

Interim Evaluation No. R/SK/TF/INT/06.002

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UNION**



2004/016-764.01.01 Strengthening of Control Systems in the Area of Food Safety
2004/016-764.08.03 UIBF Technical Assistance for Enhancement of the Control Section of the Agricultural Paying Agency
2004/016-764.08.01 Strengthening the Efficiency of Cadastral Services
2004/016-764.05.01 Use of Administrative Sources for Enhancement and Improvement of the Statistical Information System
2004/016-764.08.03 UIBF Establishment of the Type Specific Reference Conditions for Classification of the Ecological Status
2004/016-764.07.01 Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste
2004/016-764.06.01 Capacity Building in the Area of Road Transport (Enforcement of Social Legislation)
2004/016-764.02.01 Strengthening Public Finance Management
2004/016-764.02.02 Systemic Changes in Tax Audit
2004/016-764.02.03 Capacity Building in the Area of Internal Audit
2004/016-833 Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR
2004/016-764.08.03 Training Focused on Cooperation with Informants

2005/017-464.01.01 Reinforcement/ Further Improvement of the Agricultural Paying Agency's Administrative Capacity in the Field of Market Organization
2005/017-464.01.02 Strengthening of the Management Capacity of the Central Control and Testing Institute in Agriculture in the Area of Organic Farming
2005/017-464.01.03 Enhancement of the Agricultural Paying Agency and Implementation of the Single Payment Scheme according to the Reformed CAP
2005/017-464.01.04 Reinforcement of the National Control system for Forest Reproductive Material
2005/017-464.06.01 Establishment of the Environmental Quality Standards for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring
2005/017-464.07.02 Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia
2005/017-464.07.01 Preparation for the Opening of the Market in Electricity and Gas to Households
2005/017-464.02.03 Implementation of Consumer Protection Legislation into Practice
2005/017-464.02.01 Reinforcement of Administrative Capacity as regards Measuring Instruments
2005/017-464.02.02 Enforcement of an Intellectual Property Rights in the SR

Transition Facility

Interim Evaluation of the European Union Transition Facility

The Slovak Republic

**Sector: Internal Market
Development**

Author:



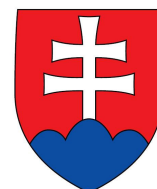
in consortium with



Date: 15 January 2007

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EXECUTIVE SUMMARY

The Slovak Republic – Internal Market Development

Monitoring Report/s: M/SR/INT/06012/AGR, ENV and INT issued on 4 May 2006
Interim Evaluation Report: R/SK/TF/INT/06.002

This Executive Summary covers the 2004 and 2005 Transition Facility assistance under the following Components:

- ❑ Agriculture, Statistics and Cadastre
- ❑ Environment, Energy, Transport and Standards
- ❑ Finance, Customs and Culture

A) Objectives and Scope

The goal of this Interim Evaluation is to review the Transition Facility assistance to Slovakia under the Internal Market Development Monitoring Sector. The total allocation of the EU support to Slovakia was over 17 M€ for the years 2004 and 2005, including co-financing. For the evaluation purposes the standard five criteria have been used, namely: relevance, efficiency, effectiveness, sustainability and impact¹.

B) Evaluation Results

Most of the programmes under the Internal Market Development Sector are *relevant*. They cover the priority areas as defined both in the EU and Slovak policy documents and the respective strategies, such as for instance the Public Finance Management Reform Strategy and the Government Resolution No. 558 of 13 July 2005 to the Actualised Concept of Internal Auditors and Financial Controllers Education. The quality of programme documents has improved, however, the poor quality of Indicators of Achievement remains visible. The **AGRICULTURE** programme is relevant, mostly contributing to the implementation of the Reformed Common Agriculture Policy and the transposition of the respective EU Directives. The Transition Facility assistance following-up the previous Phare support has been further provided mostly to the Agricultural Paying Agency and the Central Control and Testing Institute in Agriculture. The transfer of the know-how from the Member States to the areas where Slovakia has been lagging behind, such as development of the control system of the Agricultural Paying Agency is clearly justified. Both projects for the **STATISTICS** and **CADASTRE** sub-sectors are oriented towards implementation of progressive technologies aimed at improvement of the performance of the respective institutions, as such being relevant, however rather demanding. The projects under the **ENVIRONMENT** sub-sector are relevant, contributing mostly to the fulfilment of the requirements given by the Water Framework Directive. The twinning seems to be perfectly suitable for the know-how transfer as being used in the **ENERGY** project focusing on the

¹ *Relevance*, relates to the project's design and concerns to the extent to which its objectives address real needs. *Efficiency* concerns how well activities have transformed inputs into outputs. *Effectiveness* assesses whether the project's purpose has been achieved. *Sustainability* evaluates whether project outcomes are likely to continue after external funding ends. *Impact* denotes the relationship between the project's purpose and overall objectives.

transposition and implementation of the relevant EU directives by creating the secondary legislation. An important support is given to the Nuclear Safety area, which, following the line of the Council Report on the Nuclear Safety should achieve an adequate management of disused sources. The relevance of the **TRANSPORT** project is given by the recommendations of the Peer Review, focusing on the application of the social legislation. The **STANDARDS** project should assist in solving practical problems with the Measurement Instruments Directive implementation, which was introduced recently. Most of the **FINANCE** projects have been prepared under the Public Finance Management Reform. They are relevant as the Public Finance Management system in Slovakia needs to be further modernised. The **CUSTOMS** projects are relevant and follow the EU relevant policy (external border and consumer protection). The first assistance to the Ministry of **CULTURE** seems to be relevant, bringing the needed international know-how in the area of Intellectual Property Rights.

Efficiency of the reviewed projects has suffered from the well-known delays, causing the subsequent delay of the start of activities. For the **AGRICULTURE** sub-component none from the 2005 projects was at the implementation stage. For the running projects, the performance of the twinning, twinning light and technical assistance partners were highly appreciated, such as for the 2004 Food Safety or the 2004 Agricultural Paying Agency Control Section. Efficiency of the **STATISTICS** project shows satisfactory results, also due to the good performance of the beneficiary institution and the twinning light partner. The **CADASTRE** project needs to overcome tendering hurdles first to be successfully implemented. Efficiency of the **ENVIRONMENT** projects can be considered as high, the mixture of the managerial proficiency and the skills of the relevant staff demonstrate very good results. This is not the case in the **ENERGY** sub-component, particularly the Nuclear Safety projects, none of which is under the implementation yet because of the lasting process of the basic tender documents preparation. A very good cooperation with the twinning partner in the Electricity and Gas Market project combined with the involvement of highest managerial authorities show good results in overcoming a long preparatory phase. The cooperation with the selected partner in the **TRANSPORT** project cannot be evaluated as efficient because of its reluctant approach. **STANDARDS** project has been delayed and may face a challenge to find a suitable partner and experts for specified areas. Mixed efficiency characterises the **FINANCE** component. Projects, which have been implemented so far, are carried out efficiently. However, some projects are significantly delayed. Problems linked with the cross-sector nature of some **CUSTOMS** projects have negatively influenced the timing of the tender preparation. Novelty of the project for the **CULTURE** sub-component might cause some problems in its implementation; however, concrete results to be reported only under the second round of interim evaluation next year.

Positive forecasts of *effectiveness* of the majority of the projects are based on their design, assessing at the same time the potential fulfilment of the respective Immediate Objectives. The massive theoretical and practical training (including numerous study visits), being supported by the complementary methodological materials should bring at least some effects in the **AGRICULTURE** sub-component, such as the 2004 Food Safety in the area of pesticides registration and their testing, or the 2004 Agricultural Paying Agency Control Section in the more effective and efficient performance of controls of the agricultural market organisation. The **STATISTICS** should bring effects in the better use of the statistical information, and thus the decreased administrative burden of the reporting units. The **CADASTRE** intervention into the Electronic Registry should comply with the

eGovernment philosophy and the Cadastre should be able to provide more effective and efficient cadastral services, once successfully completed. The **ENVIRONMENT** projects by completing all activities have achieved or should contribute to the defined Immediate Objectives. This will materialise in the correct performance of the water management. The Electricity and Gas Market **ENERGY** project should liberalise the respective market for households what seems to be a realistic prediction. Due to the pre-mature stage of the Nuclear Safety projects it is difficult to estimate if an improvement of the existing management system or an ability to track all kinds of radioactive waste is going to be achieved. The support given to the **TRANSPORT** has contributed to the adequate labour inspection performance comparable with the EU standards. Once implemented, the **STANDARDS** project is expected to be effective, as first steps in the implementation of the Measurement Instruments Directive have already been taken. The ongoing projects of the **FINANCE** component delivered their first results. The mixed *effectiveness* rating is given to the **CUSTOMS** projects; however, they have chances to contribute to the enhancement of consumer protection and the protection of the EU border by strengthening the anti-fraud control systems. The best results are reported with regard to the Cooperation with Informants. The **CULTURE** project has a potential to assist the relevant authorities to improve their performance in the field of Intellectual Property Rights protection and also the awareness should be raised about this topic among general public.

Sustainability of most of the **AGRICULTURE** projects, especially to the Agricultural Paying Agency, seems to be secured, as its staff is stable and also due to materialising of the training know-how into the respective methodological documents. On the other hand we are less optimistic when predicting the sustainable outcomes of the Central Control and Testing Institute in Agriculture intervention, such as the 2004 Food Safety, mostly due to problems with fluctuation of staff. Some concerns with regard to sustainability of the **STATISTICS** project should be raised, as the outcomes of the 2004 intervention require the political will to adopt reform changes, including the legal amendments, for the assistance to be sustainable. The **CADASTRE** project would require a broad acceptance among general and professional public to be sustainable, besides the stability of the Geodesy, Cartography and Cadastre Authority. The main beneficiary of the **ENVIRONMENT** support will definitely use the typology and the Environmental Quality Standards in practical executions of their duties. Also the results of **ENERGY** Nuclear Safety projects should become a tool of the Agencies' daily work. However, the future independence of the Regulatory Office for the Networking Industries needs to be secured. The **TRANSPORT** project has materialised the gained knowledge in the respective legal amendments. A potential sustainability of the **STANDARDS** project can be assessed on the basis of a need and an available intention to implement legislative changes supporting free movement of goods having measurement function. The **FINANCE** projects show mixed sustainability perspective. The prediction of sustainability of the **CUSTOMS** projects is positive due to their top priority and secure financing from the Government's sources. Sustainability of the **CULTURE** project was not fully clear, especially the future of the Intellectual Property database and its maintenance together with concrete timing of the adoption of the local legislation.

We can expect that most of the Transition Facility projects will contribute to the fulfilment of their respective Wider Objectives under the *impact* criterion, mostly in the area of transposition of the relevant *acquis*, such as the Reformed Common Agriculture Policy in the **AGRICULTURE** sub-sector. The relevant assistance to the Agricultural Paying

Agency should clearly have an impact on its enhanced performance, for instance in the area of control of Market Organisation or a more transparent system of direct payments. The control systems should be strengthened also for the National Forest Centre. Similar positive impact is being foreseen for the support to the Central Control and Testing Institute in Agriculture, bringing more effective control of food safety. The progressive areas of assistance for the **STATISTICS** and **CADASTRE** could both bring broad and tangible impacts, when introducing new Information Systems simplifying the respective administrative procedures, and thus having a potential to cut their costs. The **ENVIRONMENT** projects contribute to the full implementation of the EU and the national water quality legislation. The **ENERGY** Electricity and Gas Market is also focused on the relevant EU Decree transposition by introducing the EU compliant model on the gas and electricity market. The effective implementation of Nuclear Safety projects can contribute to the improvement of the existing system of radioactive waste management and its increased safety. The intervention given to the **TRANSPORT** has contributed to the proper implementation of the *acquis* in the labour protection in the given sector. A broader impact in the form of free movement of goods with measuring function without a distortion caused by liberalisation of markets can be expected from the **STANDARDS** project once it is implemented. **FINANCE** projects have a good potential to generate a wider impact, as they provide the missing and upgrade the outdated expertise in the Public Finance Management area. A solid impact can be achieved from the **CUSTOMS** projects in increasing of the east border protection, in the overall improvement of the consumer protection and also in increasing the number and reliability of the relevant information sources of the customs authorities. Forecasts of the impact of the **CULTURE** intervention are rather positive mostly due to the quality of design.

C) Recommendations and Rating

Aid Co-ordination Unit

The Aid Co-ordination Unit at the Office of the Government should consider a proposal to the relevant Beneficiaries concerning the sufficient delegation of responsibilities of the respective project managers, as successfully proven under the Environmental sub-component. The project managers who are not at the managerial positions should be empowered with the necessary authority to manage at least the project activities and the needed logistics without bureaucratic burdens.

Central Finance Contracting Unit

In cases of lengthy tendering processes the Central Finance and Contracting Unit should inform the respective Senior Programme Officers on the updated information on the progress of the contracting. However, this should be executed by respecting the Public Procurement Law rules.

Aid Co-ordination Unit / Beneficiaries

The Aid Co-ordination Unit at the Office of the Government should consider a proposal to the relevant Beneficiaries (mostly subordinated to Ministries) to introduce a system allowing the transfer of know-how from the previously implemented projects and building up an

‘institutional project management memory’. This could take a form of coaching or a concise practical information note.

Beneficiary - Tax Directorate / Resident Twinning Adviser / Senior Programme Officer

The Tax Directorate should explore the possibilities of implementation of the Quality Assurance System, developed under the component 1 ‘Improving the tax audit methodology and techniques’ of the Tax Audit project (2004/016-764.02.02), under the new information system of the tax administration.

Beneficiary – Ministry of Finance / Resident Twinning Adviser / Senior Programme Officer

In order to strengthen the sustainability, impact and public visibility of the project results the syllabus developed under the 2004 Internal Audit project (2004/016-764.02.03) should be placed on the website of the Ministry of Finance.

Rating

	Relevance	Efficiency	Effectiveness	Sustainability	Impact	Verbal Rating
AGRI, STAT, CAD						
2004/016-764.01.01 Food Safety	1	1	1	0	1	S
2004/016-764.08.03 UIBF 2004 APA Control Section	2	1	1	1	1	S
2005/017-464.01.01 APA Market Organisations	1	-1	1	1	1	S
2005/017-464.01.02 Organic Farming	1	0	1	1	1	S
2005/017-464.01.03 APA Single Payment Scheme	1	0	1	1	1	S
2005/017-464.01.04 Forest Repro Material	1	0	1	1	1	S
2004/016-764.05.01 Statistics	1	1	1	0	1	S
2004/016-764.08.01 Cadastre	1	-1	1	1	1	S
ENV, ENE, TRANS, STAN						
2004/016-764.08.03 UIBF Ec. Status Classification	2	2	2	1	1	HS
2005/017-464.06.01 EQS for Water	1	1	1	1	1	S
2004/016-764.07.01 IRAW Management	1	-1	-1	0	0	U
2005/017-464.07.02 Radioactive waste	1	1	0	0	0	S
2004/016-764.06.01 Road Transport	1	0	1	1	1	S
2005/017-464.07.01 Electr.+ Gas Market	1	1	1	1	1	S
2005/017-464.02.01 RACMI	1	0	1	0	0	S
FIN, CUS, CUL						S
2004/016-764.02.01 Strengthening PFM	1	0	1	0	0	S
2004/016-764.02.02	1	1	1	1	0	S

Tax Audit						
2004/016-764.02.03 Internal Audit	1	1	1	0	0	S
2004/016-833 Antifraud Traffic Control Systems	1	-1	-1	0	0	U
2004/016-764.08.03 UIBF Informants	1	1	1	1	1	S
2005/017-464.02.03 Consumer Protection	1	1	0	0	0	S
2005/017-464.02.02 Intellectual Property Rights	1	0	1	0	1	S
Total for the INT Sector	1	0	1	1	1	S

Unacceptable	Poor	Sufficient/ adequate or no rating possible	Good	Excellent
-2	-1	0	+1	+2

Highly Unsatisfactory	Unsatisfactory	No rating possible	Satisfactory	Highly satisfactory
HU	U	N/A	S	HS

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PREFACE

This Interim Evaluation Report covers the Transition Facility assistance to the Internal Market Development sector in Slovakia under the following programmes:

2004/016-764.01.01 Strengthening of Control Systems in the Area of Food Safety, 2004/016-764.08.03 UIBF Technical Assistance for Enhancement of the Control Section of the Agricultural Paying Agency, 2004/016-764.08.01 Strengthening the Efficiency of Cadastral Services, 2004/016-764.05.01 Use of Administrative Sources for Enhancement and Improvement of the Statistical Information System, 2004/016-764.08.03 UIBF Establishment of the Type Specific Reference Conditions for Classification of the Ecological Status, 2004/016-764.07.01 Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste, 2004/016-764.06.01 Capacity Building in the Area of Road Transport (Enforcement of Social Legislation), 2004/016-764.02.01 Strengthening Public Finance Management, 2004/016-764.02.02 Systemic Changes in Tax Audit, 2004/016-764.02.03 Capacity Building in the Area of Internal Audit, 2004/016-833 Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR, 2004/016-764.08.03 Training Focused on Cooperation with Informants, 2005/017-464.01.01 Reinforcement/ Further Improvement of the Agricultural Paying Agency's Administrative Capacity in the Field of Market Organization, 2005/017-464.01.02 Strengthening of the Management Capacity of the Central Control and Testing Institute in Agriculture in the Area of Organic Farming, 2005/017-464.01.03 Enhancement of the Agricultural Paying Agency and Implementation of the Single Payment Scheme according to the Reformed CAP, 2005/017-464.01.04 Reinforcement of the National Control system for Forest Reproductive Material, 2005/017-464.06.01 Establishment of the Environmental Quality Standards for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring, 2005/017-464.07.02 Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia, 2005/017-464.07.01 Preparation for the Opening of the Market in Electricity and Gas to Households, 2005/017-464.02.03 Implementation of Consumer Protection Legislation into Practice, 2005/017-464.02.01 Reinforcement of Administrative Capacity as regards Measuring Instruments and 2005/017-464.02.02 Enforcement of an Intellectual Property Rights in the SR.

This Interim Evaluation Report has been prepared by CEEN Economic Project and Policy Consulting GmbH and Euroformes s.r.o.² during the period from September to November 2006 and reflects the situation at 20 November 2006, the cut-off date for the Report. The factual basis is provided by the Monitoring Report M/SR/INT/06012 prepared by the Aid Co-ordination Unit of the Office of the Government, covering the period from 1 September 2005 to 28 February 2006 and issued on 4 May 2006. Other findings are based on analysis of formal Programme documentation, interviews with the main parties and published material.

The Interim Evaluation Report examines the progress of the programmes towards the objectives stated in the formal programming documents, i.e. Project Fiches, etc. The report is intended to provide management information for the benefit of the Joint Monitoring Committee and other involved parties. It draws conclusions and puts forward Recommendations. It provides a general assessment of programmes or components under consideration and included in the corresponding Sectoral Monitoring Report.

² Authors: Viera Spanikova, Viera Gazikova and the STTS Dana Simova, Interim Evaluation Cell CEEN/Euroformes. The Report was reviewed by the CEEN Headquarters in Vienna

Comments have been requested on the draft Report from the following parties:

Party invited	Comments received
Office of the Government/Aid Co-ordination Unit	yes
Ministry of Agriculture SR	yes
Statistical Office of the SR	yes
Geodesy, Cartography and Cadastre Authority	yes
Ministry of Culture SR	yes
Ministry of Environment SR	yes
Ministry of Finance/Central Finance and Contracting Unit	yes
Ministry of Finance/National Fund	yes
Ministry of Finance SR	yes
Nuclear Regulatory Authority	yes
Regulatory Office for Networking Industries	yes
Ministry of Transport, Posts and Telecommunications	yes
Office of Standards, Metrology and Testing	yes

Where possible, the Evaluators have integrated the comments received into the Report. Dissenting views are included in the Annex 6.

