



# EVALUATION OF THE OPERATIONAL PROGRAMME HEALTH IMPLEMENTATION

**FINAL REPORT**

**Bratislava, 29 March 2010**



**Contracting Authority:** **Ministry of Health of the Slovak Republic**  
European Programs and Project Division  
Limbová 2  
837 52 Bratislava

**Contractor:** **Consulting Associates, s.r.o.**  
Kozia 11  
811 03 Bratislava  
Slovak Republic

Tel./Fax: 02/5441 1272  
Email: [ca@ca-slovakia.sk](mailto:ca@ca-slovakia.sk)  
<http://www.ca-slovakia.sk>

## List of contents:

<b>1. Introduction .....</b>	<b>5</b>
1.1. Evaluation goals .....	5
1.2. Evaluation questions .....	5
<b>2. Description of methodology applied .....</b>	<b>6</b>
2.1 Baseline data and information .....	6
2.2 Evaluation method .....	7
<b>3. List of documents and outputs .....</b>	<b>8</b>
3.1 Survey of documents .....	8
3.2 Survey of outputs .....	9
<b>4. Procedure of the evaluation activities performed.....</b>	<b>10</b>
<b>5. Conclusions and overall evaluation .....</b>	<b>11</b>
5.1 Summary of main findings .....	11
5.2 Progress in physical implementation .....	15
5.3 Progress in financial implementation.....	19
5.4 Implementation system and strategy.....	25
5.5 Measurable indicators.....	32
5.6 Monitoring Committee operation .....	40
5.7 Technical Assistance .....	47
<b>6. Recommendations.....</b>	<b>52</b>
<b>7. List of evaluation team members .....</b>	<b>53</b>

## Abbreviations

<b>CCB</b>	Central Coordination Body
<b>EC</b>	European Commission
<b>EU</b>	European Union
<b>CF</b>	Cohesion Fund
<b>MC</b>	Monitoring Committee
<b>MoH</b>	Ministry of Health of the Slovak Republic
<b>NSRF</b>	National Strategic Reference Framework
<b>OP TA</b>	Operational Programme Technical Assistance
<b>OPH</b>	Operational Programme Health
<b>OP BI</b>	Operational Programme Basic Infrastructure
<b>PM</b>	Program Manual
<b>PA</b>	Priority axis
<b>MA</b>	Managing Authority
<b>SR</b>	Slovak Republic
<b>SF</b>	Structural Funds
<b>SB</b>	State budget

## 1. Introduction

The evaluation of the Operational programme Health (OPH) has been carried out under a service contract concluded between the Ministry of Health of the Slovak Republic (hereinafter referred to as “Contracting Authority”) and the Consulting Associates, s.r.o. (hereinafter referred to as “Contractor”). The service contract has signed and entered into force on 10 December 2009. The evaluation has been carried out from 11 December 2009 to 31 March 2010.

The Final Report has been prepared in accordance with the Terms of Reference for the respective evaluation. The survey of the evaluation goals and objectives and the main evaluation questions specified in the Chapter 1 is followed by description of evaluation techniques and methods applied. In the following chapter we have included a list of documents used in the evaluation process including a survey of the literature used. The Chapter 4 provides the reader with information on the evaluation implementation process and the individual tasks. In the following two chapters there are the main evaluation outcomes presented. The Chapter 5 contains the main findings obtained in the evaluation process and answers to the main evaluation questions. In the Chapter 6 the evaluator presents the main recommendations on the basis of the findings and conclusions. A list of the team members participating in the evaluation process is included in the final chapter of the Evaluation Report.

### 1.1. Evaluation goals

The interim evaluation has been intended to evaluate the effectiveness and quality of the Operational Programme Health implementation as to 31 December 2009 and formulate relevant recommendations for the OPH Managing Authority (hereinafter referred to as “OPH MA”), respectively the OPH Monitoring Committee. The evaluation outcomes will be presented to the MC members, too.

### 1.2. Evaluation questions

The Managing Authority has defined the main evaluation questions as follows:

- 1) What progress has been made in the OPH physical implementation at the level of its individual priority axes?
- 2) What progress has been made in the OPH financial implementation at the level of its individual priority axes - is there a real risk of the financial resources loss resulting from the failure to meet the n+3, respectively n+2 rules?
- 3) Is there an implementation system established in accordance with the OPH strategy?
- 4) Have measurable indicators been defined at the project level in accordance with the Programme indicators?
- 5) Does the OPH Monitoring Committee fulfil its tasks efficiently and in terms of the Statute and Rules of Procedure of OPH MC?
- 6) Is the cooperation of OPH MA and MC sufficient, is the principle of partnership observed?
- 7) Are the Technical Assistance financial resources used efficiently?

- 8) To what extent and in what way do the Technical Assistance resources to the efficient OPH implementation?

## 2. Description of methodology applied

The respective evaluation has a nature of interim evaluation, it is supposed to evaluate or review the progress in the Operational Programme Health implementation by the end of the 3<sup>rd</sup> year of the programming period (31 December 2009). The Terms of Reference do not include a specific definition of evaluation criteria constituting the basic framework for the evaluation performance. Upon the main evaluation questions we are able to derive evaluation criteria indirectly:

- relevance
- efficiency
- effectiveness

The selected approach to the evaluation process and selection of the specific methods take into account the evaluation criteria mentioned above and the scope of the evaluation questions. Moreover, they take into account specific requirements and emphasis of the Contracting Authority on selected aspects as presented at the kick-off meeting. The description of the overall strategy of the evaluation process and the method of answering the individual questions was proposed in the Inception Report submitted on 22 December 2009.

