the review stage there is an alternative that, after the end of the first phase of the NP (most of them ending in 2019), NP (not including NP Monitoring and Evaluation of Inclusive Policies and Healthy Community NP) will continue in the second phase, aiming at creating the necessary methodology and coordination and completing their challenges to the DDC for the designated 150 municipalities. before the first phase of the NPs is completed, the analysis of the above mentioned alternative will be carried out on the basis of their evaluation, which will also assess the risks that may be associated with such a setting (*e.g. more difficult setting and coordination of the calls for NP and DDCs, limited demand by municipalities due to the necessity of min. 5% co-financing, higher administrative difficulty for municipalities when submitting requests for non-refundable financial contribution, correct timing for the NP and demand driven projects implementation*).

At the meeting of the Commission at the MC for PA 5 and 6, on 24<sup>th</sup> April 2018 was approved the modification of the criteria for involvement of KC in NP. On the basis of the documents from the beneficiaries of the NP and the reality of realization of community work in the field, it is necessary; in order to involve more KC in the NP in the case of municipalities with less pronounced representation of MRC, to reduce the criterion of MRC representation in municipalities. The number of municipalities where there was a limitation to 1KC involved into the NP KC has been extended by possibility of involvement of 2 KC.

On the basis of an assessment of the call for local civil service (LCS) and its impact on the area of employment and employability of MRC members, is IB considering the preparation of an announcement of the further call to the LCS. Within the framework of announced calls is IB creating a space for non-profit sector organizations and other entities to submit the proposals on improvement of educational level of pupils from MRC according to the specific conditions of the site/region. Therefore, the IB is preparing calls for grants for pupils of high schools from MRC.

In order to ensure synergies with the DDC under the PA 6 in the area of improvement of the housing conditions, the DDC aimed at creating positions of housing assistants will be published within the PA 5 at the end of 2018. Similarly to the DDC supporting the civic neighbourhood watch services, such DDC also represents a potential for support of employment in the MRC.

On the basis of an external input, the IB considers the preparation of DDCs aimed at supporting the position of the door-keeper ("preventers") and at supporting the further education of school graduates (members of MRC). After completing formal education the graduates are often not interested to register as jobseekers. Thus they cannot react to the labour offices offer of vacancies, or their offer for preparation for future employment. In a view of the specifics of this target group, it is necessary to provide training support that will enable them to acquire basic skills helping them to remove barriers and concerns or fears of active labour market integration.

After assessing the effectiveness of the measures implemented so far, IB will focus on

Thematic priority / area of support	Allocation in mil. EUR	Expected contraction in mil. EUR		
		2018	2019	2020
Field social work and fieldwork in municipalities with MRK	10	-	-	10



Community centres in towns and municipalities with MRC presence	7	-	-	7
Land settlement support in MRC	1	-	-	1
Monitoring and evaluation of inclusive policies and their impact on MRC	-	-	-	-
Healthy Communities 2A	7	-	-	7
Support of pre-primary education of children from MRC	24	16	-	8
Local civil order service	2	2	-	-
Mentoring and tutoring	5,00	2	3,00	
Scholarships	3,00	-	2	1
Housing support - assistance	2,50	-	2,00	0,50

Meeting the n+3 rule	<b>2018</b>	<b>2019</b>
Expected drawdown of funds in PO5 <sup>4</sup>	18	56

### Proposals for the OP HR Amendment

The current setting of PA 5 is adequate in relation to the set activities. The IB envisages reaching the sub-target of 2018 in the case of two performance framework indicators. However, fulfilment of the financial indicator is only real if the amount of the measurable indicator is reduced. Therefore, the IB will propose its reduction in the revision of OP HR.