GLOSSARY OF ACRONYMS

ACU	Aid Co-ordination Unit
APA	Agricultural Paying Agency
AS	Administrative Sources
ASIS	Automated Statistical Information System
BCMP	Business Change Management Plan
CA	Competent Authority
CAP	Common Agriculture Policy
CCTIA	Central Control and Testing Institute in Agriculture
CCO	Customs Criminal Office
CD SR	Customs Directorate of the Slovak Republic
CFCU	Central Finance and Contracting Unit
CHU	Central Harmonisation Unit
CMO	Common Market Organisations
CMR	Comprehensive Monitoring Report
CS	Control Section
CU	Control Unit
CWEM	Centre of Waste and Environmental Management of SEA
DEPP	Department for Environmental Projects Programming of SEA
DG	Director General
DG ECFIN	Directorate General Economic and Financial Affairs
DO	District Offices
DPF	Detailed Project Fiche
EC	European Commission
EU	European Union
EQS	Environmental Quality Standards
ER	Electronic Registry
FM	Financing Memorandum
FRI	Forest Research Institute
FRM	Forest Reproductive Material
GCCA	Geodesy, Cartography and Cadastre Authority of the Slovak Republic
GLP	Good Laboratory Practice
GS	Grant Scheme
HRD	Human Resource Development
HW	Hardware
IA	Indicator of Achievement
IACS	Integrated Administrative and Control System
IB	Institutional Building
IDG	Inspection of Director General
IE	Interim Evaluation
IMF	International Monetary Fund
INT	Internal Market Development
IO	Immediate Objectives
IPO	Industrial Property Office
IPR	Intellectual Property Rights
IPPC	Integrated Pollution and Prevention Control
IR	Inception Report
IRAW	Institutional Radioactive Waste
IS	Information System
IT	Information Technology
JMC	Joint Monitoring Committee
LRCHS for SR	List of Relevant Chemical Substances for the Slovak Republic
MM	Monthly Meeting
M&E	Monitoring and Evaluation
MID	Measurement Instruments Directive

MIS	Management Information System
MO	Market Organisation
MoA	Ministry of Agriculture
MoC	Ministry of Culture
M&E	Monitoring and Evaluation
MoE	Ministry of Economy
MoEnv	Ministry of Environment
MoF	Ministry of Finance
MoI	Ministry of Interior
MoJ	Ministry of Justice
MoLSAF	Ministry of Labour, Social Affairs and Family MS
MoU	Memorandum of Understanding
MS	Member State
MSA	Market Surveillance Authority
MTPT	Ministry of Transport, Post and Telecommunication
NDA	Nuclear Decommissioning Agency
NFC	National Forest Centre
NGO	Non-governmental Organisation
NPP	Nuclear Power Plant
NRA	Nuclear Regulatory Authority
OECD	Organisation for Economic Cooperation and Development
OF	Organic Farming
OoG	Office of the Government
OSMT	Office of Standards, Metrology and Testing
PF	Project Fiche
PFM	Public Finance Management
PFMR	Public Finance Management Reform
PHO	Public Health Office
PPP	Product Plant Protection
PPR	Programme of Pollution Reduction
RONI	Regulatory Office for Networking Industries
RTA	Resident Twinning Adviser
SAPS	Single Area Payment Scheme
SAS	Slovak Academy of Sciences
SC	Steering Committee
SCA	Slovak Customs Administration
SEA	Slovak Environmental Agency
SEI	Slovak Environmental Inspectorate
SHMI	Slovak Hydro meteorological Institute
SMSA	Slovak Market Surveillance Authorities
SMSB	Slovak Market Surveillance Bodies
SMSC	Sector Monitoring Sub-Committee
SOSR	Statistical Office of the Slovak Republic
SPO	Senior Programme Officer
SPS	Single Payment Scheme
SR	Slovak Republic
SRI	Slovak Railways
ST	State Treasury
STI	Slovak Trade Inspection
SW	Software
TA	Technical Assistance
TF	Transition Facility
ToR	Terms of Reference
ToT	Training of Trainers
TS	Technical Specification
TW	Twining
TWL	Twining Light
UIBF	Unallocated Institution Building Facility
VAT	Value Added Tax

VFM	Value for Money
VOSA	Vehicle and Operator Services Agency
WB	World Bank
WG	Working Group
WFD	Water Framework Directive
WO	Wider Objectives
WRI	Water Research Institute

MAIN REPORT

FINANCIAL AND CONTRACTUAL DATA OF THE SECTOR INTERNAL MARKET DEVELOPMENT

Project Number	Title	Beneficiary	Contract			Transition Facility Support			Co-financing		
			Start of Contract	Finish of the Contract /Expiry of Contracting	Expiry of Disbursement	Allocated €	com %	dis %	Allocated €	com %	dis %
COMPONENT 1 : AGRI., STAT, CAD											
2004/016-764.01.01	Strengthening of Control Systems in the Area of Food Safety	MoA	11/10/2005	15/12/2006	15/12/2007	1,565.000	96.34	61.90	305.000	93.8	66.83
	TW		11/10/2005	13/07/06	15/12/2007	570.000	100	62.80	-	-	-
	TWL		21/04/2006	15/12/2006	15/12/2007	80.000	100	-	-	-	-
	Supply		05/2006	15/12/2006	15/12/2007	915.000	93.8	66.8	305.000	93.8	66.83
2004/016-764.05.01	Enhancement of the Slovak Statistical System	SO	05/01/2006	15/12/2006	15/12/2007	1,740.000	94.0	55.10	50.000	87.70	0.00
	TWL		05/01/2006	05/07/06	15/12/2008	250.000	81.90	65.50	-	-	-
	TA		21/06/2006	15/12/2006	15/12/2007	1,370.000	96.81	58.10	-	-	-
	Supply		29/09/2006	15/12/2006	15/12/2007	120.000	87.70	0.00	50.000	87.70	0.00
2004/016-764.08.01	Strengthening of Efficiency of Cadastral Services	GCCA	07/11/06	15/12/2006	15/12/2007	1,150.000	84.1	0.00	400.000	82.1	0.00
	TWL		-	15/12/2006	15/12/2007	150.000	0.00	0.00	60.000	0.00	0.00
	TA		07/11/06	15/12/2006	15/12/2007	600.000	98.1	0.00	200.000	98.1	0.00
	Supply		07/11/06	15/12/2006	15/12/2007	400.000	94.6	0.00	140.000	94.6	0.00
2004/016-764.08.03 UIBF 2004	TA for Enhancement of the Control Section of APA	MoA	28/04/2006	15/12/2006	15/12/2007	235.000	99.23	59.5	0.00	-	-
2005/017-464.01.01	Reinforcement of APA in the Field of Market Organisation	MoA	-	15/12/2007	15/12/2008	350.000	0.00	0.00	-	-	-
	TA		-	15/12/2007	15/12/2008	350.000	0.00	0.00	-	-	-
2005/017-464.01.02	Strengthening of Admin. Authority in the Area of Organic Farming	MoA	-	15/12/2007	15/12/2008	190.000	0.00	0.00	-	-	-
	TWL		-	15/12/2007	15/12/2008	190.000	0.00	0.00	-	-	-

2005/017-464.01.03	Enhancement of APA and Implementation of Single Payment Scheme	MoA	-	15/12/2007	15/12/2008	500.000	0.00	0.00	-	-	-
	TA		-	15/12/2007	15/12/2008	500.000	0.00	0.00	-	-	-
2005/017-464.01.04	Reinforcement of National Control System for Forest Reproductive Material	MoA	-	15/12/2007	15/12/2008	180.000	0.00	0.00	-	-	-
	TA		-	15/12/2007	15/12/2008	120.000	0.00	0.00	-	-	-
	Supply		-	15/12/2007	15/12/2008	60.000	0.00	0.00	-	-	-
Component 2 ENV,ENE,TRANS,STAN											
2004/016-764.08.03	Establishment of the Type Specific Reference Conditions for Classification of the Ecological Status	MoE	21/10/2005	15/12/2006	15/12/2007	200.000	99.92	79.93	-	-	-
	TWL		21/10/2005	15/12/2006	15/12/2007	200.000	99.92	79.93	-	-	-
2005/017-464.06.01	Establishment of the Environmental Quality Standards for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring	MoE	21/6/2006	15/12/2007	15/12/2008	1,600.000	99.91	38.11	416.400	0.00	0.00
	TW		21/6/2006	15/12/2007	15/12/2008	1,100.000	99.91	38.11	100.000	0.00	0.00
	TA		-	15/12/2007	15/12/2008	500.000	0.00	0.00	125.000	0.00	0.00
	Supply		-	15/12/2007	15/12/2008	-	-	-	191.400	0.00	0.00
2004/016-764.07.01	Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste	NRA	14/11/2006 29/9/2006	15/12/2006	15/12/2007	875.000	88,50	0.00	83.333	0.00	0.00
	TA		15/11/2006	15/12/2006	15/12/2007	625.000	0.00	0.00	-	-	-
	Supply		29/9/2006	15/12/2006	15/12/2007	250.000	88,50	0.00	83.333	0.00	0.00

2005/017-464.07.02	Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia	NRA		15/12/2007	15/12/2008	500.000	0.00	0.00	142.000	0.00	0.00
	TA		-	15/12/2007	15/12/2008	500.000	0.00	0.00	-	-	-
	Supply		-	15/12/2007	15/12/2008	-	-	-	142.000	0.00	-0.00
2005/017-464.07.01	Preparation for the Opening of the Market in Electricity and Gas to Households	RONI	23/05/2006	15/12/2007	15/12/2008	650.000	100	43.64	-	-	-
	TW		23/05/2006	15/12/2007	15/12/2008	650.000	100	43.64	-	-	-
2004/016-764.06.01	Capacity Building in the Area of Road Transport (Enforcement of Social Legislation)	MTPT	04/04/2006	15/12/2006	15/12/2007	250.000	99.92	79.94	-	-	-
	TWL		04/04/2006	15/12/2006	15/12/2007	250.000	99.92	79.94	-	-	-
2005/017-464.02.01	Reinforcement of Administrative Capacity as regards Measuring Instruments	OSMT	-	15/12/2007	15/12/2008	450.000	0.00	0.00	-	-	-
	TWL		-	15/12/2007	15/12/2008	250.000	0.00	0.00	-	-	-
	TA		-	15/12/2007	15/12/2008	200.000	0.00	0.00	-	-	-
Component 3 FIN,CUS,CUL											
2004/016-764.02.01	Strengthening Public Finance Management	MoF & ST	-	15/12/2007	15/12/2008	2,200.000	84.16	40.49	-	-	-
	Accounting & Reporting		27/02/2006	15/12/2007	15/12/2008	1,500.000	98.96	59.38	-	-	-
	State Treasury		-	15/12/2007	15/12/2008	200.000	-	-	-	-	-
	Monitoring & Evaluation		07/11/2006	15/12/2007	15/12/2008	500.000	73.44	-	-	-	-
2004/016-764.02.02	Systemic Changes in the Tax Audit	Tax Directorate	02/08/2005	15/12/2006	15/12/2007	930.000	100.00	34.35	224.500	7.93	7.93
	TW		02/08/2005	15/12/2006	15/12/2007	930.000	100.00	34.35	224.500	7.93	7.93
2004/016-764.02.03	Capacity Building in the Area of Internal Audit	MoF	10/01/2006	15/12/2006	15/12/2007	670.000	100.00	58.24	10.000	100.00	70.00
	TW		10/01/2006	15/12/2006	15/12/2007	670.000	100.00	58.24	10.000	100.00	70.00
2004/016-764.08.03	Training Focused on Cooperation with Informants	CD	23/01/2006	15/12/2006	15/12/2007	36.000	96.95	0.00	-	-	-
	TWL		23/01/2006	15/12/2006	15/12/2007	36.000	96.95	0.00	-	-	-

2004/016-833	Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR	CD		15/12/2006	15/12/2007	375.000	0.00	0.00	125.000	0.00	0.00
	Supply		-	15/12/2006	15/12/2007	375.000	0.00	0.00	125.000	0.00	0.00
2005/017-464.02.03	Implementation of Consumer Protection Legislation into Practice	CD		15/12/2007	15/12/2008	250.000	0.00	0.00	-	-	-
	TWL		-	15/12/2007	15/12/2008	250.000	0.00	0.00	-	-	-
2005/017-464.02.02	Enforcement of Intellectual Property Rights	MoC	-	15/12/2007	15/12/2008	400.000	0.00	0.00	-	-	-
	TA (Public Campaign)		-	15/12/2007	15/12/2008	70.000	0.00	0.00	-	-	-
	TA (SW, Datab., Training)		-	15/12/2007	15/12/2008	330.000	0.00	0.00	-	-	-
Total for the Sector						15,296.000	67.00	30.90	1,756.200	43.30	13.00

Source: Perseus by cut-off date 20 November 2006.

1. SECTORAL BACKGROUND AND SCOPE OF EVALUATION

1.1. Sectoral Background

1. This Interim Evaluation (IE) Report is the second of the series of reports to cover the Transition Facility (TF) assistance to Slovakia, namely the Internal Market Development (INT) Sector, the biggest of the three existing monitoring sectors for the TF and Phare support in the Slovak Republic (SR). The programmes under review are closely linked to the respective EU documents, such as the 2003 Country Monitoring Report (CMR), the Memorandum of Understanding (MoU) on the TF 2004 – 2006 Implementation and other sector-related documents, such as Common Agriculture Policy (CAP), Strategy for Development of Organic Farming (OF) in Slovakia or Public Finance Management Reform (PFMR).

1.2 Scope of Evaluation

2. The INT monitoring sector for the TF part covers several 2004 and 2005 projects, which were for the evaluation purposes split into the following Components:

- ❑ Agriculture, Statistics and Cadastre (AGR, STAT and CAD)
- ❑ Environment, Energy, Transport and Standards (ENV, ENE, TRANS and STAN)
- ❑ Finance, Customs and Culture (FIN, CUS and CUL)

1.2.1 Performance of Activities³

Component 1 Agriculture, Statistics and Cadastre

2004/016-764.01.01 Strengthening of Control Systems in the Area of Food Safety, 2004/016-764.08.03 Unallocated Institutional Building Facility (UIBF) Technical Assistance (TA) for Enhancement of the Control Section (CS) of the Agricultural Paying Agency (APA), 2004/016-764.08.01 Strengthening the Efficiency of Cadastral Services, 2004/016-764.05.01 Use of Administrative Sources for Enhancement and Improvement of the Statistical Information System, 2005/017-464.01.01 Reinforcement/ Further Improvement of the Agricultural Paying Agency's Administrative Capacity in the Field of Market Organization (MO), 2005/017-464.01.02 Strengthening of the Management Capacity of the Central Control and Testing Institute in Agriculture (CCTIA) in the Area of Organic Farming, 2005/017-464.01.03 Enhancement of the Agricultural Paying Agency and Implementation of the Single Payment Scheme (SPS) according to the Reformed CAP, 2005/017-464.01.04 Reinforcement of the National Control System for Forest Reproductive Material (FRM)

Activities and Outputs

3. The focus of the 2004 Food Safety project is on risk assessment and management of plant protection products, control of primary inputs into the food chain and environment and finally monitoring of forbidden substances in animal products. The 2004 UIBF APA Control Section (CS) project aims at further enhancement of expertise and skills of the APA inspectors, managers and executives of the APA CS in all areas of the control activities. The 2005 APA

³ For more detailed information on activities, outputs and effects, please see Annex 5

Market Organisations (MO) project has the intention to reinforce the market organisation system of the APA via upgrading the commodities intervention system and strengthening the expert refunds and their inspection. The 2005 Organic Farming intervention focuses on enhancement of the performance of the CCTIA and management of granting import certificates for the third countries organic products. The 2005 APA Single Payment Scheme project supports the improvement of the APA management necessary for the implementation of the SPS. The 2005 Forest Reproductive Material intends to implement the EC Directive on marketing the forest reproductive material through upgrading the technical means and enhancement of human resources of the National Forest Centre (NFC). The 2004 Statistics assistance should increase the quality, effectiveness and flexibility of the statistics information system via gathering and using data from administrative sources, providing relevant information on socio-economic and ecological development of Slovakia, including the international comparability. The 2004 Cadastre project provides support to the establishment of an efficient access to cadastral services and its provision to private and business entities; to improve cadastral services via establishing an effective access through introducing the Internet Electronic Registry (ER).

Effects

4. From the 2004 Food Safety assistance the Twinning (TW) and Twinning Light (TWL) sub-projects were under implementation. Also majority of Supplies for the network of veterinary laboratories and the control of pesticides in water have been completed, thus improving their work. The TW was at the last stage of its implementation, with a series of theoretical and practical training sessions being almost completed. The benefiting CCTIA staff is expected to enhance its work in pesticide registration and also authorisation of products. Also the Slovak representatives should play a more active role in the EU peer-review process of pesticide evaluation and in future in drafting assessment reports. The TWL has also progressed substantially in its training efforts for the CCTIA laboratory staff, both on its theoretical and practical fronts. The respective know-how transfer should bring its effects in building up the system of quality of the labs and implementation of new methods in control of quality of pesticides. The 2004 UIBF APA CS intervention has progressed with a series of training sessions, especially for the APA controllers and the staff of the APA CS, which should improve the performance of the relevant APA staff when executing on the spot controls. From the 2004 Statistics project, the TWL part has been completed, bringing early effects in the form of new approach to data requirements from Administrative Sources (AS), new expertise in statistical data management from AS, several technical analyses as a prerequisite for the TA aimed at Software (SW) development of the Automated Statistical Information System (ASIS), and concrete recommendations for amendment of the relevant legislation. The TA assistance focused on the SW development was at the pivotal stage for any effects to be reported. Also the supply of Hardware (HW) was still to be delivered at the time of this IE to bring any effects. No effects can be reported from the 2005 projects yet, however, due to their design they should bring at least some effects, once being successfully implemented.

Component 2 Environment, Energy, Transport and Standards

2004/016-764.08.03 UIBF Establishment of the Type Specific Reference Conditions for Classification of the Ecological Status, 2005/017-464.06.01 Establishment of the Environmental Quality Standards (EQS) for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring, 2004/016-

764.07.01 Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste (IRAW), 2005/017-464.07.02 Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia, 2005/017-464.07.01 Preparation for the Opening of the Market in Electricity and Gas to Households, 2004/016-764.06.01 Capacity Building in the Area of Road Transport (Enforcement of Social Legislation), 2005/017-464.02.01 Reinforcement of Administrative Capacity as regards Measuring Instruments (RACMI)

Activities and Outputs

5. The aim of the 2004 UIBF Ecological Status Classification is to set up the type specific reference conditions for biological elements, to develop the ecological classification of the water surface by biological elements and training of beneficiary staff dealing with water monitoring and assessment. The 2005 EQS for Water should establish the EQSs for dangerous substances covered by the List of the Relevant Dangerous Substances for the SR, including the set-up of the communication network and the Management Information System (MIS) at the regional and the district level. The target of the 2004 IRAW Management project is to improve the existing system of institutional radioactive waste and to arrange the interconnectivity with the national system. Moreover, the determination of regulatory bodies' responsibilities and proposals for technological treatment of the IRAW should improve the security of radioactive waste management. The 2005 Radioactive Waste is focused on assuring the quality of reporting system of the future Slovak national agency on radioactive waste management by developing an IS, which would be able to track all kinds of radioactive waste and spent fuel. The 2004 Road Transport project is to achieve the adequate EU comparable level of the labour inspection performance in the transport sector. The target of the 2005 Electricity and Gas Market is to prepare an open market for electricity and gas to households by changing the decision on regulation of distribution and supply of electricity and natural gas to end consumers, as well as by the revision of the regulation setting for companies supplying electricity and natural gas to households. The 2005 RACMI intends to contribute to solving practical problems with functioning of the Measurement Instruments Directive (MID, implemented in Slovakia on 30 October 2006). Furthermore, it should assist in the liberalisation of public utilities market (i.e. electricity, gas) by proposing relevant legislative changes.

Effects

6. The TWL under the 2004 UIBF Ecological Status Classification has been completed by recommending the appropriate methods for assistance in prediction for biological reference conditions and further classification of the water surface status. The surface water typology testing performed during the project implementation has been involved into the national Slovak stream typology testing and procedures proposed for water chemistry reference conditions. The settings are used in praxis for the national limit values of general physico-chemical determinants in the SR. The real effect under the 2005 EQS for Water can be reported in the TW case only, which is the only one of the three sub-components (plus TA and Supply) being already contracted. The TW has progressed substantially in the EQSs calculation for the indicated substances, as well as in the analysis of the existing communication network, focusing also on the connection between the central level and regions. Once all activities are concluded, they should bring effects in building the MIS being able to manage control and reporting activities and the effective feedback from the governmental agencies. In spite of the shortage of time available for contracting of the 2004 IRAW Management, there are no results at the reporting team's disposal. The Supply component has been contracted just currently and

the TA part is in a late contracting phase, providing no concrete effects yet. Very similar is the situation under the 2005 Radioactive Waste project, which is at the stage of preparation of the tendering documentation. The given evaluating period does not offer a space for any project achievement to be reported. The majority of the project activities under the 2004 Road Transport have been already completed. Training workshops focused on analogue and digital tachograph system, as well as on the roadside checks and company inspections increased the knowledge and experience of trainees. It is very realistic to predict that the gained know-how will enable relevant Slovak authorities to comply with the related EC requirements. Nevertheless, it seems to be fair to add that the real engine of the project operation was assured by the Ministry of Transportation, Post and Telecommunication (MTPT). The 2005 Electricity and Gas Market TW project has progressed with the identification of problems connected with the electricity and gas market opening to households. Ordinances of the secondary legislation are well advanced; some decrees have been already issued. The provided training will increase the knowledge of the Regulatory Office for Networking Industries (RONI) staff and the performance of all scheduled activities is expected to enhance its work in the new area of responsibility and to prepare conditions for a fully liberalised electricity and gas market. The 2005 RACMI project is expected to be tendered only by the end of the year 2006. It should lead to the implementation of the MID in such a way that it does not cause bottlenecks in trade. Moreover, it should contribute to the thorough legislative preparation of the liberalisation of the public utilities market (i.e. electricity, gas).

Component 3 Finance, Customs and Culture

2004/016-764.02.01 Strengthening Public Finance Management (PFM), 2004/016-764.02.02 Systemic Changes in Tax Audit, 2004/016-764.02.03 Capacity Building in the Area of Internal Audit, 2004/016-833 Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR, 2004/016-764.08.03 Training Focused on Cooperation with Informants, 2005/017-464.02.03 Implementation of Consumer Protection Legislation into Practice 2005/017-464.02.02 Enforcement of an Intellectual Property Rights (IPR) in the SR

Activities and Outputs

7. The 2004 PFM project has been initiated as a part of the PFMR effort. The project focuses on improving and strengthening of three crucial components represented by the corresponding sub-projects: (i) public finance accounting and the fiscal & financial management reporting systems, i.e. Accounting & Reporting, that should produce adequate fiscal and financial management reports, (ii) the State Treasury that should report adequately on EU funds, and (iii) Monitoring & Evaluation system of public funds, which should report on the proper use of public funds. The 2004 Tax Audit project deals with the absence of a control system of all Value Added Tax (VAT) payers, with focus on recipients of excessive refunds before refund from the state budget. Its aim is to increase tax audit efficiency through the improvement of the tax audit methodology and the introduction of new tax audit techniques and risk analysis system. The 2004 Internal Audit focuses on the establishment of a solid framework for performing internal audit and on building a permanent training system for internal auditors in the public sector. The 2004 Antifraud Traffic Control Systems aims at the assistance to the Slovak Custom Administration (SCA) in strengthening the anti-fraud control systems at the EU external border in Slovakia by the supply of the specialised technical equipment. The 2004 UIBF Cooperation with Informants supports the SCA via training on recent methods and techniques of handling informants and delivery of training manuals. The 2005 Consumer

Protection is focused on training of customs officers and market surveillance bodies' staff and the enhancement of their mutual cooperation in order to support consumer protection in the SR. The 2005 IPR aims at the assistance to Slovakia in enhancement of the enforcement capacity and awareness rising in the area of IPR.

Effects

8. From the 2004 PFM project only the public finance Accounting & Reporting sub-project has actually been implemented by the time of this evaluation. In August-September 2006 a set of one-day courses on basics of accrual accounting were organised throughout Slovakia (i.e. Kosice, Zilina, Banska Bystrica, Nitra, and Bratislava). The State Treasury sub-project has been in the process of re-tendering and the Monitoring & Evaluation sub-project in the initial stage. Therefore, no effects can be reported from these two sub-projects yet. The 2004 Tax Audit project has increased knowledge and experience of the tax administration. For instance, it developed a Quality Assurance System dealing with audit cases, which could be used when performing an audit. Furthermore, a proposal for improvement of existing e-audit performance and a document on the overall framework of the Risk Analysis system were prepared and presented, as well as tax officers trained in the area of tax audit in banks, investment companies and insurance companies. The 2004 Internal Audit project may generate a range of effects resulting mainly from training activities that have taken place in the second half of the project, i.e. after the parliamentary elections. Examples of such activities are: preparation and dissemination of training syllabus used in training of internal auditors under this project, and audits carried out at 6 different institutions by their own staff in a form of learning by doing. The equipment capable to monitor suspicious traffic entering and departing the EU at the Slovak eastern border should provide the reinforcement of the SCA's administrative capacity under the 2004 Antifraud Traffic Control Systems. The SCA will thus contribute to the Anti-fraud programme for the protection of the financial interests of the Community. The lasting process of the TS preparation does not offer the space for reporting of the real effects, as the contract with supplier has not been signed yet. Training provided under the 2004 UIBF Cooperation with Informants, the explanation of relevant parts of the Europol guidelines and the European Convention on Human Rights increased the knowledge of customs officers in this new area of their responsibilities and gave them a practical experience in the investigation of customs offences. The given theoretical background can be used in a future practice of the Customs Criminal Office (CCO). Recommendations of the Dutch partner, in case they are implemented later on, can contribute to the improvement of the Slovak system in the respective area. The 2005 Consumer Protection should improve the cooperation of the SCA and the Slovak Market Surveillance Bodies (SMSB) by providing training and recommendations on the existing cooperation agreements. However, the project has not been contracted and thus the relevant results cannot be reported yet. No effects to be reported from the 2005 IPR project due to the pre-implementation phase of all its activities at the time of this IE.

2. EVALUATION RESULTS

2.1. Relevance

Component 1 Agriculture, Statistics and Cadastre

9. The 2004 Food Safety project is a rather complex one, combining a TW, a TWL and a Supply intervention, with the common theme of the control of pesticides and the EU Food Safety Framework. However, little practical interconnections has been reported during the project's implementation. The key beneficiary, especially for the TW and the TWL interventions is the CCTIA and the reference laboratories for the Supply part. The TW scheduled for 12-month duration is heavy training oriented, combining theoretical and practical sessions in different fields of pesticides with the focus on the risk assessment and management of the Plant Protection Products (PPP) for the Department of Pesticides Registration of the CCTIA. Slovakia would have needed the external assistance a while ago to catch up with the neighbouring countries in implementation of the EC Directive on PPP. The TW involves quite a number of final beneficiaries with various levels of expertise and also the project ownership. For instance, the Public Health Office (PHO) seems to underestimate its absorption capacity and its participation at the Steering Committee (SC) 's meetings is poor. The TWL in the area of determination of organic contaminants and quality control of pesticides is more focused on the concrete transfer of the Good Laboratory Practice (GLP) for the CCTIA lab staff, and as such being relevant. It is linked to the previous Phare support in the form of the delivery of the laboratory equipment, which is now being utilised for practical lessons. The Supplies for the network of the state veterinary labs (4) and the Water Research Institute (WRI) in the form of equipment for control of products of the animal origin and pesticides in water seems to be complementary to the soft-skills assistance, though the WRI does not fall under the agriculture sector (rather under the Ministry of Environment (MoEnv)).

10. The relevance of the 2004 UIBF APA CS could be evaluated positively, as the CS of the APA needed the Institutional Building (IB) assistance to improve its control activities, as it has been created as the last part of the Agency. The TF project represents the first EU intervention to the CS as such. The performance of the CS is being criticised, among others by the Supreme Audit Office as well, and this needed enhancement. The combination of practical and theoretical training, both for the old and the new staff seems to be well chosen, being supported by the methodological materials as well.

11. The 2005 APA MO represents another EU intervention to the APA; its MO Section responsible for the intervention and export refunds systems in the agriculture. The assistance is a follow-up of previous Phare interventions and has linkages to the 2004 UIBF APA CS as well (such as control of intervention stock). The TA to the APA and the area of Commodity Market Organisations (CMO) seems to be justified. The APA is still at the start of the learning curve with some gaps, especially in the methodology of some commodity measures. Moreover, small producers need to be informed about the CMO and other support schemes.

12. The 2005 OF TWL for the CCTIA is a relevant intervention to the development of the growing area of the OF in Slovakia, following the EU regulations and trends. The promotion of the OF is also being supported by the Government's strategies, such as the Ministry of

Agriculture (MoA) 's Strategy and the Action Plan for the Development of the OF (till 2010). The TF should support the CCTIA as a Competent Authority (CA) in enhancement of its performance in the key areas, such as granting import certificates, data collection or supervision activities.

13. The need for the 2005 APA SPS is driven by the Reform CAP and the request to implement the SPS in 2008. The TA is clearly relevant, providing Member State's (MS) expertise in the practical introduction of the SPS. The TF should support the APA in all related areas of the SPS introduction, from outlining possible scenarios of the SPS implementation at the Ministry level to information campaign for the farming community. Complementary activities have been financed from the World Bank (WB).

14. The 2005 FRM was originally designed for the Forest Research Institute, which has in the meantime become a part of the roof organisation NFC. However, the target group of the project remains pretty small, namely the Control Unit (CU) of the FRM (about 10 people). The TF IB assistance to the under-financed part of the official body responsible for control of marketing and quality of the FRM seems to be well designed to cover the whole menu of the needed areas from the Information System (IS) reinforcement to the Human Resources Development (HRD).

15. The 2004 Statistics project is relevant with the intention to develop further use of data from administrative sources, and thus decrease the burden of data flows. The Statistical Office of the Slovak Republic (SOSR) has been a traditional recipient of the EU and other donor assistance (such as the WB) since 1993. The current project has a logical architecture of the TWL, TA and Supply with, however, demanding sequencing, as the concrete design of the TA is dependent on the results of the TWL. The TWL designed for six months seemed to be over-ambitious with about a dozen activities, occupying among others too much capacity on the beneficiary side. Also a vast number (up to 30) of co-operating institutions put further demands on the project implementation. Also the TA part scheduled for more than a year seems to be an ambitious intervention and would require a perfect performance of the contractors.

16. The 2004 Cadastre assistance is clearly relevant, contributing to the eGovernment philosophy, the knowledge economy and the fight against corruption when introducing the Internet communication with the Cadastre. At the same time it complies with the Geodesy, Cartography and Cadastre Authority (GCCA) 's Research and Development Strategy (now being updated till 2008). Once being introduced, the ER should dramatically reduce the time needed for providing the cadastre services, being often criticised by the general public but also the EU. As with other similar projects, combing the TWL, TA and Supply in the IT development, the sequencing is key and rather demanding, especially in such a complex area as the ER.

Component 2 Environment, Energy, Transport and Standards

17. The apparent need for the 2004 UIBF Ecological Status Classification was given by the transposition of the Water Framework Directive (WFD), and as such being relevant also for Slovakia. The definition of classification system and the reference conditions of surface water status in Slovakia was one target of nine working groups established in order to assure the National Implementation Strategy of the WFD. In spite of the fact that the project has been implemented as an UIBF TWL without having a detailed documentation or a logical

framework matrix, the objectives were clearly stated. Also a combination of planned activities brought the needed results in setting-up the reference conditions for biological elements and development of water surface classification by biological elements, including training of the Slovak Hydro Meteorological Institute (SHMI) staff.

18. The 2005 EQS for Water also contributes to the fulfilment of the requirements given by the WFD. Moreover, by establishing pollution reduction programmes for the priority substances, Slovakia implements the EU requirements of setting of the EQSs and the emission controls. Although the competent authorities are in place, the prior authorisation procedures do not cover all dangerous substances listed at the List of the Relevant Chemical Substances (LRCHS) for the SR. Furthermore, the changes in regulatory and legal framework assign new duties to the regional and district offices, which are not fully prepared for their new responsibilities. Slovakia is still lagging behind the well-developed system of the regional and district offices functioning in other member states. Therefore, the project is relevant and should support transfer of best practices and reinforce the local state water offices.

19. The design of the 2004 IRAW Management project is fully in line with the Council Report on nuclear safety and the request for further strengthening of the newly established Nuclear Decommissioning Agency. The adequate management of disused sources is desired also by the EU Council Directive 2003/122/EURATOM. The disused sealed sources are results of various activities, mainly in hospitals and industrial applications. The existing system has to be improved also in the case of non-standard situations like bankruptcies of companies using radioactive materials. The improved system of IRAW management should be further supported by the computerised MIS, as a base for managerial decisions and reporting to the international safety authorities, which is a target to be achieved within the 2005 Radioactive Waste project.

20. The relevance of the 2004 Road Transport was given by the recommendations of the CMR and the Peer Review regarding the enforcement of social legislation, both at the roadside and at the operator premises. The TWL's form fits to the training project nature and gives a lot of opportunities for know how transfer, including the practical execution of gained knowledge and skills. The focus on the interpretation of social legislation, its practical implementation, especially in until now problematic area of foreign drivers' sanctioning, should contribute to the adequate labour inspection performance unified with the EU standards.

21. The 2005 Electricity and Gas Market: the full transposition and implementation of the EU directives and the energy legislation requires a complete opening and liberalisation of the electricity and gas market as of 1st July 2007. As of the date, the households become the eligible customers and this fact has to be transposed into the secondary legislation to be created, implemented and also controlled by the RONI. The new legislation shall create the non-discriminatory conditions for electricity and gas supply to households, ensuring the households' protection while guaranteeing quality, reliability and safety of supplies. The project should provide the RONI with the necessary expertise and experience in the relevant area not available in Slovakia yet, thus being clearly relevant.

22. The 2005 RACMI will support the implementation of the new MID that is an actual issue in the whole EU. The project should assist in solving practical questions and problems related to the MID implementation and its impact on trade. For illustration, an issue of the implementation the principle of mutual recognition of testing and verification of measurement instruments, which was carried out in different countries, will be dealt with.

Component 3 Finance, Customs and Culture

23. The 2004 PFM project focuses on removing identified shortages in three key public finance areas, which makes its architecture rather complex. The Accounting & Reporting sub-project works on assurance that key data used as inputs for fiscal statistics and reports for national and EU purposes are generated in timely, transparent and reliable manner. This is not always the case nowadays, which is pointed also by the Organisation for Economic Co-operation and Development (OECD) Economic Survey 2004, the International Monetary Fund (IMF) and the EC (Eurostat and DG ECFIN). The project addresses properly the issue of development, testing and implementation of an adequate fiscal and management reporting system. The State Treasury (ST) sub-project addresses correctly budget and financial relations between Slovakia and the EU and specific provisions of the *acquis*, which are relatively new areas for the ST. Monitoring & Evaluation of public funds is in its rudimentary stage in Slovakia. Therefore, the Monitoring & Evaluation sub-project aimed at further elaboration of methodologies and the establishment of training systems is of a high relevance for the development of a transparent and healthy public finance system in the country. This project will build on the earlier WB's PFMR project and the Phare assistance.

24. There has been a clear need for an increase of tax audit efficiency and the overall modernisation of the tax administration expressed in the 2004 Tax Audit project. The need is supported by the Business Change Management Plan (BCMP), which is a basic document of the modernisation of the Tax Administration, prepared already in 1999. Furthermore, both the IMF in its evaluation report of July 2003 and the EC in its CMR have justified it. The design with its 9 project components reflects this. For illustration, the project component 1 aims at the improvement of the tax audit methodology and techniques and the component 9 at the improvement of procedures for control of VAT refund. The project's overall objective, purpose and results are clear, consistent and accompanied by proper objectively verifiable indicators.

25. 2004 Internal Audit project was designed to assist in building up the internal audit function, which was introduced in 2001 and can therefore, be considered as relatively new in the Slovak public administration, compared to its other areas. This is in line with the requirement and condition of the EC/DG Budget and the transposition of the *acquis* into the Slovak legislation⁴. The project, its design, is very actual and highly relevant as it contributes to building up a modern public finance management system, which facilitates transparent use of public funds. The project supports the Central Harmonisation Unit (CHU) established at the Ministry of Finance (MoF) under the guidance of the EC. The CHU harmonises financial control and internal audit methodologies, provides methodological supervision and is responsible for the permanent education system of internal auditors and financial controllers, which are also the focus of the project.

26. The 2004 Antifraud Traffic Control Systems is the only supply project from the given Component in the Customs area (the other two should be implemented as TWLs). The main target of customs services has been shifted from the assurance of the inter-connectivity of their ISs with the EU customs systems in the pre-accession period, also supported by the EU funds, towards the protection of the external Community borders during the after-accession period. The SCA shall take the same measures to counter fraud affecting the financial interests of the

⁴ This requirement has been included in the general binding legal regulation, the Act No. 502/2001 Coll. on Financial Control and Internal Audit, amended by Act No. 618/2004 Coll. that entered into force on 1 January 2005.

EU as the other MSs. The Supply of the equipment is therefore correctly focused on the HW, the SW and communication systems, which will be located on the selected posts at the eastern border. They should also enable customs authorities to follow the movement of containers, both in the road and the railway transport. The relevance of the stated objectives is underlined also by the fact that the project has been designed together with the Commission services as a part of the horizontal project to be implemented in all countries on the eastern external border of the EU. It is necessary to add that the multi-country cooperation was the base for the design of the concrete technical specification. The Customs Directorate (CD) took part in the study trip to Finland, organised by the European Commission, which gave an opportunity to participants to discuss the relevant aspects of the problem with representatives of Poland, Hungary, Lithuania and other states at the external EU border. The Standard Summary PF is very brief, only in a form of an annex to the Commission Decision. Objectives are clearly stated, some problems could arise during the process of evaluation of the corresponding indicators, as they are not measurable.

27. The 2004 UIBF Cooperation with Informants was a small TWL project with a very concrete focus and clearly defined objectives. The SCA trying to enhance the effectiveness and the efficiency of law enforcement has established the relevant independent organisational body, the CCO. Before the EU accession customs authorities could take the advantage of using the customs clearance data from the border offices for the investigation and the risk analysis. After joining the EU and elimination of the customs controls there is no information available from the above sources. Therefore, the well functioning and an effective structure of informants as well as their proper handling can play an important role in performance of customs officers at operational level. Moreover, there has not been any similar training delivered to the staff of the CCO so far.

28. The 2005 Consumer Protection: in a process of surveillance the imported products into the internal market of the EU the SCA has to cooperate closely with the Slovak Market Surveillance Bodies, mainly the Slovak Trade Inspection (STI). Execution of the EU legislation on consumer protection is connected with many problems, which may arise in practice. The insufficient cooperation of the customs and the market surveillance authorities in the detected areas was the reason why the project had two main beneficiaries (namely the SCA and the STI), in spite of the fact that the main managing role would be in hands of the CD SR. There are no doubts concerning the project relevance, however, a very ambitious list of the outputs combined with the cross-sectoral orientation of the project, together with the TWL form strictly limited for eight months of duration, might be a challenge of the implementation as well as the absorption capacities. The fast initial phase of the project can therefore play a crucial role in the entire management process.

29. The 2005 IPR assistance to the Ministry of Culture (MoC) is the first EU intervention in the form of a project to this Ministry. The pivotal intervention to the cross-sectoral and complex area of the IPR covers the relevant needs when implementing the EU Directive and the expected amendment of the Civil Procedure Code, Civil Code, the Slovak Copyright Act, Business Act and industrial acts (for instance the Patents Act). The project has a logical architecture and sequencing of activities starting with the development of the IP database, followed by the supporting information campaign and finally training on application of the IPR.

2.2. Efficiency

Component 1 Agriculture, Statistics and Cadastre

30. The 2004 Food Safety does not encounter big problems with efficiency, besides some delays with the start of the implementation (especially the TWL, due to the expected delivery of the complementary equipment and availability of experts). The lack of available MS experts mostly caused the later commencement of the TF activities and recently an approval of a request for the no-cost extension placed by the TWL partner (for two months). The TWL on the hand seems to be a good Value for Money (VFM), as for a very limited budget (€ 80,000) it has managed to implement remarkable number of activities (mostly local on-hands training). The TW, though possessing a more generous budget (over € 0.5) seems to perform less successfully in the VFM criterion, as bulk of the practical training is being delivered in the UK and often there are interpreting costs to be covered as well. The performance of the UK partner for both twinning sub-projects – the UK Pesticides Safety Directorate is being praised by the CCTIA, especially their broad and deep knowledge of the topic, and thus limited time needed for the emersion phase of the experts. The decision of the TW team to train the PHO staff in all areas to secure their substitution ability seems to be correct, bearing in mind the tight capacities of the PHO in the area of pesticides.

31. Efficiency of the 2004 UIBF APA CS achieves satisfactory rating, as the implementation of activities is smooth and according to the schedule. Moreover, the co-operation between the Slovak and Austrian partners (and the peer institutions) works well. The assistance is well received and the CS implements the recommendation of the Austrian partners in its methodological documents almost immediately.

32. The 2005 APA MO is waiting for the tendering process only to start after the cut-off. However, the TA would miss the crucial date of 1 November, when the intervention purchase is done in Slovakia and the foreign expertise would be welcome for the relevant activities. Though the role of the APA MO is a more strategic one in control of intervention stock, the neighbouring 2004 UIBF project from the CS seems to deal with similar activities, when training controllers in on the spot controls.

33. The 2005 OF project is well designed for the inputs to be realised into outputs, combining different forms of training (theoretical and practical) with study visits to MSs. Also the recipient institution, the CCTIA having experience from previous EU interventions, including Phare and the TF, possesses good experience from managing assistance projects. However, it is too early to predict concrete performance of the efficiency criterion for the project, among others depending on the successful selection of the TWL partner.

34. The 2005 APA SPS has been delayed for more than a year, however, even the later implementation (preferably prior to 2008) should still bring valuable expertise for the APA prior to the deadline for the SPS introduction. The Department responsible for the SPS implementation seems to possess enough absorption capacity for the TF project, including the stable staff.

35. The 2005 FRM is at the pre-tendering stage for the efficiency to be evaluated. The NFC undertakes all possible steps to speed-up the implementation, including informal market research of potential suppliers of the equipment.

36. The 2004 Statistics project, especially its TWL part, has been successfully implemented only due to a joint effort of the TWL partner and the SOSR as the key beneficiary overcoming the design's difficulties, such as the network of co-operating institutions and the requirements for sequencing of the TWL and the TA. With this respect organisation of the introductory seminar where all the stakeholders participated and their awareness about the project was raised via bi-lateral meetings with the TWL team could be evaluated positively. Also using the final seminar for the introduction of the TA sub-project has helped the proper sequencing of activities. The performance of the Danish partner was highly praised and could be seen in the quality of the FR as well. The Czech-Slovak TA assistance is dependent on the perfect time management of all 5 blocks in the SW development to manage the completion by the October 2007. The SOSR is benefiting from its long-term experience in managing the foreign aid projects, and thus contributing to its satisfactory efficiency at the same time.

37. The start of the 2004 Cadastre assistance is being delayed (presently for more than a year). Besides the common reasons, such as the application of the new Procurement Act, further delays have been caused by rather specific technical requirements of all parts of the intervention, which diminishes the pool of potential bidders. Moreover, one tender for the TA part had been cancelled due to formal mistakes of the bids.