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<sup>4</sup> IB in cooperation with MA will try as much as possible to get closer to the target amounts that are scheduled in the performance framework in the year. 2018

## PRIORITY AXIS 6 – Technical facilities in municipalities with presence of marginalized Roma communities

### State of play to 28/2/2018 from EU resources

Investment Priority (IP)	Overall Allocation PO5 [EUR]	Contracts Concluded [EUR]	% (3/2)	Spending [EUR]	% (5/2)
1	2	3	4	5	6
6.1	228 165 118	47 681 392	20,90%	4 468 658	1,96%
6.2	15 521 437	1 535 516	0,67%	0	0,00%
<b>Total</b>	<b>243 686 554</b>	<b>49 216 908</b>	<b>20,20%</b>	<b>4 468 658</b>	<b>1,83%</b>

**IP 6.1** Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas

**IP 6.2** Providing support for social enterprises

162 projects were contracted in the framework of published DDC (*Call for the construction and reconstruction of the Kindergartens; Reconstruction and construction of community centres; Supporting access to drinking water in the areas of segregated and segregated marginalized Roma communities; The call to build, or to completion of the system of sorted garbage collection and garbage disposal for municipal waste and implementation of remediation works of illegal landfills, including the elimination of adverse impacts of an illegal landfill; Construction of new Cultural centres (CC) in municipalities with the presence of marginalized Roma communities, modernization and reconstruction of CC in municipalities with the presence of marginalized Romany communities, reconstruction of objects for the establishment and operation of the CC*) The contracting amount equals to 37 681 392 EUR, thus representing 15.46% of the PA 6 total allocation.

Within the PA 6 is implemented the project *Financial Instruments* contracted at 11 535 516 EUR represents 4.73% of the PA 6 total allocation.

From the above calls, it is possible to indicate successful calls in terms of the number of NRFC applications submitted and subsequently approved projects and contracted funds:

- an open call for the construction and reconstruction of community centers for selected 125 municipalities (EU funds allocation of EUR 15 million, 81 applications for NRFCs (of which 62 original applicants / municipalities) amounting to 19.4 million EUR, hitherto agreed amount EUR 8 million, 3.5million EUR currently in the contract preparing phase)
- an open call for the construction and reconstruction of community centers for the other 1043 municipalities of the Atlas of Roma Communities 2013 as well as for applicants from the non-profit sector (for EU funds allocation of EUR 15.8 million, in the first round of 54 applications for NRFC 10.6 million EUR currently in the contract preparing phase are 35 projects in amount 6.7 mil. EUR from the first round)
- the current open call for collection and removal of waste and the remediation of illegal landfills (allocation of EUR 13.16 million; in the two evaluation rounds, the number of 148 NRFC applications worth EUR 19.4 million, contracted funds worth 4.37 million EUR; the remaining EUR 12.5 million currently in the approval process)

On the contrary, it can be said that in the following calls for the reconstruction and construction of kindergartens and a call to promote access to drinking water, demand largely lagged behind expectations of the IB. Based on experience and demand, which has been identified by a questionnaire survey on municipalities, the IB has come to the announcement of this call as the first one within the scope of possible PA 6 activities. The report below shows the development of approval of NRFC applications by individual evaluation rounds.

Overview of the development of the call on the kindergarten by individual evaluation rounds

Evaluation round	Submitted	<i>Received uniquely*</i>	Approved
1.	33	33	11
2.	33	18	23
3.	30	24	15
4.	37	16	29
5. final round	13	7	7
Together	146	98	85

*\*applications on NRFC that have not been submitted again*

This report shows the downward trend of the unique NRFC applications received, which led the IB to close the call.

The Plenipotentiary Authority for the Roma Communities realized a survey and analysis of reasons of low interest in the calls. Based on the responses of 282 municipalities (26% out of the 1071 addresses) the main reasons for the absence can be considered:

- the village does not meet the set of conditions of the call (the municipality does not own the kindergarten, it only rents it, the land is not organized, the labour inspectorate fine, the MRC is not enough represented);
- the municipality is involved in other calls / projects,
- village does not see the necessity of construction / reconstruction of kindergartens,
- the municipality has no resources for co-financing,
- low benchmarks.

In the next call, municipalities are proposing to adjust benchmarks, simplify the terms of the call and provide stronger support for applicants when preparing a NRFC application. The IB prepares a new call, taking into account the findings of the survey in order to increase the demand and attractiveness of this type of call.