Component 2 Environment, Energy, Transport and Standards

38. The efficiency of both environmental projects, namely the 2004 UIBF Ecological Status Classification and the 2005 EQS for Water enjoy the ideal mixture of the deep professional content knowledge combined with the strong managerial skills. The first aspect has been assured by the SHMI and the effective management is continuously guaranteed by the Slovak Environmental Agency (SEA), as a body subordinated to the MoEnv. The settled permanent staff of the Agency having implemented many projects during the years of the pre-accession assistance has acquired solid skills and the managerial proficiency. They have developed very efficient coordination and the monitoring system as well. Another aspect appears to play an important role, namely project managers from the SHMI who are not at managerial positions are empowered by all necessary authorities to manage the project events without any bureaucratic burdens.

39. The existing and well functioning set-up together with a good selection of TW partners seems to be a reason of the perfect completion of the Ecological Status Classification and a good track of the EQS for Water activities. Both projects also used the advantage of previous cooperation with the selected partners (Finland, Italy), which enabled them to start very quickly and thus to use efficiently time available.

40. Although the contracting period of the 2004 IRAW Management almost expired as of the cut-off, only the Supply component has succeeded to be contracted. The introduction of the Extended De-centralised Implementation System and then the new Public Procurement Law are repeated arguments for explaining delays in design of Terms of Reference (ToRs) and TSs. More administrative than content oriented requests from the CFCU later on have not

contributed to speeding up the process either. At the time of evaluation the supply part was just after signing the contract, the service part was under the evaluation. At the moment of the interview, the Senior Programme Officer (SPO) did not have any feedback concerning the actual state of the art. In case of complications during the tender procedures, there is therefore no opportunity to repeat it or to save the allocated funds.

41. The pre-implementation phase of the 2005 Radioactive Waste does not allow assessing its real efficiency. According to the NRA representatives, postponing of the tendering will shorten the implementation period. On the other hand it gives them an opportunity to clarify the real situation after the privatisation process of the Slovak Electricity (finished in April 2006), which enables them to define precisely their actual needs. The process of preparation of the tender documentation with the CFCU under the previous projects can be perceived as rather difficult due to reasons described above. However, the NRA representatives still appreciate the professional input from the CFCU often compensating the lack of NRA's capacities in public procurement. The continuous cooperation between the NRA and the Nuclear Decommissioning Agency (NDA) will be institutionalised via a new SC (the NDA will be represented by its Director).

42. The British Vehicle and Operator Service Agency (VOSA) selected under the 2004 Road Transport had some experience from the previous mutually implemented project with the MTPT, which, unfortunately has not been used under the current cooperation. Moreover, almost the whole originally proposed team has been changed during the project implementation. Experts coming at the beginning did not have sufficient information about the project; neither the results of the executed analysis of education needs of the Slovak control bodies (one of the outputs of the project implemented under 2003 with the same partner, which was considered to be a base for the current training requirements). In addition, they did not share information within the team and the complete organisational part was totally underestimated by the British side. The efficiency of the performance has been negatively influenced by the late submission of training documentation and poor scheduling of the subsequent training modules. Besides the kick off meeting (results of which have not been respected by TWL partner) no official meeting of the SC has taken place (one meeting is planned by the end of the project), no report has been submitted to the moment of evaluation. Only the personal enthusiasm and devotion of the project coordinator going far beyond her duties could overcome the arisen problems in the field.

43. After the slow approval process, the 2005 Electricity and Gas Market project enjoyed the attention of the highest managerial bodies of the RONI. It has been demonstrated by fact that members of the Regulatory Council have selected the TW partner. Previous Office's cooperation with the German partner gave him knowledge of the Slovak legislation and the relevant valid procedures. All this enabled a fast start without the need for an adaptation period, involving the highest management authorities in its implementation. Both, the experience and the attitude of the Resident Twinning Adviser (RTA) are highly appreciated by the RONI representatives. The regular SC meetings are organised quarterly, also the cooperation with the Office of Government (OoG) is considered to be efficient. In spite of delays in contracting process, the prediction of results seems to be optimistic. However, some concerns related to the future cooperation with the Ministry of Economy (MoE) have been communicated repeatedly.

44. The preparation of the 2005 RACMI has been delayed, which was caused, among others, by the related legislative changes. The project has an ambitious set-up as it should deal with issues, which are new in the whole EU. Therefore, it might be challenging to find and select a suitable partner and experts for the specified areas. However, European metrology institutes might be dealing with similar issues. Moreover, the former EU MSs have an advantage of markets liberalised already for longer time and have the experience from which Slovakia can benefit.

Component 3 Finance, Customs and Culture

45. The 2004 PFM project shows mixed efficiency. The Accounting & Reporting sub-project is managed efficiently and is well received. The project in its inception report recommended rescheduling the nation-wide launch of the actual accounting from 1 January 2007 to 1 January 2008 because of a limited time available for a thorough preparation of such a big change. The recommendation has been accepted and reflected in the work-plan. The other two sub-projects have been significantly delayed. The State Treasury sub-project is being re-tendered and a contract with the winner needs to be signed by 15 December in order for the project to materialise. A relatively short time left for contracting may represent a potential threat for this sub-project. The Monitoring & Evaluation sub-project has been delayed too. The delay has been caused by a political decision. As a consequence, a limited time remained left for its implementation. The duration of the sub-project was shortened from originally planned 18 months to 11 months. In order to achieve its ambitious objectives no other unexpected developments or delays should occur.

46. The work plan of the 2004 Tax Audit project can be characterised as ambitious. However, the team is managing to carry out planned activities and deliver the corresponding outputs. Although some delays related to the risk analysis for VAT audit, caused by personnel changes after the parliamentary elections, took place. An intensive transfer of knowledge and experience has been realised in a form of preparation & presentation of reports and delivery of a range of workshops and training⁵. The outputs are well received and the Danish TW partner has involved in the training activities also local staff. This appeared to be a challenge as there is only a limited number of staff that can provide training in English. The project has a proper day-to-day management solving promptly all rising issues. The quality of monitoring, i.e. preparation of quarterly reports, on the progress of the project is very good.

47. The core of the 2004 Internal Audit project activities has been moved to its second part, i.e. after the parliamentary elections. The elections caused that the learning by doing audits were delayed because of decisions on what ministries and staff should participate. Moreover, a selection of audit topics was postponed. Despite some delays, the project operates efficiently. Instead of originally planned 50 participants the project has been providing training to 150 participants. Such an increase is possible because of a high dedication of the RTA and his local assistant and a support of the MoF.

⁵ Examples of outputs delivered by now are: a workshop on the Danish Tax Audit Strategy and procedures, an analysis of the Slovak Tax Administration & improvement proposals, training of experts performing EDP-audit, training of experts performing e-audit, training on tax audit of banks, investment companies and insurance companies, a Quality Assurance System on dealing with audit cases developed, a proposal for improvement of e-audit performance, a study visit to the Danish Tax Administration, etc.

48. The 2004 Antifraud Traffic Control Systems project has suffered from delays from the beginning. As it was a part of a horizontal EU project, the future international exchange of information had to be taken into account. The study trip to Finland organised in order to achieve the necessary information base from the similar border conditions, unfortunately, was not the momentum for an operational start. The process of the TS design was complicated due to many factors: by the lasting reconstruction of the road border crossing at Vyšné Nemecké, which could substantially influence conditions of the equipment's placement. Another aspect of the delay was the location of the equipment at the railway border post in Čierna nad Tisou for which a special acceptance of the Slovak Railways (SRI) was needed. The last version of the TS by its design offers a chance of adaptation in a case it is needed and, at the same time assures the full functionality of the system. Nevertheless, the required process of communication and cooperation with the Ministry of Interior (MoI) and the SRI was not managed properly and caused a prolonged preparation of tendering process, which put the project to a very risky situation.

49. The 2004 UIBF Cooperation with Informants represents a project from the other side of the evaluation scale. A small project with clear objectives has been managed very smoothly and on time. However, the beginning did not seem to be so idealistic. The original contract with the Greek partner (who even two months after the contract's signature did not provide clear ideas what to do) has been cancelled, the PF was re-circulated and the result of third re-circulation was a selection of a Dutch partner. A very operational start and a professional attitude proved the correctness of the chosen way. Taking into account the highly confidential project's nature, the representatives of the MoF have been invited only to the kick-off meeting; the regular monitoring was arranged via the monthly meetings reporting. Performance of the TWL partner was highly evaluated by all trainees. Moreover, the experienced partner provided the SCA with the recommendations for future improvements. The only hint of criticism can be reported with regard to the project management. The person responsible for project management has not been empowered with relevant competencies; neither was at the necessary managerial level to decide on issues. Nevertheless, in this particular project the problem was overcome by personal enthusiasm and will.

50. The unsuccessful circulation of the PF under the 2005 Consumer Protection has caused a prolongation of the contracting. It is highly probable that the cross-sectoral aspect combined with a number of topics to be covered, as well as the ambitious schedule of ten seminars and three study trips was the reason for negligible interest for partnership.

51. Though the 2005 IPR is the first project for the MoC it does not seem to suffer from the child's diseases, especially when looking at the quality of the programming documents. However, in the absence of the specialised staff at the MoC to deal with Phare/TF funds, some assistance to be provided from the side of the CFCU, especially when preparing the tender documents. Also the project would require good co-operation among key stakeholders, namely the MoC, the Industrial Property Office (IPO) and the Justice Academy, besides the sequencing of activities. Moreover, the pool of the potential international experts to provide the requested assistance is rather limited and spread in several MS countries, which might complicate the tendering process. On the positive front we can report on early establishment of both the SC and the Working Group (WG) and their active functioning (e.g. when preparing ToRs). Delays of the start of the project are not that detrimental, as the amendment of the respective Slovak legislation has been delayed as well (mostly due to preliminary elections).

2.3. Effectiveness

Component 1 Agriculture, Statistics and Cadastre

52. The 2004 Food Safety project is prior to its completion (end of 2006) with vast of the activities being finished. The massive training of the CCTIA staff should clearly contribute to fulfilment of the respective Immediate Objectives (IOs), such as *implementation of the acquis in the area of plant protection products* or *effective control of pesticides*. The CCTIA staff should perform its tasks better in the area of pesticides registration and licensing. Also the laboratory staff should benefit from improved methodology when controlling quality of pesticides in agricultural products. The supply of equipment for the reference labs and the WRI should on the other hand contribute to *checking the correct use of pesticides*, as requested by the corresponding IO.

53. Effectiveness of the 2004 UIBF APA CS should bring the first tangible effects soon, in the form of a more effective and efficient performance of the APA controls. The CS of APA, being reinforced via training and the complementary methodology should be able to control implementation of the intervention measures in the processing industries in Slovakia. In the future it should be capable also to follow the EU Good Agriculture and Environmental Conditions as well.

54. None of the 2005 APA MO activities have been implemented to bring any effects. However, the project is logically designed to meet its objectives, namely *upgrading the intervention system and strengthening the export refunds one*, for instance through analysis and improvement of the current control and inspection system and upgrade the relevant methodology.

55. The 2005 OF assistance has not brought tangible effects yet. Although, as being designed it should result in positive contributions to fulfilment of the respective IOs aimed at enforcement of the relevant EU *acquis* in the field of the OF. Pending on the successful implementation of all the TWL activities, it should bring also effects in *establishment and management of granting import certificates for third countries organic products/foods*. *Update collection of data on organic farming for EU notification purposes* in the form of the enhanced performance of the CCTIA.

56. No concrete effects to be reported at this stage for the 2005 APA SPS project. However, due to its design and the top priority for the MoA, we should predict positive outcomes of the TF assistance to *implementation of the SPS*, as the TA should help the APA in preparing the legal amendments, strategy but also the SPS methodology. Moreover, through upgrading of the Integrated Administrative Control System (IACS) system, especially the cross-compliance requirements, also the *support to adjustment of IACS* should be reached.

57. So far no effects to be reported for the 2005 FRM project. At this stage we can make only projections of the fulfilment of the respective IOs. When successfully delivered, the new equipment and the IS should clearly contribute to *upgrading the IS and reinforcement of the NFC's technical means*. Through training activities also the *knowledge and skills of the stakeholders regarding the quality of production and marketing of FRM* should be improved.

The NFC's controllers should be able to work more effectively and efficiently, especially when performing the fieldwork using the new IS, equipment and also methodology.

58. Even at this stage, when only the TWL part of the 2004 Statistics project has been completed at the time of this Report, we can be pretty positive when predicting positive results in the effectiveness criterion. After the successful SW development of the ASIS, this should serve as an IS *managing the data from ASIS* and at the same time *decreasing the administrative burden of reporting units*. Also once the relevant legislation is amended and the progressive trend from Scandinavia in using registers as source of statistical information adopted in Slovakia, especially for census purposes, the respective IO aiming at *quality improvement of statistical data by utilization of all available and relevant administrative sources* should be reached.

59. Though the 2004 Cadastre project could show its first results only early next year, we could predict its successful contribution to its IO focusing at *simplified, accelerated and safe on-line administrative procedures and cadastral services*, as its design secures preparation of the infrastructure and human resources for the ER and also includes awareness raising activities for the broad public. However, the above-mentioned positive forecasts are dependent on the successful start (again, no time for re-tendering is available) and implementation of all the planned activities.

Component 2 Environment, Energy, Transport and Standards

60. The 2004 UIBF Ecological Status Classification has completed all activities within the planned duration. A good cooperation of all the involved institutions, such as the SHMI, the Slovak Environmental Agency (SEA), the WRI, the MoEnv, the Institute of Zoology of the Slovak Academy of Science (SAS), has been emphasised by all the interviewed parties. The common experts' disputes and discussions enabled them to clarify the optimal interpretation of the gained results of measurements into the Slovak conditions and to define the most favourable approach to the recommendations of the Finnish experts. The needed reference conditions defined by the WFD have been set-up, the ecological classification of water surface by biological elements has been developed and the SHMI staff involved in the monitoring and the assessment of water bodies' surface received training and guidance how to correctly perform their obligations and responsibilities.

61. The 2005 EQS for Water project seems to be well on track to reach the planned targets. Even the major part of the over-ambitious indicators targeted by the end of 2006 year is to be achievable (see also Annex 1). It is very realistic to predict that *the establishment of EQS for dangerous substances and a communication network and MIS at regional and district level*, as defined by the project propose, will be achieved.

62. The last minute contracting under the 2004 IRAW Management project evokes serious questions about a real chance to achieve the planned purpose - *to improve the existing system of IRAW management and increase of the security aspect of radioactive waste management via determination of responsibilities of involved regulatory bodies and technologies supply*. Only the company with many years of nuclear energy experience could manage to fulfil the long list of activities to be performed in such a shortened period.

63. The pre-mature phase of the 2005 Radioactive Waste does not permit a real evaluation of the planned benefits delivery. *Establishment of a reliable and user-friendly computerised IS which would be able to track of all kinds of radioactive waste and spent fuel* and thus support the Agency reporting to the safety authorities (as stated in its IOs) are important elements of the ambitious project purpose. Any kind of prediction, however, would be a pure speculation at this stage.

64. The beginning of the 2004 Road Transport project has been influenced by the inadequate management and underestimation of the TWL partner. Nevertheless, the enthusiastic personal involvement of project coordinator has achieved the improvement of the experts' performance at the later stage of implementation. It is highly probable that the project by performing all training modules will improve the level of social legislation control by contributing to *the adequate labour inspection performance comparable with the EU standards*, as defined by project purpose. However, some indicators stated in the PF can be reasonably evaluated only some time after the project's expiration.

65. The 2005 Electricity and Gas Market - a shortage of time available (by 1 July 2007) as the given deadline can raise questions concerning the completion of the planned indicators, especially those targeted by the end of year 2006. However, bearing in mind all the above mentioned aspects of the evaluation it is realistic to predict that the electricity and the gas market to households will be opened on time, the majority of *regulation settings for companies supplying electricity and natural gas to households will be revised and the decision on regulation of distribution and supply of electricity and natural gas to the end consumers will be changed*, as defined in the respective IO.

66. Once tendered and implemented the 2005 RACMI is expected to achieve its purpose, i.e. *'Implementation of the Directive 2004/22/EC and smooth transferring of the application of the former old approach or national regulations to the New Approach'*. The first step in this direction has already been made as the MID has been implemented in Slovakia on 30 October 2006. Furthermore, the positive approach of the beneficiary/OSMT gives a good background for the delivery of tangible results.

Component 3 Finance, Customs and Culture

67. The 2004 PFM's IO consists of three components: *'Improve public finance accounting and the fiscal and financial management reporting systems; improve the functioning of the State Treasury; strengthen the monitoring and evaluation system of public funds, including EU funds.'* Each of them is a subject of the corresponding sub-project. The Accounting & Reporting sub-project is well on the track in delivering first tangible results. For instance, it prepared wording of the Act on Accounting amendment⁶ to create legislative pre-conditions defining the accounting consolidation of the public administration. The team of advisers elaborated also a strategy of communication with the public on the upcoming reform of public sector's accounting and reporting. Furthermore, training needs analysis followed by a training proposal and the first round of training focused on accrual accounting essentials took place. It is expected that the accrual accounting system will be implemented as of 1 July 2008 and will generate adequate fiscal and financial management reports in accordance with valid international standards. The Minister of Finance confirmed the date in autumn 2006. This sub-

⁶ Art. 23 of Act 431/2002 Z. z. on accounting in the framework of the prepared amendment.

project is working on establishing a solid ground for it as it pays a considerable attention also to change management, which is crucial for a smooth introduction of vital complex changes. When the State Treasury sub-project will be implemented (i.e. no unexpected developments in re-tendering and contracting occur) one can expect that it will lead to the generation of required ST reports on EU funds. This is determined by the relatively straightforward design of the project and positively influenced also by stabilised ST personnel. It will be a challenge to deliver the expected results and effects in approximately two-thirds of the originally allocated time for the Monitoring & Evaluation sub-project. A hard work of the winning team and a good cooperation with the MoF may lead to the establishment of an external M&E system, further development of the strategy and methodologies of M&E of public funds and preparation of evaluation reports. However, the accreditation of the M&E system may take longer time and may be only initiated under this sub-project.

68. The 2004 Tax Audit project has a potential to achieve a high level of effectiveness. This might be illustrated by results of the evaluation of achieved experience carried out after training of experts performing e-audit took place. Two teams of trained e-auditors were invited for 2.5 days of evaluation, where they were requested to show their colleagues at least one audit action by the use of e-audit tool IDEA learnt during training. The feedback from the evaluations of this session showed that participants widened their general and specific knowledge as a result of this training. The main objective of this project activity was to educate a number of e-auditors who will be able to carry out e-audits at a high professional level and thus will contribute to *an increase of the tax audit efficiency*, as stated in the respective IO.

69. The 2004 Internal Audit project has already delivered some tangible results, such as training of 150 participants and the training syllabus with 8 modules. The syllabus will be submitted for accreditation to the Ministry of Education. Training activities have been attended by representatives of different public sector institutions and appreciated by participants. Furthermore, 5 learning by doing audits are going on at different ministries and the sixth one is scheduled to start in November. Thus, the project is well on the track to achieve its purpose *‘to provide an assurance that the Slovak Republic has developed and properly implemented legislative and guidance framework needed for performing internal audit and to assist in building, completion and implementation of the permanent education system for internal auditors.’*

70. The 2004 Antifraud Traffic Control Systems is at high risk of losing funds, in spite of the regular monitoring from the MoF and the will of the CD demonstrated by a change of person responsible for the TS preparation, as well as an introduction of special assistant of the Director General (DG) for the EU projects. If some complications arise during the finalisation of tender and a need for re-tendering occurs, there is no chance to manage it within the given timeframe. On the other hand, the last version of the TS has taken into account all aspects of technical solutions, all relevant features of selected border crossings and also possible future needs. If the contract is signed, there are no doubts that equipment to be installed will contribute to the protection of external EU border *by strengthening the anti-fraud control systems* (as stated in the IO). Nevertheless, the wording of some IAs cannot be considered as relevant for the project evaluation and the aspect of the improved cooperation between the law enforcement authorities at the national and international levels can be evaluated only at the later stage, when similar systems are in place also in other relevant EU countries.

71. The small 2004 UIBF Cooperation with Informants TWL being already completed has achieved the concrete planned results, such as training of the 30 SCA officials, including the delivery of the Slovak curricula. We can therefore expect that the capability of staff handling informants, as a new area of responsibility with the increasing importance, has improved.

72. The 2005 Consumer Protection should bring concrete results by providing training of the SCA and the Market Surveillance Authority (MSA) staff and increasing relevant information base and improving coordination of both beneficiaries, including the revision of the internal procedures and the mutual agreements on cooperation. Provided that the objectives are achieved, the project could be considered as a substantial contribution to the consumer protection in releasing the products, especially from third countries, to the internal market of the EU. Thus, *the implementation of the EU and national legislation related to consumer protection will be enhanced in the practice of SCA and SMSB*, as requested by its IO. Taking into account the ambitious set-up, the effective day-to day management seems to be a crucial pre-condition of the success.

73. Judging from the 2005 IPR project's design we can predict its positive contribution to the respective IO, aimed at *strengthening enforcement capacities and raising knowledge concerning IPR*, as the judges, prosecutors, custom officers and the MoC as a roof institution should improve their performance when dealing with the IPR cases using new tools and international knowledge gained. Also the broad public to be better informed about the IPR topic once being exposed to the information campaign (hopefully well managed by the MoC as possessing the necessary expertise in this field).