Another not a very successful call in terms of the number of NRFC applications submitted and the amount of funds contracted is the call to promote access to drinking water. The IB changed the call and simplified setting of conditions and also communicated the call through various channels of communication, expecting a higher interest which was not confirmed. A deeper analysis of low interest will be done after evaluating projects from the nearest rounds. From the previous communication with the applicants a serious obstacle to involvement into a call is the unsettled land of municipalities, the difficulty of the conditions that must be fulfilled within the permitting processes with the competent authorities that are necessary for accessing drinking water from underground or surface sources. As in the call for the

reconstruction and construction of kindergartens, this in-depth analysis will be carried out in the form of a questionnaire in municipalities.

## Planned actions

Strategy of the PA 6 implementation has not changed and it is in compliance with the updated Action Plans for Roma Inclusion 2016 – 2018, which are based on the *Strategy of the Slovak Republic for Roma Inclusion by 2020*.

After reviewing the effectiveness of the measures implemented so far, the IB will focus on

- continuing successful open calls for the reconstruction and construction of community centers and collection, removal of municipal waste and remediation of illegal landfills;
- announcement of the call for DDP focused on improved housing for municipalities with MRC with elements of transient housing;
- a call for a PDO aimed at completing road transport in MRK; a call for support for social enterprises;
- re-announcement of the DDP call for the construction and reconstruction of kindergartens in a version reflecting the conclusions of the already closed calls for kindergarten;

Contracting plan for remaining allocation by area of support under priority axis 6

Thematic priority / area of support	Allocation in mil. EUR	Forecasted contracting in mil. EUR		
		2018	2019	2020
Handling of municipal waste	14	9	5	0
Water supplies for human use	16	2	6	8
Infrastructure of education and care of children in pre-school years	33	10	16	7
Infrastructure in the area of housing	61	0	45	16
Support of social enterprises	13	0	13	0
Local roads	11	0	11	0
Other social infrastructure that contribute to regional and local development	22	10	13	0
Sewage treatment	17	0	8	9

Meeting n+3 rule	2018	2019
Expected spending of financial resources in PA 6 <sup>5</sup>	29	66

(the table is in mil. Eur; EU resources)

Considering the indicative PA 6 allocation, according to individual interventions in the OP HR (see Section 2.7.6, Table 7 OP HR), the IB will continuously monitor their financial uptake in particular calls and at the same time consider the transfer of under-drawn allocations

<sup>5</sup> IB in cooperation with MA will try as much as possible to get closer to the target amounts that are scheduled in the performance framework in the year. 2018

into calls with higher potential of financial uptake (under the provision that the OP binding indicators will be met).

In order to increase the attractiveness of calls it will be a constant interest of the IB to simplify the conditions for the provision of the contribution in the announced calls and also to simplify the process of submitting the application (electronization) itself.

### **Proposals for the OP HR Amendment**

The IB expects to fully meet the 2018 sub-target for the performance framework indicator *Number of persons using improved housing forms*. The value of the indicator *Increased Population with Improved Drinking Water Supply / Increased Population with Improved Water Supply* will need to be adjusted in the context of the OP HR revision as its original value has not been set correctly. After revision, this indicator is expected to be met at least at 85 %. Taking into account the investment character of PA 6 activities and the persisting problems arising from the current situation on the construction market (lack of construction capacity, higher price in construction) and related lengthy and unsuccessful public procurement (out of 96 underwritten contracts under review, 30 negative results) and other reasons the lack of progress in meeting the financial indicator means a high risk of non-fulfillment. Fulfilling the financial indicator at a level of at least 75 % is real only if the financial indicator will be decreased. The IB therefore proposes to reduce it in the framework of the revision of OP HR.