2.4 Sustainability

Component 1 Agriculture, Statistics and Cadastre

74. The 2004 Food Safety shows mixed results in its sustainability. For the effects of the TW sub-project to be sustainable, the willingness of the staff to implement the new methods of work is needed, together with its low fluctuation (which now low for the Dept. of the Pesticide Registration). Also the very limited capacities at the PHO to perform the pesticides tasks were rather worrying. Moreover, the support of the senior management is needed and the probability of its change after the parliamentary elections was rather unclear at the time of this IE. The TWL should bring sustainable effects, especially once the CCTIA is accredited as in GLP later this year. On the other hand the lab staff shows a high fluctuation, mainly caused by low salaries. The lab equipment should be self-sustainable, pending however on its effective use in practice as well.

75. Sustainability of the 2004 UIBF APA CS, due to its heavy focus on the HRD is dependent on the stability of the respective staff. However, due to the project's design, securing transfer of the know-how also via the Training of Trainers (ToT) element and also the production of manuals materialising the gained know-how, the potential of the TF sustainability is pretty high. Also the Slovak-Austrian co-operation between the peer institutions should also continue in future bringing bi-lateral effects.

76. Forecasts of sustainability of the 2005 APA MO assistance are pretty promising. Key recommendations from the TF assistance in the area of improvement of the methodology of the market intervention to be materialised besides the internal manuals also in the MoA's regulations, also the staff of the relevant APA staff seems to be stable. Also the intervention measures, such as export refunds seem to be motivating for broader group of producers to use them in future (especially the small ones), as one of the results of the planned information campaign.

77. The 2005 OF hasn't reached the sustainable status yet. The CCTIA as the CA should use in practice the knowledge gained in the area of OF, especially in certifying imports from the third countries, where she nowadays sometimes competes with the old MS (such as Austria). Also the long-term perspective of the OF development should be positive with the farmers of the organic food and feed to switch from exporting to the processing, and thus securing higher value added.

78. No big concerns with regards to sustainability of the 2005 APA SPS to be raised, though the effects haven't reached the sustainable status yet. The APA SPS Dept. is stable; the control system is of the Slovakia's interest and as such should be sustainable.

79. The assistance under the 2005 FRM project should bring sustainable results in the form of the putting in place the long-term control system of the NFC. The core group of the controllers represents stable staff of the Centre. In addition, the TF should help the NFC to be re-accredited for testing the quality of forest seeds.

80. Sustainability of the 2004 Statistics project shows mixed results. Though the SOSR is a well-established institution with stable staff and the project is co-financed from the state budget and clearly linked to the WB assistance as well, some concerns remain with regard to the political will to pursue all the reforms needed for some the ambitious outcomes of the projects to materialise. Satisfactory sustainability of the project is dependent especially on legislative changes of the Act on Personal Data Protection for the effective implementation of registers for census purposes and also on the willingness of all the institutions to provide the necessary statistical information into the ASIS system, such as insurance companies.

81. The 2004 Cadastre intervention should be sustainable, though the GCCA suffers from medium fluctuation and some lack of staff and its future independence as an institution is unclear. However, due to its character, the ER, once being accepted by the public and also experts, such as notaries, should bring sustainable outcomes in effective and efficient performance of cadastre when settling property rights.

Component 2 Environment, Energy, Transport and Standards

82. Under The 2004 UIBF Ecological Status Classification all relevant data sources for the years 2003 and 2004 have been proceeded and the know-how provided by the TW partner will allow the Slovak experts to proceed further monitoring of data gained from the follow-up measurements. That is not only an example of the ToT's outcome but also the best guarantee of sustainable results of the project. The Slovak staff capable of the future practical execution can substantially contribute to the empowerment of the new legal requirements. Therefore, there are no doubts that the involved institutions are able to continue to flow the achieved benefits

after the project ends. In addition, the follow-up of the project activities will be materialised under the 2005 EQS for Water by managing the interconnectivity of ISs. Once all projects' targets are achieved (what seems to be a realistic prediction at this stage), the EQSs for dangerous substances will be used in practice and well functioning communication network and the MIS will indubitably improve the quality of the water control in Slovakia.

83. The sustainability factor of the 2004 IRAW Management project can be reported only if we predict its successful contracting. Then there is an open question of contractors' performance. If they achieve expected results as they are planned, there is a high chance that the precise division of responsibilities of the regulatory bodies and the connection of existing managerial IRAW system with the national one will contribute to the safety improvements and the results could be reported as sustainable. At the time of evaluation, however, all this can be considered as premature.

84. A very similar situation can be reported with regard to the 2005 Radioactive Waste project. The real implementation has not started yet but if the performance is successful, the newly designed and established IS should be able to track all kinds of radioactive waste and the spent fuel. Slovakia will be thus able to report to the international safety authorities on the relevant issues. The project results will become a tool of the Agency's daily work what can be considered as the best materialisation of sustainability. However, a selection of a TA partner with a strong experience in the relevant area is the key pre-condition for the above mentioned.

85. The improved knowledge of the respective authorities under the 2004 Road Transport project has been materialised in drafting of the first version of the law amendments and the draft law on digital tachographs. After the Act on Working Time and Rest Period in Transport currently drafted comes into force, the National Labour Inspectorate, the Police Forces and the MTPT will execute it. Sub-ordination of control bodies to the various ministries still creates problems concerning their functioning and competencies. This project has therefore proved the relevance and actual need of the previous project's recommendation: to strengthen the coordination role of the MTPT and to create one integrated body to control the transport legislation.

86. The presented idea will be the subject to the Ministry's consideration. If the planned objectives of the 2005 Electricity and Gas Market are achieved, as it seems to be realistic in a moment of evaluation, new skills and know how will be transferred to the RONI and its staff will be capable to manage the new area of its responsibility when the project ends. Liberalisation of the electricity and gas market should be in line with the relevant EU directives. However, there is a concern within the institution that new policy of the MoE can in longer - term lead to the increase of regulations and decline of real liberalisation of the electricity and gas market. Also the currently discussed amendment of the relevant regulatory legislation decreases the independence of the RONI and introduces possibilities of the Government's interventions into the system.

87. Once implemented, results of the 2005 RACMI project are expected to be sustainable. There is a clear need for a project that identifies changes in the borderlines legislation like this one. When identified, relevant legislative changes supporting free movement of goods having measurement function (i.e. smooth liberalisation of public utilities market) will be implemented, which gives a good ground for their sustainability.

Component 3 Finance, Customs and Culture

88. The sustainability of the 2004 PFM project shows a good perspective. It can be expected that results of the Accounting & Reporting sub-project will be sustainable, as the accrual accounting will be implemented from 1 January 2008. This date represents a culmination of the sub-project's efforts, among which are the elaboration of the accounting and operational manual, the consolidation manual, and provision of basic training to 3,000 public officers and follow-up training to about 900 ones. Moreover, this sub-project plans to deliver a strategy for sustainability of its results, focusing on continuous improvement of quality of auditing information. Once implemented, the remaining two sub-projects are expected to be sustainable too. Under the State Treasury sub-project manuals as well as the program for education in financial planning should be prepared. While the Monitoring & Evaluation sub-project should set-up the external M&E training system providing education to civil servants dealing with M&E of public funds. Both the ST and the Budget Analysis Department of the MoF are stabilised bodies. Although the director of the Budget Analysis Department who is also the project leader of the M&E sub-project has recently left the MoF and is being replaced by his deputy.

89. Under the 2004 Tax Audit an intensive transfer of know-how, skills and experience is taking place. The organised workshops and training are well received and appreciated by participants. Another positive feature is that next to the EU trainers there are also Slovak co-trainers assigned. All these suggest that this TW project is well on track with the sustainability achievement. Looking for a possibility how to actually implement the Quality Assurance System under the IDIS (the new information system of the Tax administration) might strengthen this favourable development. The Quality Assurance System was developed under the project; however, because of technical difficulties of implementing this system in the existing IT environment, as well as limitations in the legal environment, it has not been implemented yet.

90. Sustainability of the 2004 Internal Audit shows a mixed perspective. The delivery of the syllabus that should be accredited shows a promising sustainability development, while the effect of the ongoing personnel changes in the public sector administration on the sustainability perspective of this project is unclear.

91. The given aspect of the 2004 Antifraud Traffic Control Systems can be evaluated only after the successful finish of the tender process and the instalment of the equipment at the selected border points. The fully operational system being able to exchange the data flow with other countries included into the project frame, together with the trained staff will move the protection of the external EU borders to a higher grade of safety. The high level of importance of the east border's protection and its recognition by the Government illustrates the fact that besides the EU funding, the Slovak Government has allocated more than SKK 700m from the state budget for the given purpose.

92. Performing all the planned activities under the 2004 UIBF Cooperation with Informants the stated objectives have been achieved and the knowledge of the up-dated methods and techniques have un-doubtedly been received. The CCO is also considering a future cooperation with the partners to be covered by their own financial sources. The conclusions and recommendations prepared beyond the planned outputs of the project, such as the creation of databases of informants, their nation-wide system of registration, adaptation of the Europol

guidelines or the legal changes have been presented to the management of the CCO. Nevertheless, their real implementation into practice will take some time and might be a subject of an ex-post evaluation.

93. The 2005 Consumer Protection: due to the stage of its implementation it is difficult to predict the sustainability of the project's results. If a smooth and operational management assures that the planned objectives are achieved, the revised procedures and cooperation agreements could represent a solid base for the improvement of releasing of the dangerous products into the internal EU market. The institutional capacity of both beneficiaries will be increased and the ownership of results could be seen in their operations.

94. The 2005 IPR project hasn't reached the sustainable status yet. Also sustainability of some of its outputs, such as the IP database was rather unclear at the time of this IE. Though the IP database should become a part of the MoC's Registry of Culture, its concrete functioning and future maintenance were not fully secured at the time of this Report.

2.4. Impact

Component 1 Agriculture, Statistics and Cadastre

95. Once all the planned activities are eventually implemented under the 2004 Food Safety project, they should definitely contribute to the fulfilment of their Wider Objectives (WO) s, in the area of *risk assessment and management of PPP and control of primary inputs in food chain and environment*. The Slovak representatives should be able to participate more actively in the EU system of PPP, including the potential preparation of the assessment reports. The CCTIA labs should conform to the strict quality standards. In the broader terms the project has a potential to contribute to the improved consumer protection via control of pesticides in fruits and vegetables or several areas of the environmental protection (for instance soil or water).

96. In the absence of the relevant WO for the 2004 UIBF APA CS, we can evaluate the impact based on the content of the TF project. The 2004 assistance for the APA has a potential to change the approach to performance of controls. The inspectors should become more pre-active and actually step-in into the production process via the controlling activities, thus being more influential. Also the ToT element, when the key group of about 20 trained inspectors capable to train their colleagues should contribute to broader impact of the UIBF assistance.

97. The 2005 APA MO has a potential to bring a broader impact in the form of the increased export of agricultural products and also processed foods. At the same time via the information campaign the potential group up to 800 producers should be able to use the different forms of the APA's support. Overall the 2005 assistance should contribute to its WO focused on *reinforcement of the MO system in the APA*.

98. The 2005 OF TWL via the training activities and also practical know-how transfer should have a positive impact on the *enhanced CCTIA's management* in the field of the OF, as indicated in the respective WO. At the same time it should have a broader impact on the OF farming in Slovakia, when influencing the ever growing group of the OF farmers (presently

under 30) and implicitly the consumer protection at the same time (currently under 200 food products).

99. The 2005 APA SPS has a goal in its correspondent *WO enhancement of APA procedures...* The SPS system should be more transparent and possibly simpler, compared to the existing Single Area Payment Scheme (SAPS) and topping-up. Also the impact on the broad farmers community is pretty broad, when influencing the direct payments (being of high interest) and also increasing the awareness (via info campaign activities).

100. When successfully implemented, the TF assistance 2005 FRM should contribute to the defined *WO aimed at reinforcement of the control system on the marketing of FRM and improving its quality and skills of producers, suppliers and end users*. The NFC's control capacities should be strengthened, the pool of FRM controllers trained and equipped with the necessary tools. Moreover, the target group of about 200 people trained on the relevant FRM topics, such as the FRM male manipulation. At the same time an improved FRM control system should contribute to reduced undesirable marketing practices of the goods at the EU Common Market. The project should have a positive environmental impact on the soundness of the Slovak forest (covering about 40 percent of its territory) when improving the quality of the FRM sources (seeds and plants)

101. The 2004 Statistics project could bring a clearly tangible impact when decreasing dramatically the costs of future census (especially after 2021) adopting the Scandinavian model of using data registers instead of physical collection of data (from approximately SKK 700m to 70m). The proposed progressive system could at the same time serve as a pilot for the region, especially within the initiative of the neighbouring countries, when introduced on its December meeting. Even in the absence of the political will to adopt dramatic reforms of the statistical system in Slovakia, the TF intervention should contribute to its defined *WO to increase quality, effectiveness and flexibility of the statistical information system* via the upgrade of the existing one.

102. The 2004 Cadastre project has a real potential for broad impact on the society as a whole, when simplifying the communication with the Cadastre, and thus *establishing an efficient access to cadastral services*, as defined in the respective *WO*. For the impact to materialise, the public should start to use the ER widely, pending also on its access to the Internet, which is presently relatively low. Also the professional public should recognise the ER as a valid instrument, such as the National Security Office and the relevant legislation amended.

Component 2 Environment, Energy, Transport and Standards

103. Both environmental projects the 2004 UIBF Ecological Status Classification and the 2005 EQS for Water show promising results what impact concerns: increasing of the water management level and strengthening of the relevant administrative capacities in Slovakia via the communication network and MISs. Also development of the EQSs, setting-up the type specific reference conditions and development of ecological classification of the water surface by biological elements as well as training in both respective areas should be reached. Slovakia will thus *enhance the capacity of the central administration and District Offices (DO) responsible for water quality and to implement national legislation and the EU acquis on water quality* as defined by the respective *WO*.

104. The pre-mature phase of the 2004 IRAW Management does not offer any space for real evaluation of the project's impact. However, the project has a, due to its design to contribute to its WO, *to improve the existing system of IRAW management respecting the relevant recommendations of the Report on Nuclear Safety.*

105. The same can be stated with regard to the 2005 Radioactive Waste project. There are no concrete results, which could be evaluated at this project stage. However, once all the planned activities are eventually implemented, the project will indubitably *contribute to the safe management of radioactive waste and spent fuel in Slovakia through establishment of relevant information system*, as defined in its WO.

106. A very good mix of beneficiaries of the 2004 Road Transport project assures the appropriate dissemination of the gained knowledge from the MTPT through the Police and the Labour Inspectorate's branches at the regional and the district levels. Participation of the Žilina University is the best guarantee of spreading of the up-dated EU rules and practices among the future professionals. The ToT aspect can sustain the transfer of the know-how to the staff of relevant institutions and thus to contribute to the WO focused on the *proper implementation of the acquis in the area of labour protection, safety and competitiveness – Negotiation Chapter No.9 – Transport Policy.*

107. An indisputable impact of the 2005 Electricity and Gas Market project will be the transposition of the relevant EU Decrees and the Regulations into the Slovak gas and electricity market materialised in the adoption of a model compliant with EU requirements. The process of the secondary legislation application should also strengthen the position of the RONI in the consumer protection area focused on households in the coming period, pending however on the outcomes of the current discussions on RONI's independence. In the broader terms the project has a strong potential to contribute to its WO, *to prepare conditions for development of Electricity and Gas markets in accordance with Directive 2003/54/EC and Directive 2003/55/EC.*

108. One can predict that the 2005 RACMI will generate a broader impact in the form of *free movement of goods with measuring function without a distortion caused by changing environment in their usage and operation*, such as liberalisation of markets of public utilities. The prediction is based on the design of this project and the pro-active approach of the beneficiary, the OSMT, to this project.

Component 3 Finance, Customs and Culture

109. The 2004 PFM project's impact, characterised by *timely and reliable reports and statistics on macro-economic performance* is expected to materialise. All three sub-projects contribute to this WO. The Accounting & Reporting sub-project by preparation of modern fiscal and financial management reports providing all needed information for local and international purposes (i.e. EC and IMF requirements); the State Treasury sub-project by preparing missing reports on the EU funds; and the Monitoring & Evaluation sub-project by generating evaluation reports on the actual use of public funds. The expected impact of the 2004 PFM project is even wider than stated in the WO as it will cover not only macro-economic

performance but also public finance performance statistics and data on the use of and accountability for the use of the public funds.

110. An impact of the 2004 Tax Audit project expressed, as '*modernisation of the tax administration*' will clearly materialise. An increased tax audit efficiency facilitated by an intensive transfer of know-how, skills and experience, as well as development of new audit techniques, does significantly contribute to the achievement of the WO.

111. The 2004 Internal Audit has a potential to bring a positive impact and '*to further strengthen system of internal audit at the Ministry of Finance, line ministries and spending centres in compliance with relevant EU regulations*'. However, the potential might be negatively influenced by the ongoing parliamentary post-election personnel changes at the MoF, line ministries and other spending centres causing a loss of trained internal auditors.

112. Prediction of the impact of the 2004 Antifraud Traffic Control Systems is based on the precondition of the contract's signature with the supplier within the given deadline. The equipment delivery and its instalment will undoubtedly increase the east border protection in mid-term perspective. Nevertheless, the international cooperation of the relevant customs authorities is a question of longer-term perspective and as such must be a result of similar projects successfully implemented in other involved countries, what is beyond the influence of the evaluated project. Once implemented, the project will unambiguously contribute to the WO defined by the EC for all the involved countries, as *to assist the New Member States to meet the obligations pursuant to Article 280 of the EC Treaty and other legislative acts on the protection of the Community financial interests by putting into place effective monitoring mechanism*.

113. The completion of the 2004 UIBF Cooperation with Informants will positively contribute to the improvement of handling with informants, and thus to increasing of the number and at the same time also reliability of the relevant information sources of customs authorities.

114. A pre-mature implementation phase of the 2005 Consumer Protection does not allow the real prediction of its impact. After all, the desired future well functioning cooperation of the customs and the MSAs in consumer protection will be tested by their abilities to manage the project implementation within the limited time-frame. If they succeed, the project will definitely contribute to the *overall improvement of consumer protection from the sides of the SCA and SMSBs*.

115. Forecasts of the impact of the 2005 IPR intervention are rather positive due to similar reasons as with its effectiveness criterion. The WO aiming *to ensure awareness and protection of IPR, to reduce the level of piracy and counterfeiting* should be, at least partially achieved. The corresponding activities, once being fully implementing, such as the information campaign, both for professionals and the public, database of the relevant rulings, including the international ones, plus decisions of administrative authorities, together with the training, should improve the work of the Law Enforcement Agencies, and thus ultimately reduce the relevant crime.

2.5. Specific issues

116. There were no specific issues during this IE.

3. CONCLUSIONS AND RECOMMENDATIONS

3.1. Conclusions and Recommendations

3.1.1. Relevance

117. The TF assistance to the INT Sector is relevant. It covers mostly the identified needs in the corresponding EU documents, such as the CMR, the TF Planning Document and other Slovak policy and programme documents, and strategies. The quality of programme documents has improved, compared to the previous Phare era; however the poor quality of Indicators of Achievement (IA) s remains still visible.

118. The **AGR** projects are all relevant, mostly contributing to the CAP's (its reformed version) implementation and the respective EU Directives (such as the 2005 APA SPS project). Heavy focus of the projects under review (both 2004 and 2005 projects) has been given to support of the APA and its individual sections, where the transfer of know-how from the old MS (being more experienced in broader menu of interventions) seems to be justifiable. Another key beneficiary of the TF interventions is the CCTIA assisting the rather isolated area of food safety. Both TW and TWL seem to work well for the selected areas of assistance, especially once combining theoretical and practical training. The TF assistance to **CAD** and **STAT** is oriented towards implementation of progressive methods with pivotal character, such as the ER for the GCCA. For implementation of several IT projects, proper sequencing is key, such as the SW development and the complementary training activities.

119. The **ENV** projects are relevant, contributing mostly to the fulfilment of the requirements given by the WFD into the Slovak conditions and focusing on the improvement of the water management. Support is given to the SHMI but also to all institutions being involved in water monitoring and assessment, as well at the district and regional levels. TW and TWL forms fit perfectly to the needed know-how transfer, the 2005 project will be supported also by the equipment supply and TA to be contracted. The **ENE** projects from the Nuclear Safety area follow the line of the Council Report on the Nuclear Safety trying to achieve the adequate management of disused sources. The highly specific know how will be provided by the TA and will be combined with a supply intervention. The Electricity and Gas Market should also fully transpose and implement the relevant EU directives by creation of the secondary legislation. The **TRANS** project follows the recommendations of the Peer Review. The **STAN** project will assist with the actual implementation of the MID.

120. The **FIN** projects are relevant as the PFM system needs to be further modernised, as expressed in the PFMR strategy and the DG ECFIN documents. All **CUS** projects have their own significance, following the EU relevant policy (the external border and consumer protection); one being focused on the cooperation with informants as an area without a coherent previous experience. Relevance of the Antifraud Traffic Control Systems is given also by its horizontal nature being designed by the Commission services. The first assistance to **CUL** under TF or Phare seems to be justifiable, having a cross-sectoral character in the IPR protection and complies with the national legislative priorities as well.

3.1.2 Efficiency

121. Efficiency of the reviewed projects has suffered from the well-known delays, causing the subsequent delay of the start of activities. For the **AGR** sub-component none of the 2005 projects have been tendered, causing problems in timing of the activities (such as 2005 APA MO missing the important deadline for intervention buying). For the running projects the performance of the respective TW and TWL partners and also contractors were highly appreciated, such as the 2004 Food Safety TWL and 2004 UIBF APA CS, providing good VFM. Thanks to the previous experience with Phare and other EU projects the **STAT** assistance has managed to overcome some design's ticking bombs in the form of numerous stakeholders participating at the 2004 project. Due to the same reason we keep being positive that the **CAD** intervention into the ER will be successful, though suffering again from lengthy tendering (caused among other specific technical needs of the project).

122. Efficiency of the **ENV** projects can be considered as high, the mix of the SEA managerial proficiency and the knowledge of the SHMI staff demonstrate very good results: the efficient coordination and monitoring system is supported by a quite rare element - project managers not being at the managerial positions are empowered by the necessary authority to manage the project events without any bureaucratic burdens. This cannot be said about the **ENE**, particularly the Nuclear Safety projects, none of which is under the implementation yet because of the lasting process of basic tender documents preparation. Moreover, during the lengthy tender processes the respective SPO did not have any feedback on the actual situation, lacking the updated information on the progress of the contracting. The previous cooperation with the TW partner under the Electricity and Gas Market project has enabled its operational start and it seems that a good cooperation combined with the involvement of highest managerial authorities overcame the long preparatory phase. The **TRANS** project, especially its organisation has suffered by the underestimation of the TWL partner, what has influenced the quality of provided training at the beginning of the implementation. The **STAN** project has been delayed and may face a challenge to find a suitable partner and expert for the specified areas.

123. The implementation of the ongoing **FIN** project is efficient. However, some sub-projects have been significantly delayed, which was caused by re-tendering and a political decision. Even the experienced MoF services managing the **CUS** projects did not succeed to solve problems linked with the cross-sectoral nature of some projects⁷, which has negatively influenced a timing of the tender documents preparation. On the other hand, the small project Cooperation with Informants with clearly defined objectives and focused only on one target has been efficiently implemented within the short time frame. Evaluating the management efficiency has shown a need of building up an 'institutional management memory' via using the experience and skills from the previously successfully implemented projects and a transfer of the gained know-how within the respective institutions. The **CUL** intervention will certainly put a pressure on the relevant MoC staff, which is not experienced in the EU project cycle management. Also the novelty of the topic, even on the EU level might represent some threat in its successful implementation (for instance limiting the potential pool of available experts).

3.1.3 Effectiveness

⁷ The cross- sectoral nature of some projects means that many institutions of different sectors are involved, or influencing, the process of projects' documentation preparation, i.e. the Technical Specification for the Anti-fraud Traffic Control Systems (Ministry of Interior, Slovak Railways, etc.).

124. Positive projections of effectiveness of most of the projects are based on their design, considering at the same time the potential fulfilment of the respective IOs. The corresponding IAs are hardly usable for the evaluation purposes, lacking almost always the measurability principle. The massive theoretical and practical training, being supported by the complementary methodological materials should bring at least some effects in the **AGR** sub-component, such as 2004 Food Safety in the area of pesticides registration and testing or 2004 UIBF APA CS in the more effective and efficient controls of the agricultural market organisation. The **STAT** project has progressed with the completion of the TWL part and SW development. It should bring effects in the better use of the statistical information, and thus the decreased administrative burden of the reporting units. The **CAD** intervention into the ER should comply with the eGovernment philosophy and the Cadastre should be able to provide more effective and efficient cadastral services, pending on the successful completion of the complicated tendering.

125. The **ENV** projects by completing all activities have achieved the defined IOs or it is very realistic to predict that they will achieve them, such as the 2005 EQS for Water. The provided training gave the guidance to the staff how to correctly perform their obligations and responsibilities in the water management. The Electricity and Gas Market ENE project seems to be well on track to reach all IAs focusing on the 1st July as the deadline stated by the EC for liberalisation of the respective markets to households. Any kind of prediction in the Nuclear Safety projects would be a speculation, the last minute contracting of 2004 and pre-mature tendering of 2005 cannot provide the relevant info on a possible improvement of the existing IRAW management system or an ability to track all kinds of radioactive waste and spent fuel. During the lasting tender processes the SPO does not have any feedback on the actual situation, what has raised a question of possibility to provide him with the updated information on the progress of the contracting. The **TRANS** support by performing all training modules has contributed to the adequate labour inspection performance comparable with the EU standards. When implemented, the **STAN** project is expected to achieve its IO as the first steps in the implementation of the MID directive have been taken and the pro-active approach of the beneficiary gives a good background for the delivery of tangible results.

126. The ongoing **FIN** projects have delivered their first results in modernising PFM system. This holds especially for the area of internal audit and tax audit, where an intensive transfer of know-how and experience took place. The set of **CUS** projects varies through all rating levels: the completion of the Cooperation with Informants provides a clear statement of a positive evaluation of the given criterion, as successfully implemented all the given goals. The Consumer Protection still has big chances to contribute to the enhancement of the consumer protection. The protection of the EU border by strengthening the anti-fraud control systems within the Traffic Control Systems project is based on the pre-condition of its successful contracting only. The **CUL** project should assist the relevant authorities to improve their performance in the field of IPR and their protection and with the help of the relevant awareness should be raised also among general public.

3.1.4 Sustainability

127. Sustainability of most of the **AGR** projects, especially to the APA seems to be secured, due to the stable staff and also via materialising the training know-how into the respective methodological documents. On the other hand we are less optimistic when predicting the sustainable outcomes of the CCTIA intervention, such as the 2004 Food Safety mostly due to

problems with fluctuation of staff and a potential threat of re-shuffles of the senior officials as well. Also the capacities at the PHO in the area of pesticides control were not sufficient, especially in the longer term. Some concerns with regards to sustainability of the **STAT** project to be raised, as the outcomes of the 2004 TF intervention requires the political will to adopt reform changes, including the legal amendments for the assistance to be sustainable. The **CAD** TF project would require the broad acceptance among general and professional public to be sustainable, besides the stability of the **GCCA**.

128. Sustainability of the **ENV** projects seems to be assured by the main beneficiary, as the **SHMI** as a stable organisation will use the typology and the **EQSs** in practical executions of its duties. Moreover, the gained knowledge and skills can be further spread over via the **ToT** element. Also the results of the **ENE** and the Nuclear Safety projects should become a tool of the Agencies daily work, as the best materialisation of sustainability. However, the current political discussions have raised a question of the real independency and strengthening of the **RONI** and a concern of a future cooperation with the **MoE** what could negatively influence also the sustainability in the mid-term perspective. The **TRANS** project has materialised the gained knowledge in drafting of the legal amendments. The strengthened coordination role of the **MTPT** and creation of one integrated body to control the transport legislation, as proposed by the **TW** partner could be sustainable, pending on the approval of the relevant authorities. A potential sustainability of the **STAN** project can be assessed on the basis of the existing need and the available intention to implement legislative changes supporting free movement of goods with measurement function.

129. The ongoing **FIN** projects show mixed sustainability perspective, with some difficulties of the sustainable outcomes of the Quality Assurance System developed under the Tax Audit project and the training syllabus developed under the Internal Audit project. The sustainability prediction of the **CUS** projects is rather positive: the **CCO** is considering a future cooperation with the **TW** partner to be covered by its own sources, as a follow up of the completed project. The protection of the east border posts is continuously heavily financed from the state budget what illustrates the attention given to the defence of the Community interests. Sustainability of the **CUL** project was not fully clear, especially the future of the **IP** database and its maintenance together with concrete timing of the adoption of the local legislation.

3.1.5 Impact

130. We can expect that most of the TF projects will contribute to the fulfilment of their respective **WOs**, mostly in the area of transposition of the relevant *acquis*, such as the reformed **CAP** in the **AGR** sector. The relevant assistance to the **APA** should clearly have an impact on its enhanced performance, for instance in the area of control of the **MO** or a more transparent system of direct payments. The control systems should be strengthened also for the **NFC** in the area of **FRM**. Similar positive impact is being foreseen for the **CCTIA** support, bringing, for instance more effective control of food safety. The progressive areas of assistance for the **STAT** and **CAD** could both bring broad and tangible impacts, when introducing new **ISs** simplifying the respective administrative procedures, and thus having a potential to cut their costs as well (especially in the long-term perspective).

131. The **ENV** projects show promising impact results: the **SHMI** will enhance the capacity of the central and district administration responsible for water management, and thus contribute to the full implementation of the **EU** and the national water quality legislation. The **ENE**

Electricity and Gas Market is also successfully focused on the relevant EU Decree transposition by introducing the EU compliant model on the gas and electricity market. The pre-mature stage of the Nuclear Safety projects does not allow the real assessment of WOs' achievability. However, an effective implementation can contribute to the improvement the existing system of the IRAW management's substantially and to enhance the safe management of the radioactive waste and the spent fuel. Training provided under the **TRANS** project and its ToT aspect has increased the know-how of the relevant involved institutions staff, and thus has contributed to the proper implementation of the *acquis* in the labour protection of the Transport sector. A broader impact in the form of free movement of goods with measuring function without distortions caused by liberalisation of markets can be expected from the **STAN** project once it is implemented.

132. The **FIN** projects have a good potential to generate a wider impact, as they provide the missing expertise and upgrade the outdated PFM expertise. The former refers mainly to the PFM project and the Internal Audit project. The latter refers to the Tax Audit project. The impact could be strengthened by the recommendations to explore the possibilities of the implementation of the Quality Assurance System developed under the Tax Audit project and place the training syllabus developed under the Internal Audit project on the website of the **MoF**. A solid impact can be achieved in increasing of the east border protection by the **CUS Antifraud Traffic Control Systems** after the instalment of the equipment at the selected border posts. Training provided under the Consumer Protection will enhance a performance and a mutual cooperation of the Customs Administration and the MSAs and will thus contribute to the overall improvement of consumer protection. Forecasts of the impact of the **CUL** intervention are rather positive mostly due to the quality of the design.

Conclusion	Recommendation	Output	Reference/ Paragraph	Responsibility	Deadline
Environmental Projects Project managers not being at managerial positions are delegated with the necessary authority to manage project logistic without any bureaucratic hurdles	The Aid Co-ordination Unit at the Office of the Government should consider a proposal to the relevant Beneficiaries concerning the sufficient delegation of responsibilities of the respective project managers, as successfully proven under the Environmental sub-component. The project managers who are not at the managerial positions should be empowered with the necessary authority to manage at least the project activities and the needed logistics without bureaucratic burdens.	Improved quality and efficiency of project management	38,122	ACU/SPO	asap
Nuclear Safety Projects During the lengthy tender processes the SPO did not have any feedback on the actual situation, lacking the updated information on the progress of the contracting.	In cases of lengthy tendering processes the Central Finance and Contracting Unit should inform the respective Senior Programme Officers on the updated information on the progress of the contracting. However, this should be executed by respecting the Public Procurement Law rules.	Improved management information on the projects status of SPOs	40,122	CFCU	asap
Customs Projects Evaluating the management efficiency has shown a need of building up an 'institutional memory' using the experience and skills from the previously successfully implemented projects and a transfer of the gained know-how within the institution.	The Aid Co-ordination Unit at the Office of the Government should consider a proposal to the relevant Beneficiaries (mostly subordinated to Ministries) to introduce a system allowing the transfer of know-how from the previously implemented projects and building up an 'institutional project management memory'. This could take a form of coaching or a concise practical information note.	Improved quality and efficiency of project management	49, 123	ACU/ Beneficiaries	asap

Conclusion	Recommendation	Output	Reference/ Paragraph	Responsibility	Deadline
<p>Tax Audit project (2004/016-764.02.02) Under the project a Quality Assurance System dealing with audit cases was developed. It could be used when performing an audit. However, because of technical difficulties of implementing this system in the existing IT environment, as well as limitations in the legal environment, it has not been implemented yet.</p>	<p>The Tax Directorate should explore the possibilities of implementation of the Quality Assurance System (developed under the component 1 'Improving the tax audit methodology and techniques' of the project) under the new IDIS, the tax information system of the Tax Administration.</p>	<p>Improved efficiency of tax audit</p>	<p>89, 129, 132</p>	<p>Beneficiary-Tax Directorate/RTA/SPO</p>	<p>end of project</p>
<p>Internal Audit project (2004/016-764.02.03) Under the project a comprehensive Internal Audit Syllabus was developed and used as a training material.</p>	<p>In order to strengthen the sustainability, impact and public visibility of the project results the syllabus should be placed on the website of the Ministry of Finance.</p>	<p>Easy access to internal audit know how</p>	<p>90, 129, 132</p>	<p>Beneficiary-MoF/RTA/SPO</p>	<p>end of project</p>

3.2. Performance rating

Rating

	Relevance	Efficiency	Effectiveness	Sustainability	Impact	Verbal Rating
AGRI, CAD,STAT						
2004/016-764.01.01 Food Safety	1	1	1	0	1	S
2004/016-764.08.03 UIBF 2004 APA Control Section	2	1	1	1	1	S
2005/017-464.01.01 APA Market Organisations	1	-1	1	1	1	S
2005/017-464.01.02 Organic Farming	1	0	1	1	1	S
2005/017-464.01.03 APA Single Payment Scheme	1	0	1	1	1	S
2005/017-464.01.04 Forest Repro Material	1	0	1	1	1	S
2004/016-764.05.01 Statistics	1	1	1	0	1	S
2004/016-764.08.01 Cadastre	1	-1	1	1	1	S
ENV,ENE,TRANS,STAN						
2004/016-764.08.03 UIBF Ec. Status Classification	2	2	2	1	1	HS
2005/017-464.06.01 EQS for Water	1	1	1	1	1	S
2004/016-764.07.01 IRAW Management	1	-1	-1	0	0	U
2005/017-464.07.02 Radioactive waste	1	1	0	0	0	S
2004/016-764.06.01 Road Transport	1	0	1	1	1	S
2005/017-464.07.01 Electr.+ Gas Market	1	1	1	1	1	S
2005/017-464.02.01 RACMI	1	0	1	0	0	S
FIN,CUS,CUL						S
2004/016-764.02.01 Strengthening PFM	1	0	1	0	0	S
2004/016-764.02.02 Tax Audit	1	1	1	1	0	S
2004/016-764.02.03 Internal Audit	1	1	1	0	0	S
2004/016-833 Antifraud Traffic Control Systems	1	-1	-1	0	0	U
2004/016-764.08.03 UIBF Informants	1	1	1	1	1	S
2005/017-464.02.03 Consumer Protection	1	1	0	0	0	S
2005/017-464.02.02 Intellectual Property Rights	1	0	1	0	1	S
Total for the INT Sector	1	0	1	1	1	S

Unacceptable	Poor	Sufficient/ adequate or no rating possible	Good	Excellent
-2	-1	0	+1	+2

Highly Unsatisfactory HU	Unsatisfactory U	No rating possible N/A	Satisfactory S	Highly satisfactory HS
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ANNEXES

ANNEX 1

Indicators of Achievement

Indicator Level	Objectives	Indicators of Achievement (Objectively Verifiable Indicators)	Remarks
COMPONENT 1 : Agriculture, Cadastre and Statistics			
<i>2004/016-764.01.01 Strengthening of Control Systems in the Area of Food Safety</i>			
Project Purpose	To train administrative capacities in the phytosanitary area as regards implementation of the <i>acquis communautaire</i> in the area of plant protection products (Council Directive 91/414/ EEC, 97/57/EC, 79/117/EEC, 99/45/EC, 67/548/EEC, 2000/60/EC	Training of staff which is involved in registration process, 91/414, 97/57 by 1 Q 2005 with the particular regard to the implementation of the EU-wide harmonised registration /authorisation/ procedures	Not measurable, not valid as an indicator
Project Purpose	To check whether pesticides were used correctly and to prepare maps of vulnerable areas using appropriate lab equipment/ HPLC	Proper control results achieved and confirmed by EU standards	Not measurable, not valid as an indicator
Project Purpose	to facilitate effective control of primary inputs into food chain by quality control of plant protection products (pesticides) formulations and feeds; by monitoring of harmful organic compounds namely the pesticide residues in raw agricultural products of plant origin and in agricultural products produced in organic farming system (raw unprocessed bio products), as well as assistance to introducing the residues content control of forbidden substances in animal products into practice, in accordance with Commission Regulation 2002/657/EC	<ul style="list-style-type: none"> • Improved control of primary inputs into food chain (plant as well as animal origin) • Improved control related to food safety 	Not measurable, not valid as an indicator
<i>2005/017-464.01.01 Reinforcement/ Further Improvement of the Agricultural Paying Agency's Administrative Capacity in the Field of Market Organization</i>			
Project Purpose	Upgrading of the intervention system for selected commodities (cereals,	<ul style="list-style-type: none"> • CMO cereals administrative and inspection procedures ready for implementation by the end of project 	Valid as indicators

	potato starch, dry fodder, flax, tobacco, hemp)	<ul style="list-style-type: none"> Administrative and inspection procedures in the starch sector ready for implementation by the end of project Commodity specific templates and forms are ready by the end of project 	
Project Purpose	Strengthening the export refunds system and its inspection for ANNEX I and NON ANNEX I products	Administrative and inspection procedures prepared for implementation in the sector of dry fodder, flax, tobacco, hemp by the end of project	Valid as indicator
<i>2005/017-464.01.02 Strengthening of the Management Capacity of the Central Control and Testing Institute in Agriculture in the Area of Organic Farming</i>			
Project Purpose	Improvement and extension of performance of duties and tasks of the organic farming competent authority in the Slovak Republic according to the provisions of Council Regulation (EEC) 2092/1991	<ul style="list-style-type: none"> Ability to exchange information on the matter Reports' level and Documents on the issue sent to EC 	Not measurable, thus not valid as indicators.
Project Purpose	Establishment and management of granting import certificates for third countries organic products/foods. Update collection of data on organic farming for EU notification purposes		
Project Purpose	Enforcement of the new acquis: Art.8.1. of the Council Regulation (EC) 392/2004		
<i>2005/017-464.01.03 Enhancement of the Agricultural Paying Agency and Implementation of the Single Payment Scheme according to the Reformed CAP</i>			
Project Purpose	Support for tuning and adjustment of shortcomings observed during the first year of IACS implementation	Procedures, manuals and guidelines prepared for SPS by the end of the project	Valid as indicator
Project Purpose	Implementation of the Single Payment Scheme originating from Title III of Council Regulation nr.1782/2003		
<i>2005/017-464.01.04 Reinforcement of the National Control system for Forest Reproductive Material</i>			
Project Purpose	Upgrading information system and reinforcement of the technical means of the Official Body for the control of forest reproductive material (FRM)	All FRM clearly identifiable via the entire process from its collection to delivery to the end user. Inspection of suppliers, registration of FRM and exchange of the related information regular and standardised. Timely and accurate administrative	Mostly non measurable , not valid as indicator

Project Purpose	Improvement of the knowledge and skills of stakeholders, including inspectors of the official body, suppliers and forest owners, regarding the quality of sources (basic materials), production and marketing of FRM	assistance to the official bodies of the other member states and domestic authorities. Unavoidable amount of stakeholders trained and a system for regular information of all stakeholders created. All the above mentioned issues will be completed by the end of the project.	
<i>2004/016-764.08.01 Strengthening the Efficiency of Cadastral Services</i>			
Project Purpose	Simplified, accelerated and safe on-line administrative procedures and cadastral services for citizens, enterprises and businesses, as well as for state administrative bodies and municipalities	Availability and completeness of cadastral generic services Simplification and reduction of the administrative procedures for enterprises, businesses, municipalities.	Non measurable, not valid as indicator
<i>2004/016-764.05.01 Use of Administrative Sources for Enhancement and Improvement of the Statistical Information System</i>			
Project Purpose	Integration of individual administrative sources into the statistical information system and creation of the system managing use of data from administrative sources	Integration tools and indicators of administrative sources harmonised	Non measurable, not valid as indicator
Project Purpose	Quality improvement of statistical data by utilization of all available and relevant administrative sources	Improvement of data quality from administrative sources according to EUROSTAT recommendation	Non measurable, not valid as indicator
Project Purpose	Decreasing of data quantity obtained from reporting units min. by 20% and decreasing the administrative burden of reporting units	Decreased number or extent of statistical surveys burdening reporting units	Non measurable, not valid as indicator
Component 2 Environment, Energy, Transport and Standards			
<i>2005/017-464.06.01 Establishment of the Environmental Quality Standards for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring</i>			
Project Purpose	To establish EQS for dangerous substances covered by the List of Relevant Dangerous Substances for SR in PPR	EQSs for priority and dangerous substances relevant for SR are published and enforced by the end of project	Valid, applicable, measurable and <i>in time</i> indicator.
Project Purpose	Establish a communication network and MIS at regional and district level to coordinate the control and reporting activities	<ul style="list-style-type: none"> EQSs for priority and dangerous substances relevant for SR published and enforced by the end of the project Monitoring system comprising all dangerous substances to be in place by the end of 2006 	Valid, applicable, measurable and <i>in time</i> indicators.