### **Proposal for the PA 5 and PA 6 amendments**

- modification and completing of the programme indicators (*changing the definitions on grounds of alignment with the legislation, modifying the measurement unit, baseline year, target values completing of specific programme indicator to monitor the fulfilment of OP objectives in a wider context*);
- definition of the target group for selected interventions in the PA 5 and for all interventions in the PA 6;
- extension of the target group to all municipalities of Atlas RC 2013 outside the Bratislava region;
- completing the type of activities (*e.g. in the PA 5 extension of assistance services and in PA 6 reconstruction of other buildings, establishment of kindergarten etc.*)
- expanding the use of the social aspect in public procurement (*enabling the employment of unemployed / inactive persons from MRK with emphasis on long-term unemployed persons, enabling the social aspect to be used not only for manual work on construction but also for mental work e.g. in project management*).

## **SYNERGIES BETWEEN THE OP HR PRIORITY AXES**

The existing regulation (setting) of particular priority axes of the OP HR fully reflects the possibilities of complementarity and synergies of particular actions. Complementary are the area of the support of regional education, MRC, as well as the connection of the labour market demands with education, including the lifelong learning.

For the area of the supporting the inclusion of MRC was, for the purpose of effective mutual communication of the public authorities and another subjects by implementation of the NP funded by ESIF, established the *Coordinative committee of national projects for MRC*.

The common intent of specific objectives 1.1.1 and 5.1.1 is to support inclusive education. Within the specific objective 5.1.1, priority is given to pre-primary education, which is, in especially for MRC children crucial to successfully continue in education at further levels of the school system. The mentoring and teaching activities financed through Specific Objective 5.1.1 have a significant potential to contribute to the specific objective 1.1.1 which is also to improve the pupil's outcomes and competencies. Promoting employment and employability of MRC implemented in the framework of 5.1.2 under NP and DDP (and partly in 5.1.3 in Healthy Community 2A NP) by providing social and assistance services contributes to the achievement of specific objective 3.1.1, which is increasing employment and employability and reducing unemployment with an emphasis on a long-term unemployed and low-skilled, by preparing the DDC (in area of pre-primary education, mentoring and tutoring) is particularly important the proper assessment of dividing lines, in order to exclude the support for the same activities. Because of that, the regular meetings of the representatives of MA and both IB are held with the aim of setting the dividing lines.

Significant synergies within OP HR are synergies and complementary effects between PA 5 and PA 6. Infrastructure projects implemented through PA 6 provide important infrastructure for PA5 activities such as community work, support for pre-primary education, or enhancement of housing quality and follow-up activities in the field of health education.

Synergies are similarly between the PA 4 and the PA 5, namely in area of support of field social work, community centres and healthy communities. In the areas of support of FSW and KC were defined the demarcation lines – within framework of the PA 5 are supported the applicants from ATLAS RC. In case of the NP Healthy Communities the support of LDR is secured by the PA 5 and the support of MDR is secured by the PA 4.

The synergies between the PA 1 and the PA 3 in the area of lifelong learning were solved by the fact that the PA 3 supports exclusively the so called in-company training. In order to ensure, that jobseekers participating in DDC supported in the area of the lifelong learning under specific objective 1.4.1 were not included in the projects of OLSAF supported by the PA 3, the Labour Offices issues written consent to the participation of jobseekers in the DDC supported by the PA 1.

When setting the calls under PA1 focused on the topic of advisory support the MoE will cooperate with the MLSAF of the Slovak Republic in order to maximize the effect of support for the target group.

A space for identifying potential synergies is also provided by the Monitoring Committee for the OP HR and its Sub-Committees for the individual PAs. At the same time, the creation of

an additional platform for ensuring complementary and synergistic effects in the area of education has been under preparation. It will be the Working Group on Inclusion in Education. The Sponsor of its activity will be the Department of Gender Equality and Equal Opportunities of the MLSAF.

#### SYNERGY AND COMPLEMENTARITY WITH OTHER OPs

*Working group for Coordination of OP HR and IROP for the area of deinstitutionalisation* was established to coordinate calls in this area. The members of the working group are representatives of the MAs, the MLSAF, the Ministry of Agriculture and Rural Development of the Slovak Republic, the experts for the regional administration of civic organisations. There are no changes to other possible synergies and complementarities