		<ul style="list-style-type: none"> • State admin. Offices provide relevant info for reporting and decision making process by the end of the project • Authorisation regime in compliance with Directive and functioning, the enforcement system in practice by the end of the project 	
<i>2004/016-764.07.01 Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste</i>			
Project Purpose	Improvement of the existing IRAW system and its optimal connection with the overall national system of radioactive waste and spent fuel management	Acknowledgment of EC	The form and time of an acknowledgment is not specified. Non-measurable invalid indicator.
Project Purpose	Detailed determination of responsibilities of involved regulatory bodies, users of radioactive materials and the organisations in charge for the centralised management of institutional radioactive waste		
Project Purpose	Improvement of the security aspect of radioactive waste management		
Project Purpose	Proposal for technological treatment of IRAW including the supply of technologies		
<i>2005/017-464.07.02 Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia</i>			
Project Purpose	To establish a reliable and user-friendly IS for all kinds of radioactive waste generated or to be generated during operation, decommissioning and dismantling of nuclear installations in SR	Computerised system that will enable the tracking of all kinds of radioactive waste	Not <i>in time</i> indicator
Project Purpose	To develop a computerised system that would enable tracking of all kinds of radioactive waste and spent fuel		
Project Purpose	To fulfil one of the main tasks of the future Slovak Agency on radioactive waste management		

Project Purpose	To support the reporting of the Agency to safety authorities and other organisations on waste management and spent fuel inventories		
<i>2005/017-464.07.01 Preparation for the Opening of the Market in Electricity and Gas to Households</i>			
Project Purpose	Preparation for opening of the market in electricity and gas to households on 1 st July 2007. Change of the decision on regulation of distribution and supply of electricity and natural gas to end consumers. Revision of regulation setting for companies supplying electricity and natural gas to households.	<ul style="list-style-type: none"> Implementation of the EU Directives: 2003/54 EC, 2003/55 EC, 2001/77 EC Decrees of the RONI (approx. 14, to the end of 2006) 	Valid, applicable, measurable and <i>in time</i> indicators.
<i>2004/016-764.06.01 Capacity Building in the Area of Road Transport (Enforcement of Social Legislation)</i>			
Project Purpose	To provide adequate labour inspection performance comparable with the EU standards	Items checked during controls carried out according to the EU rules in the field of road transport social legislation	It is impossible to evaluate the given indicator; the relevant benchmark for comparison is not available. Indicator is not <i>in time</i>
<i>2005/017-464.02.01 Reinforcement of Administrative Capacity as regards Measuring Instruments</i>			
Project Purpose	Implementation of the Directive 2004/22/EC and smooth transfer of the application of the former old approach or national regulations to the New Approach	Government Ordinance transposing MID is published, changes in the borderlines legislation identified and implemented	Valid, applicable, measurable and in time indicator
Component 3 : Finance, Customs and Culture			
<i>2004/016-764.02.01 Strengthening Public Finance Management</i>			
Project Purpose	Improve public finance accounting and the fiscal and financial management reporting systems	Accrual accounting system, adequate fiscal and financial management reports	Not specific and measurable. Therefore not valid as indicator
	Improve the functioning of the State Treasury	ST producing adequate reports on EU funds	Not specific and measurable. Therefore not valid as indicator
	Strengthen the monitoring and evaluation system of public funds, incl. EU funds	External M&E system in place	Specific and measurable. Valid as an indicator
<i>2004/016-764.02.02 Systemic changes in tax audit</i>			
Project	Increase of the tax audit efficiency	<ul style="list-style-type: none"> Shortening the time for actual tax audit in taxpayer 	<ul style="list-style-type: none"> Specific, measurable and in time. Valid as an

Purpose	through introduction of systemic changes	<p>premises – the year 2006 in comparison with 2004</p> <ul style="list-style-type: none"> • Increase in findings from tax audit by 10% in comparison with 2004 • Software application for risk analysis in VAT audit developed • Decrease in number of unjustified excessive refunds and correct computation of tax liability the year after implementation of SW for risk analysis in VAT audit in comparison with 2004 	<p>indicator</p> <ul style="list-style-type: none"> • Specific, measurable, however, not fully in time. The indicator needs to be improved • Specific and measurable. Valid as an indicator • In time and measurable, however, not specific enough. The indicator needs to be improved
<i>2004/016-764.02.03 Capacity Building in the Area of Internal Audit</i>			
Project Purpose	To provide an assurance that the Slovak Republic has developed and properly implemented legislative and guidance framework needed for performing internal audit and to assist in building, completion and implementation of the permanent education system for internal auditors	<ul style="list-style-type: none"> • Follow up report on implementation of all recommendations of the Audit report • Training centre at the Ministry of Finance is going to establish • Accreditation of the Advanced Level Internal Audit course • Certificates of professional competency awarded to all Ministries' internal auditors who complete the course 	<ul style="list-style-type: none"> • Not specific and measurable. Not valid as an indicator • Not specific and measurable and not in time. Not valid as an indicator • Specific and measurable. Needs to be placed in time. The indicator needs to be improved • Specific, measurable and in time. Valid as an indicator
<i>2005/017-464.02.02 Enforcement of an Intellectual Property Rights</i>			
Project Purpose	To strengthen enforcement capacities and to raise knowledge concerning intellectual property rights within enforcement authorities, right holders, users and public	<ul style="list-style-type: none"> • Legislation is well known to the enforcement authorities after training • Work of enforcement authorities more efficient 	Non measurable, not valid as an indicator
<i>2004/016-833 Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR</i>			
Project Purpose	To strengthen the anti-fraud control systems at the EU external border by providing specialised technical equipment capable of monitoring suspicious traffic entering and departing the EU in SR	<ul style="list-style-type: none"> • Equipment as described delivered and installed • System is operationally in use by all relevant authorities • Relevant law enforcement authorities at chosen border crossing trained and capable of using the new equipment in monitoring the traffic • Cooperation between the law enforcement authorities at national and international levels is improved especially when it comes to the monitoring of suspicious traffic entering and departing the border points at EU external borders • Increase in number of detection of fraud cases 	<p>The first three indicators are valid, applicable and measurable.</p> <p>The fourth indicator is not measurable; moreover, the cooperation at the international level requires also authorities which are not influenced by the project results.</p> <p>The last indicator can be misleading as the installation of the equipment does not necessarily correlate with the increased number of detections. However, the protection of the border will be increased.</p>

<i>2005/017-464.02.03 Implementation of Consumer Protection Legislation into Practice</i>			
Project Purpose	Enhanced implementation of the EU and national legislation related to consumer protection in the practice of SCA and SMSB	<ul style="list-style-type: none"> • Increase of the relevant information bases in the field of market protection coordination by SCA and SMSB • Trained SCA and SMSA officers • Agreements on cooperation revised • Internal regulations of SCA procedures revised 	Indicators, except the first one, are valid, applicable and measurable. The increase of the relevant info bases is impossible to measure, invalid indicator
<i>2005/017-464.02.02 Enforcement of an Intellectual Property Rights</i>			
Project Purpose	To strengthen enforcement capacities and to raise knowledge concerning intellectual property rights within enforcement authorities, right holders, users and public	<ul style="list-style-type: none"> • Legislation is well known to the enforcement authorities after training • Work of enforcement authorities more efficient 	Non-measurable, not valid as indicator
<i>All 2004 and 2005 UIBF</i>			
Project Purpose	Completion of some specific urgent, unforeseen needs identified in the updating of the Comprehensive Monitoring Report, the Peer Reviews and the Action Plan for Internal Market	Acceleration of the progress within ministries/institutions towards meeting the requirements of the acquis	Non-measurable, non applicable and invalid indicator;

ANNEX 2

LIST OF INTERVIEWS

INSTITUTION	INTERVIEWEE	DATE
Statistical Office of the SR Social Statistics Dept. Mileticova 3 SK-824 67 Bratislava	Mr. Pavol Baxa Director	4 October 2006
Geodesy, Cartography and Cadastre Authority of the SR Phare IU Chlumeckeho 4 SK-826 62 Bratislava	Mr. Juraj Valis Head of Unit, SPO	6 October 2006
Office of the Government of the SR Aid Co-ordination Unit Stefanikova 2 SK-813 70 Bratislava	Ms. Kornelia Cajkova Programme Manager	6 October 2006
CCTIA Environmental and Ecological Farming Section Hanulova 9/A SK-844 29 Bratislava	Ms. Juliana Schlosserova Director	10 October 2006
CCTIA Matuskova 21 SK-833 16 Bratislava	Mr. Bohdan Bahrij RTA	10 October 2006
Ministry of Agriculture SR APA Direct Payment Authorisation Dept. Dobrovicova 12 SK-815 26 Bratislava	Mr. Andrej Gajdos Director	11 October 2006
Ministry of Agriculture SR APA Trade Mechanism Division Dobrovicova 12 SK-815 26 Bratislava	Ms. Henrierta Kozarova Director	11 October 2006
GBI Consulting Mehlmauer-Lacher & Kastner OEG Josef Gallgasse 5/19 AT- 1020 Vienna	Mr. Marek Pihulic Local Expert	12 October 2006
Ministry of Culture SR Nam SNP 33 SK-813 31 Bratislava	Ms. Zuzana Mistrikova SPO	13 October 2006
Ministry of Culture SR Nam SNP 33 SK-813 31 Bratislava	Ms. Slavomira Salajova	13 October 2006
National Forest Centre Masaryka 22 SK-960 92 Zvolen	Mr. Roman Longuaer*	13 October 2006
Ministry of Agriculture SR Foreign Relations Dept. Dobrovicova 12 SK-815 26 Bratislava	Ms. Eva Kolesarova Director	18 October 2006
Ministry of Agriculture SR APA Control Section Dobrovicova 12 SK-815 26 Bratislava	Mr. Daniel Rataj Director	18 October 2006
Ministry of Finance of the SR PIU Phare Štefanovičova 5 SK- 817 82 Bratislava	Mr. Matej Dostal Deputy SPO	23 October. 2006

Ministry of Finance of the SR PIU Phare Štefanovičova 5 SK- 817 82 Bratislava	Ms. Lucia Zimanyiova Task manager	23 October 2006
Customs Directorate of the SR Mierová 23 SK - 851 11 Bratislava	Mr. Jozef Gonczol Director General, Project manager	23 October 2006
Customs Directorate of the SR Mierová 23 SK - 851 11 Bratislava	Mr. Jan Gajdos special assistant of DG for EU projects	23 October 2006
Customs Directorate of the SR Mierová 23 SK - 851 11 Bratislava	Mr. Juraj Karkus Project Leader	23 October 2006
Customs Directorate of the SR Mierová 23 SK - 851 11 Bratislava	Mr. Ľubomír Kovacik Project Leader	24 October 2006
Customs Directorate of the SR Mierová 23 SK - 851 11 Bratislava	Mr. Viliam Pruzinec Project Leader	23 October 2006
Ministry of Agriculture SR Plant Commodities Section Dobrovicova 12 SK-815 26 Bratislava	Mr. Jozef Kotleba Chief Plant Doctor in the SR	24 October 2006
Office of Standards, Metrology and Testing of the SR Stefanovicova 3 SK-810 05 Bratislava 15	Mrs. Kvetoslava Steinlova SPO	24 October 2006
Office of Standards, Metrology and Testing of the SR Stefanovicova 3 SK-810 05 Bratislava 15	Mr. Ivan Mikulecky Project Leader	24 October 2006
Public Health Office Trnavská cesta č. 52 SK-826 45 Bratislava	Ms. Maria Tallova*	25 October 2006
Ministry of Finance Stefanovicova 5 SK-817 82 Bratislava	Mr. Joseph Dobbin RTA	25 October 2006
Ministry of Finance Deperatment of Internal Audit Methodology Stefanovicova 5 SK-817 82 Bratislava	Mrs. Janka Bielikova RTA Counterpart	26 October 2006
Slovak Environmental Agency Department of projects Programming Klobúčnická 7 SK – 811 01 Bratislava	Mr. Juraj Gavora Head of Department	26 October 2006
Slovak Environmental Agency Department of projects Programming Klobúčnická 7 SK – 811 01 Bratislava	Ms. Miroslava Tuzinska Programme Manager	26 October 2006
Regulatory Office for Network Industries of SR Bajkalská 27 SK – 820 07 Bratislava	Mr. Miroslav Luptak Contact Person	26 October 2006
Regulatory Office for Network Industries of SR Bajkalská 27 SK – 820 07 Bratislava	Mr. Hubert Chelmowski RTA	26 October 2006
Slovak Hydrometeorological Institute Jeseniova 17 SK – 833 15 Bratislava	Ms. Lea Mrafková Project Manager	27 October 2006
Slovak Hydrometeorological Institute Jeseniova 17 SK – 833 15 Bratislava	Ms. Marcela Dobiasova Project Manager	27 October 2006

Nuclear Regulatory Office SR Bajkalská 27 SK – 820 07 Bratislava	Mr. Mikuláš Turner Director International Relations Department	30 October 2006
Public Health Office Food Hygiene, Safety and Cosmetic Products Dept. Trnavská cesta č. 52 SK-826 45 Bratislava	Ms. Iveta Truskova* Director	31 October 2006
Ministry of Transport, Posts and Telecommunications Nám. Slobody 6 SK- 810 05 Bratislava	Mr. Miloš Prochazka Director of European Integration Department	8 November 2006
Ministry of Transport, Posts and Telecommunications Nám. Slobody 6 SK- 810 05 Bratislava	Ms. Ľudmila Mikleticova Project coordinator	8 November 2006
Ministry of Finance SR Central Finance and Contracting Unit Stefanovicova 5 SK-813 08 Bratislava	Ms. Martina Galabova Programme Manager	8 November 2006
Ministry of Finance SR Central Finance and Contracting Unit Stefanovicova 5 SK-813 08 Bratislava	Ms. Veronika Konicka Task Manager	8 November 2006
Ministry of Finance SR Central Finance and Contracting Unit Stefanovicova 5 SK-813 08 Bratislava	Mr. Vojtech Kiss Task Manager	8 November 2006
Office of the Government of the SR Aid Co-ordination Unit Stefanikova 2 SK-813 70 Bratislava	Ms. Denisa Kuttyova Programme Manager	8 November 2006
Tax Directorate of the Slovak Republic Nova Ulica 13 SK-975 04 Banska Bystrica	Mrs. Eva Takacova* Project Leader	27 November 2006

*Telephone interviews.

ANNEX 3

LIST OF DOCUMENTS REFERRED TO IN THE INTERIM EVALUATION

Name of Originator	Date	Title of Document
European Commission	2003	Comprehensive Monitoring Report on Slovakia's Preparedness for the EU Membership
European Commission	2004	Commission Decision of Financial Contribution of Transition Facility for Strengthening Institutional Capacity to the Slovak Republic
European Commission/Office of the Government SR	August 2004	Memorandum of Understanding on the Implementation of the TF 2004 – 2006 (in Slovak only)
European Commission	2004	Planning Document Transition Facility 2004-2006, Slovak Republic
European Commission	December 2003	Programming and Implementation Guide – Transition Facility
European commission/Office of the Government SR	2004-2005	Project Fiches for TF Programmes 2004 and 2005
European Commission/Office of the Government	July 2006	Financial Proposal on the Implementation of the TF 2006
MWH Consortium	June 2006	Phare and CBC ex-post evaluation 1999-2001
Ministry of Finance SR	14 November 2006	Financial Tables for TF 2004 and 2005 Programmes
Office of the Government SR	August 2006	Government's Manifesto
Office of the Government/Aid Co-ordination Unit	May 2006	Monitoring Report M/SR/INT/06012
Office of the Government/Aid Co-ordination Unit	May 2006	Implementation Status Report of the EU Phare and TF Programmes Co-financed by the Slovak Republic
Office of the Government/Aid Co-ordination Unit	16 November 2006	Draft Minutes from the SMSC - INT
CFCU	16 October 2006	Financial and Contractual data for the Sector
CFCU	January 2006	Twinning Contract of the Internal Audit project SK 2004/IB/FI/02
D&D Consulting	7 June 2006	R/SR/INT/0206
D&D Consulting	May 2006	Country Interim Evaluation Summary
Pesticides Safety Directorate UK/Ministry of Agriculture SR	n.a	Twinning Contract SK 2004/IB/AG/01
Pesticides Safety Directorate UK/Ministry of Agriculture SR	August 2006	Twinning Inception Report 2004/016.764.0101.-03
Pesticides Safety Directorate UK/Ministry of Agriculture SR	March- August 2006	Quarterly Reports Nr.1 - 3 Twinning Contract SK 2004/IB/AG/01
Ministry of Agriculture SR	n.a	Technical Specifications for 2004/016-764.010.01 (in Slovak only)
Ministry of Agriculture SR	n.a	ToRs for UIBF 2004 APA
Ministry of Agriculture SR/GBI Consulting Austria	June 2006	Inception Report UIBF 2004 APA (in Slovak only)
Ministry of Agriculture SR/GBI Consulting Austria	September 2006	Progress Report Nr. 1 for UIBF 2004 APA (in Slovak only)
Ministry of Agriculture SR	n.a	ToRs for 2005 APA
Geodesy, Cartography and Cadastre Authority SR	n.a	DPF for TWL SK/04/IB/GC/01/TL
Geodesy, Cartography and	n.a	Tender Specification for SW Development (in Slovak

Cadastral Authority SR		only)
Geodesy, Cartography and Cadastral Authority SR	n.a	Tender Specification for servers delivery (in Slovak only)
Statistics Denmark/Statistical Office SR	January 2006	TWL Contact 2004/016-764.05-0101-0001
Statistics Denmark	April 2006	Interim Quarterly Report TWL Contact 2004/016-764.05-0101-0001
Statistics Denmark	October 2006	Final Report TWL Contact 2004/016-764.05-0101-0001
MoF/NESS Slovakia	n.a	Licence Agreement 2004/016-764.05-0101-0002
European Commission	11 November 2004	Commission Decision of 2004 in the Strengthening of the anti-fraud traffic control systems at the EU external border in the SR to be financed by the Transition Facility
Customs Directorate SR	2006 n.a.	Technical Specification for 2004-016-833 (in Slovak only)
Customs Directorate SR	February 2005	Study Trip Report (2004-016-833)
Customs Directorate SR	November 2006	Info on the Reconstruction of Border Crossing Point in Vyšné Nemecké
Ministry of Finance SR	January, February, March 2006	Steering Committee Meetings Minutes of 2004-016-833
Ministry of Finance SR	2006	Tender Dossier for 2004-016-833
Ministry of Finance SR	2 December 2005	Evaluation Report for 2004-016-08.03
Ministry of Finance SR	24 January 2006	Minutes of Kick off Meeting of 2004-016-08.03
	23 June 2006	Final Report of 2004-016-08.03
Ministry of Finance SR	26 April 2006	Evaluation Report of 2005-017-464-02.03
	26 July 2006	Evaluation Report of 2005-017-464-02.03
Ministry of Finance SR	2006	Twinning Proposal of 2005-017-464-02.03
Slovak Hydrometeorological Institute	January 2006	Start up Report of TWL 2004-016-764-08.03
Slovak Hydrometeorological Institute	December 2005	Work Report of TWL 2004-016-764-08.03
Slovak Hydrometeorological Institute	June 2006	Final Report of TWL 2004-016-764-08.03
Slovak Hydrometeorological Institute	21 June 2006	TW Contract of 2005-017-464-06.01
Slovak Hydrometeorological Institute	October 2006	Quarterly Report of 2005-017-464-06.01
Slovak Environmental Agency	July, September 2006	Minutes of Monthly Meetings: 2004-016-764-08.03 2005-017-464-06.01
CFCU	18 October 2006	Letter requesting the submission of TSs and TORs by the given deadline
Slovak Hydrometeorological Institute	18 September 2006	Letter – explaining of the Public Procurement selection methods
Regulatory Office for Network Industries	23 August 2006	Minutes of the Steering Committee Meetings of 2005-017-464-07.01
Regulatory Office for Network Industries	15 June 2006	Press Report of 2005-017-464-07.01
Regulatory Office for Network Industries	18 August 2006	1 st Interim Quarterly Report of 2005-017-464-07.01
Regulatory Office for Network Industries	2006	Annual Report 2005
Office of the Government/Aid Co-ordination Unit	2006	Report No.M/SR/NUC/06002
Ministry of Transport Post and Telecommunications SR	June, July, August 2006	Study Trip Reports 2006 of 2004-016-764-06.01
Ministry of Transport Post and Telecommunications SR	25 April 2006	Minutes of Kick off Meeting of TWL 2004-016-764-06.01
Ministry of Transport Post and	10 May 2006	Brief Information of Implementation of the Activity

Telecommunications SR		No2 of TWL 2004-016-764-06.01
Ministry of Transport Post and Telecommunications SR	2006	Table of Side Letters of TWL 2004-016-764-06.01
Ministry of Transport Post and Telecommunications SR	May 2006	Original Schedule of Project Activities TWL 2004-016-764-06.01
Nuclear Regulatory Authority	June 2006	Tender Dossier
Office of the Government/Aid Co-ordination Unit	14 September 2006	Report No.M/SR/INT/06022
Office of the Government/Aid Co-ordination Unit	4 May 2006	Monitoring Report M/SR/INT/06012 - Environment
Office of the Government/Aid Co-ordination Unit	4 May 2006	Monitoring Report M/SR/INT/06012 – Internal Market
Office of the Government/Aid Co-ordination Unit	20 October 2006	Monitoring Report M/SR/INT/06013 - Environment
Office of the Government/Aid Co-ordination Unit	20 October 2006	Monitoring Report M/SR/INT/06013 – Internal Market
Tax Administration of the SR	2005	Twinning Work Plan of the Tax Audit project SK2004/IB/FI/01
KPMG & PWC Slovakia	2006	Essentials of Accrual Accounting, training material prepared under the PFM project/Accounting & Reporting sub-project

Documents requested but not made available (with reasons): none

ANNEX 4

RECOMMENDATIONS FROM PREVIOUS INTERIM EVALUATION

Interim Evaluation Report No. R/SR/INT/0206 issued on 15 March 2005

Programmes included in the report:

Phare 2002 – 2003 projects

- Agriculture
- Cadastre, Statistics
- Energy, Transport
- Environment
- Finance, Banking, Customs

Recommendation	Accepted	Responsibility for Follow-up	Deadline	Details of action/ Remarks
2003-004-995-02 Land Administration and Cadastral Infrastructure: the GCCA in co-operation with the MoF should seek further state budget support to replace lost PHARE funding. The allocation of state budget, originally devoted as co-funding, should be retained for this purpose and additional means should be negotiated in order to secure a sufficient number of GPS stations.	Yes	GCCA/NF MoF	With immediate effect	The SR requested a project fiche modification to substitute the lost EC grant via a parallel co-financing with an extended disbursement deadline. The project fiche modification and extension request was approved by the European Commission. The Ministry of Finance approved the allocation from the state budget for the parallel co-financing.
2002/000-610-17 Integrated Prevention and Pollution Control: the MoE should secure more direct and pro-active participation (via relevant specialists) in any intervention linked with the important IPPC legislation, to make sure that the decisions taken are more acceptable and fully respected by the subordinated institutions rather than leaving such decisions as a subject of negotiation between subordinated bodies.	Yes	Ministry of Environment	With immediate effect	The project was aimed on IPPC staff training in the Slovak Environmental Inspectorate and Slovak Environmental Agency. The IPPC Department was established at the MoE and two additional persons have been recruited to strengthen the administrative capacity of the Department.
2003-004-995-03-02 Support of Agriculture Food Chain in Comprehensive Food Safety Policy: the relevant Ministries should consider in future a possible change in the structure of laboratories performing tests (e.g. highly specialised laboratories serving purposes of all relevant control bodies/institutions) for the phytosanitary, veterinary and food control bodies to ensure the most optimal and cost-effective utilisation of the equipment.	Yes	MoA/SVFA/ CCTIA/MoH	With immediate effect	Institutions concerned by the recommendation agreed that it would be good to implement the change in the structure of laboratories performing tests. However, the issue would require political decisions regarding changes in the legislative framework. At the July meeting of the Board of the Minister the CCTIA in co-operation with the State Veterinary and Food Administration were given a task to solve the GMO laboratory capacity till the end of 2006.

ANNEX 5

SECTORAL BACKGROUND AND SCOPE OF EVALUATION

SECTORAL BACKGROUND AND SCOPE OF EVALUATION

Component 1 Agriculture, Statistics and Cadastre

2004/016-764.01.01 Strengthening of Control Systems in the Area of Food Safety

Twinning

The contract with the UK partner was signed in October 2005. The TW focuses on the transposition of the relevant *aquis*, assessment and amendment of the Slovak procedures and insurance of their compatibility with the EU systems for the PPP regulation, management of applications and national authorisation, data evaluation for chemistry, environmental fate & behaviour, ecotoxicology, mammalian toxicology, operator exposure, residues and efficacy and post-authorisation procedures. TW activities comprise among others training and study visits to the UK.

TWL is oriented towards (i) advisory and training in the field of state quality control of plant protection products (ii) training in the performance of plant protection products for the determinations fully complied with the GLP quality system, (iii) advisory and training for monitoring pesticide residues in raw agricultural products of plant origin. The key beneficiary is the CCTIA and the TWL contract with the UK partner was signed in April this year for the duration of 6 months. Besides training activities, the MS Partner should deliver the supplementary special documentation for the CCTIA, also study visits to be organised and professional consultations carried out. So far mainly training activities have been carried out, together with advisory work of the UK experts.

Supply includes delivery of the equipment for upgrading the performance of veterinary labs for control of products of animal origin. Another set of the equipment to be used for upgrading the observation of pesticide residues in water. Deliveries of all the equipment were completed in June/July 2006 respectively for 4 reference veterinary labs and the WRI. Additional equipment for the same group of institutions for the food supervision and pesticides in waters in the amount of € 76,000 to be contracted till mid December 2006.

2004/016-764.08.03 UIBF Technical Assistance for Enhancement of the Control Section of the Agricultural Paying Agency

The TA for the APA concentrates on preparation of the APA inspectors to perform controls of the market organisation measures, development of the training system for inspectors, completion of the internal control system for the CS of the APA, improvement of management and co-ordination of the delegated activities within the CS

of APA and further development of technical control and on-site control of direct payments and market organisation schemes. The TA with the Austrian contractor has started late April 2006. The Inception Report (IR) was approved in June this year. Several practical training sessions for the APA inspectors have been organised mostly in Austria for individual commodities, such as milk, cereals, starch and sugar, also the complementary manuals have been prepared by the experts, assistance has been provided to performance of the annual control of the intervention stock, about 10 theoretical training for the APA inspectors on the market organisation measures and also a workshop on the internal control system of the CS of the APA.

2005/017-464.01.01 Reinforcement/ Further Improvement of the Agricultural Paying Agency's Administrative Capacity in the Field of Market Organization

The TA to the APA, its MO Section should assist in strengthening of administration, implementation and inspection of the EU-intervention system for cereals, reinforce the implementation and inspection mechanisms in the potato starch sector, enhance the application and inspection of the export refund system for Annex and Non-annex I products, reinforce administration and inspection of market organisation in the sector of other commodities (tobacco or hemp). After evaluation of the ToRs by an independent expert, tendering to be launched early 2007.

2005/017-464.01.02 Strengthening of the Management Capacity of the Central Control and Testing Institute in Agriculture in the Area of Organic Farming

The TWL for the CCTIA being the key beneficiary performing at the same time the role of a Competent Authority (CA). The TWL activities should include (i) assessment of the current level of the CA management of the *acquis*, including the relevant recommendations for its improvement. The stress will be put on granting of import certificates, calculation of organic food and feed composition, supervision performance, data collection and inspection of operators, (ii) implementation of the recommendations, including the CCTIA training of the staff and study visits. The Detailed Project Fiche (DPF) is under preparation and to be circulated end of the year.

2005/017-464.01.03 Enhancement of the Agricultural Paying Agency and Implementation of the Single Payment Scheme according to the Reformed CAP

The TA foresees the following activities: (i) assessment of the relevant EU legislation and preparation of amendments of the national acts relating to the CAP reform, particularly the new cross-compliance rules, (ii) comparative analysis of the current SAPS and topping-up arrangements with the SPS, (iii) adjustments of SAPS and preparation of upgraded IACS, including SW adjustments in line with the relevant EU regulations, (iii) preparation and production of printed guidelines for the farmers on the SPS. The status of the tendering is the same as with 2005 Market Organisations.

2005/017-464.01.04 Reinforcement of the National Control system for Forest Reproductive Material

The TA and the complementary supply of the SW and the HW for the NFC aims at (i) upgrading and reinforcement of the NFC's IS, (ii) development of statuses and manual of the NFC's Control Unit of FRM, together with the information brochure on the EC and national requirements on the FRM, (iii) training of the FRM staff and the professionals on the FRM, (iv) upgrading SW and HW of the NFC and finally (v) elaboration of the report on the compliance of the national system with the EC Directive on the FRM.

The respective ToRs have been evaluated by an external expert. Tendering of the supply part to be launched end of the year 2006 and of the TA next year.

*2004/016-764.05.01 Use of Administrative Sources for Enhancement and Improvement of the Statistical Information System*Twining Light

The TWL with the Danish partner was signed early this year and finished in July. The work plan included several activities, such as building up co-operation networks with individual administrators of relevant sources, analysis of indicators in administrative sources, analysis of alignment of integration tools, analysis of the state of IT, drafting trends for the ASIS, working-out a set of indicators and integration tools for individual administrative sources and quality requirements or drafting recommendations for amendment of the relevant legislation. During the TF assistance several seminars, working sessions with ministries and other relevant institutions but also a study visit to Denmark were organised. The Final Report was completed in October.

TA has started with the kick-off meeting in July this year. The TA is split into several stages from analysis of the relevant legislation and the IS systems related to administrative sources to methodological and technical preparation of central database of harmonised data from Also SW specifications to be prepared for data inputs and their transfer from various sources into the statistical database. The IR was submitted in July 2006. The activities have progressed with the analytical stage and the pilot IS is being tested at the Ministry of Interior focusing on the population register and the migration statistics.

Supply The contract for the delivery of the HW was signed in September 2006 for delivery of disk arrays and a communication server in order to increase the data volume of ASIS and automated collection of data and to be delivered on the cut-off date of this Report.

2004/016-764.08.01 Strengthening the Efficiency of Cadastral Services

TWL focuses mainly on training of the GCCA staff and its supporting institutions in connection with the introduction of the Electronic Registry. The intervention includes a training needs analysis, training courses for the Information Technology (IT) employees, including a ToT element. Moreover, a study on electronic teaching for sectoral administrative capacities to be elaborated. Finally, the newly available cadastral services to be publicised via an information campaign for the general public (using press conferences, information brochures or web publishing). The deadline for submission of bids was set shortly before the cut-off (17 November). The first activities to start then accordingly only early next year.

TA aims at design, development and prototyping of an ER with generic information, cadastral services and forms. Key activities to include determining generic cadastral services and forms for online access, creation of strategy and an implementation plan for the ER technical and training needs analysis, price recovery study for new online cadastral services, design of security measures, pilot testing and proposal of necessary legislative changes. After cancellation of the tender, the ToRs have been modified and a new tender launched in October. The contract was signed early November and the first activities to start by the end of the year.

Supply includes a server and the SW for data management and a digital archive for the trial run of the ER. The tender has been published in September, contracts for two components signed early November 2006. After the successful completion of the tender for bulk of the equipment, the supply to be delivered next year. One part of the delivery, namely the equipment for identification to be tendered only till the end of the commitment period (mid December).

Component 2 Environment, Energy, Transport and Standards

2004/016-764.08.03 UIBF Establishment of the Type Specific Reference Conditions for Classification of the Ecological Status

The project was implemented as a TWL from October 2005 till June 2006. The Finnish partner in cooperation with the beneficiary used the first two months for analysis of biological and chemical data from the Slovak rivers in order to identify the best river typology system to be set up. The appropriate methods for assistance in prediction for biological reference conditions and further classification of the water surface status have been recommended and training of the staff, including the study trip to Finland, has been executed (focused on two areas: assessment of biological quality elements and water quality modelling). The achieved results were presented via the SC's meetings to the Ministry, the international seminar has been organised by the end of the project. Moreover, the surface water typology testing performed during the project implementation has been involved into the national Slovak stream typology testing and the procedures proposed for water chemistry reference conditions setting are used in praxis for the national limit values of general physico-chemical determinants in SR.

2005/017-464.06.01 Establishment of the Environmental Quality Standards for Water and Strengthening of Regional and District Environmental Offices for Implementation of Water Controls and Monitoring

Twinning part of the project is the only one, which has been already contracted. The Italian partner could from the very beginning use the advantage of the Slovak legislation and procedures knowledge gained under the previously implemented projects, as this project represents the third cooperation with the Italians. Twinning activities have started in July 2006, being focused on the analysis of existing communication network and the connection between the central level and regions. The TW team elaborated the EQSs database based on the literature data and the collected info on the selected 17 substances without the EQSs. It was decided which of them will be ecotoxicologically tested. From 17 indicated substances the EQSs for 11 have been already calculated, testing process for the rest of them is ongoing. It is realistic to predict that the majority of them will be ready by the end of the year, the chronic ones (2), particularly demanding, should be ready by April 2007. The preparatory work for training is ongoing, the first training session will take place in December 2006, and the next round is planned for May 2007, including the active participation of trainees. The planned study trip will be organised in spring next year.

Supply is to be covered by the state budget sources. It will be executed as a part of the Framework agreement signed by the MoEnv. The precise technical specification prepared in cooperation with the TWL partner will be submitted by the given deadline.

TA: ToRs for the service contract are under preparation, the deadline given by the CFCU seems to be realistic, the tender is planned to be launched in first quarter of 2007.

2004/016-764.07.01 Establishment and Implementation of a National System for the Management of Institutional Radioactive Waste

Both sub-components: the TA and also the Supply have suffered by long-lasting process of preparation of the basic documentation for tendering. The supplier has been selected in July 2006, however, due to the raised objection the contract could be signed on 29 September only. The selection of the contractor for the TA part should be concluded by the end of the commitment period (15 December 2006).

2005/017-464.07.02 Development of an Information and Tracking System for Radioactive Waste and Spent Fuel in Slovakia

TA: ToRs are in the late phase of their preparation, the Nuclear Decommissioning Agency checks the document in connection with the Slovak Electricity privatisation and its possible influence on the project.

Supply: (to be covered from the state budget) the TS to be submitted shortly prior to the cut-off. The possibility to contract it under the existing framework agreement is in the process of clarification with the CFCU.

2005/017-464.07.01 Preparation for the Opening of the Market in Electricity and Gas to Households

The project can use the advantage of the previous common cooperation of the TW partners. The gained knowledge and skills of the German Ministry of Economics and Technology could be materialised in fast and operational start-up, immediately from June 2006. The identification process of problems connected with the electricity and gas market opening to households has successfully started, ongoing are activities linked with the EU operational models review, as well as the EU relevant directives and the German current legislation. From 14 decrees and regulations planned to be issued, 4 have already been finished. A possibility of cummulation of some of the remaining ones is considered but their transposition will be probably anyhow postponed to the first half of the year 2007. Besides 3 organised seminars, the RTA is involved in the day-to day praxis of the RONI preparing statements and expert's opinions in relevant areas. In spite of the lasting approval process, the beneficiary tries to keep the planned schedule on track.

2004/016-764.06.01 Capacity Building in the Area of Road Transport (Enforcement of Social Legislation)

In spite of very operational rules and procedures valid for the TWL, the contracting process has been delayed for more than one year (contract signed in April 2006). The selected British partner in a close cooperation with the Ministry organised 5 workshops focused on the analogue and the digital tachograph system and two workshops aimed on the road-side checks and the company inspections. Besides the theory on social legislation, participants could use many opportunities for the practical training, including the execution of the roadside checks with the British expert. In total, 75 trainees have been trained. They visited 5 calibration centres and have been also provided with the training manuals and the tachograph equipment sets by the company TAMEX is necessary to add that the complete project implementation has been influenced by the inadequate British organisation. Problems with the interpretation, the late submission of training documentation (in a case of first training the relevant documentation was submitted even after the execution of training), the wrong scheduling of the subsequent training modules, all this has strongly influenced both the efficiency of performance and the beneficiaries perception. The will trying to solve the described problems appeared to be unfruitful, communication of the team leader was strictly limited to side letters signature.

2005/017-464.02.01 Reinforcement of Administrative Capacity as regards Measuring Instruments (RACMI)

The TWL and the complementary TA should assist in the implementation of the Directive 2004/22/EC and smooth transfer of the application of the former old approach regulations, i.e. the national ones, to the New Approach. The New Approach is represented by the implementation of the New Measurements Instrument Directive. The overall project consists of 5 activities. The TWL represents 3 activities, two of them referring to Metrology and the third one to the Establishment of Network for Administrative Cooperation. The TA comprises 2 activities: (i) presentation of the experience and practical approach and (ii) elaboration of guidance and explanatory documents. Outputs from these activities are mutually linked.

The project has been delayed and should be tendered by the end of this year.

Component 3 Finance, Customs and Culture

2004/016-764.02.01 Strengthening Public Finance Management (PFM)

The overall project aims at improving the macro-economic performance and fiscal transparency and achievement of compliance with certain obligations arising from the *acquis communautaire* related to the EC budget, financial relations and reporting duties. It is divided into three sub-projects.

The Accounting & Reporting sub-project focuses on improving public finance accounting and the fiscal and financial management reporting systems. It prepares the implementation of the accrual accounting in Slovakia, which will be introduced on 1 January 2008. The project has been successfully implemented and delivered first tangible results.

The State Treasury sub-project intends to further improve functioning of the ST, especially in the area of reporting on EU funds. It should train staff of the ST and identify necessary IT changes to implement the required changes. The project has been re-tendered and should be contracted by 15 December 2006.

The Monitoring & Evaluation sub-project should update strategy and methodology for M&E of public funds, establish a M&E training system of public officers and carry out a number of ex-ante and ex-post evaluations of programme budgets. The sub-project has been delayed because of a political decision. It has been initiated only recently and only the kick-off meeting has taken place by now.

2004/016-764.02.02 Systemic Changes in Tax Audit

The TW project aims at an increase of tax audit efficiency through introduction of systemic changes. It deals with the absence of a control system of VAT payers, with the focus on recipients of excessive refunds before return to the State Budget. The audit

efficiency should be improved through the introduction of new tax audit techniques and risk analysis system.

The project, structured into 9 components, has officially started on 1 September 2005, i.e. shortly after signing the contract with the Danish TW partner. Since then an intensive know-how and experience transfer took place and the first tangible results were delivered. Some activities, such as that related to the risk analysis have been delayed because of personnel changes that took place after the parliamentary elections.

2004/016-764.02.03 Capacity Building in the Area of Internal Audit,

The TW project was designed to assist in building up the internal audit function, which is new in the Slovak public administration. This is in line with the requirement and condition of the EC/DG Budget and the transposition of the *acquis communautaire* into the Slovak legislation. The project, divided into 5 components, contributes to building up a modern public finance management system, which facilitates transparent use of public funds. It supports the Central Harmonisation Unit established at the Ministry of Finance under the guidance of the EC. The CHU harmonises financial control and internal audit methodologies, provides methodological supervision and is responsible for the permanent education system of internal auditors and financial controllers, which are also the focus of the project. The project has started in February 2006 and delivered first results, such as a whole range of training and seminars offered to 150 participants and training syllabus that should be accredited and used in the standard education of internal auditors.

2004/016-833 Strengthening of the Antifraud Traffic Control Systems at the EU External Border in the SR

The process of the TS design lasted almost one and half year. Beneficiary's experts decided to put the 3 originally planned parts of the supply (basic commercial traffic lines, supplementary traffic lines and communication part which had to secure data exchange), as stated in the Commission decision, into 2 parts, as a result of information given during the study trip in Finland. Finally, this was changed and joint TS have been prepared for road and railway border crossings. The beneficiary was requested by the MoF in March 2006 to submit the final version of the TS, However, the process was crucially complicated by the lasting reconstruction of the road border crossing at Vyšné Nemecké and a special acceptance of the SRI needed for the railway border post in Čierna nad Tisou. The last version of the TS offered an opportunity for changes and adaptations in a case they are needed in a future, by assuring the full operability of the system. Finally, the tender was launched in August 2006 and the evaluation process finished in October. At the time of evaluation the contract was ready to be signed.

2004/016-764.08.03 Training Focused on Cooperation with Informants

The TWL was implemented with the Dutch partner from January to May 2006. During the reported period 30 participants from the CCO and the Inspection of Director General have been trained in the relevant topics. Moreover, the Europol guidelines as well as the European Convention on Human Rights with respect to the handling on informants have

been explained and discussed. The Dutch partner, besides delivery of training manuals, has provided also the findings and recommendations for the improvement of the Slovak system in the respective area. All planned projects targets have been achieved.

2005/017-464.02.03 Implementation of Consumer Protection Legislation into Practice

The first circulation of the PF did not bring a TW partner because the Italian proposal was rather focused on a food control, which was not the main target of the Slovak MSA. The improvement of the Italian proposal, as the only one offer submitted during re-circulation launched in June opened a chance for the contract signature. The project is planned to be implemented as a TWL. 10 training seminars and 3 study visits should be focused on the EU legislation, the EU alert systems, the practical control and the release of products into the common market. Improvement of the actual state of the art should be achieved not only via training of beneficiaries' selected staff, but also by providing recommendations on the existing cooperation agreements between the SCA and the Slovak market surveillance bodies and their internal regulations and procedures. The late contracting (by finishing the evaluation, the contract was prepared for its signature) has caused that no results can be reported yet.

2005/017-464.02.02 Enforcement of an Intellectual Property Rights in the SR

The 2005 IPR project aims at: (i) data collection and creation of individual database of public authorities' rulings/orders/ decisions/findings concerning IPR. The database to be a part of the Register of Culture – the comprehensive data bank of the MoC and accessible via the Internet, (ii) information campaign supporting launch of the database and protection of intellectual property rights generally, (iii) workshops and training contributing to successful application of rights' enforcement tools in compliance with national legislation being fully harmonised with EU law.

Tendering of the bulk project should start end of 2006; the public campaign TA to be tendered as a local tender next year.

ANNEX 6 DISSENTING VIEWS

Ministry of Finance/ CFCU

Para 122, Recommendation Table

'The SPO has been regularly informed by the respective CFCU programme manager on the progress of the tendering and contracting, bearing in mind limits given by the Public Procurement Law.'