### 2.1 Baseline data and information

The evaluation database consists in particular of the OPH official documents issued by the Managing Authority during the Programme implementation. Those are mainly Programme documents, management documents, and other documentation relevant for the Programme implementation such as manuals, methodology, etc. A comprehensive survey of information sources is included in the next chapter of the Report, section 3.1. Moreover, beside documents available to public the Managing Authority has provided the evaluator with the recent version of the MA Internal Procedural Manual for OPH.

Financial data on progress in the OPH implementation and data on progress in the Programme indicators fulfilment as to 31 December 2009 has been necessary to evaluate the progress in the OPH implementation. In the initial evaluation phase the evaluator produced a form for data on the financial and physical progress in the Programme implementation. Binding data on the Programme financial implementation and priority axes implementation was provided to the evaluator in the first half of February 2010. With regard to the ITMS setting and the start of implementation of projects approved within OPH it took a longer period of time to obtain data on progress in the Programme indicators fulfilment. The evaluator obtained the baseline data merely in the second half of February 2010 which resulted in delays of the evaluation performance. This was caused also by the fact that the data on the financial and physical progress in the OPH implementation had to be taken into account also when answering the other questions that do not explicitly relate to the progress achieved.

The collected secondary data served to the evaluator as a baseline for answering the evaluation questions. Moreover, it was necessary to obtain primary data for the

individual questions to conduct a comprehensive analysis and evaluation. Such data was obtained through interviews with the OPH MA representatives. In the evaluation process the special literature related to the Structural Funds management and application as well as evaluation reports were used, too.

## 2.2 Evaluation method

The evaluation of the progress achieved in the OPH implementation has been based on the evaluation of the implementation progress by the end of 2009 in comparison to the progress planned. In case of the financial implementation the volume of resources contracted and drawn to the overall allocation of the Programme and priority axes was taken into account. At the same time, the evaluator reviewed the rate of risk of failing to observe the n+3 rule in this phase of the Programming Period. The physical progress could be evaluated upon the values of indicators at the Programme level, priority axes, and target values set.

In order to answer the other evaluation questions it was not possible to use the clearly defined quantified objectives. The questions had referred to qualitative aspects of the Programme implementation. Therefore, the evaluation was based on specification of standards (benchmarks) for processes being evaluated within OPH. The standards specified were based on general principles of the proper management and implementation of public interventions and specific requirements for efficient and effective implementation of operational programmes financed from the Structural Funds (SF). When evaluating the compliance of fulfilment of specific tasks the reference documents (e.g. Statute, MC Standing Order) were taken into account.

The analysis of data and information available has served to perform the evaluation itself and to answer the main evaluation questions. Within the evaluation the key conclusions and findings have been formulated. The evaluator has elaborated recommendations on the findings selected. The respective conclusions and recommendations should serve to MA and relevant partners to take measures necessary to improve the Programme implementation quality and performance in the coming period.

### 3. List of documents and outputs

#### 3.1 Survey of documents

In the initial evaluation phase the basic information sources were identified that are necessary to properly answer the evaluation questions. When performing the evaluation the evaluator has used the following documents:

- The valid version of the Operational Programme Health
- The valid version of the Programme Manual of the Operational Programme Health as to 31 December 2009 (7.0)
- Internal manual of procedures of the Managing Authority for OP Health, section: Projects Evaluation Department
- Internal manual of procedures of the Managing Authority for OP Health, section: Projects Implementation Department
- Internal manual of procedures of the Managing Authority for OP Health, section: EU Programmes Department
- Annual Report on OP Health implementation for 2007 (with MC and EC comments incorporated)
- Annual Report on OP Health implementation for 2008 (with MC and EC comments incorporated)
- Survey of resources contracted and drawn as to 31 December 2009
- Survey of drawing to commitments as to 31 December 2009
- Survey and status of Programme indicators for OP Health as to 31 December 2009
- Survey and status of “core indicators” for OP Health as to 31 December 2009
- Survey and status of indicators for horizontal priorities 31 December 2009
- The valid version of the Manual for Applicant
- Documentation of calls for submission of applications for grants published by 31 December 2009
- The current versions of regulations of MA for OP Health
- Evaluation of calls for submission of applications for grants evaluated by 31 December 2009
- Standing Order of the Monitoring Committee of OP Health
- Current Statute of the Monitoring Committee of OP Health
- List of members of the Monitoring Committee of OP Health
- Minutes of negotiations of the Monitoring Committee of OP Health
- List of the Technical Assistance projects submitted
- List of the Technical Assistance projects approved
- Survey of activities implemented within individual Technical Assistance projects.

Moreover, besides the materials and documents mentioned above the evaluator conducted interviews with the representatives of the Managing Authority.

### 3.2 List of outputs

In the period from 11 December 2009 to 31 March 2010 in accordance with the Terms of Reference and the Contract on evaluation performance the Contractor has produced the following outputs:

- Inception Report (submitted on 22 December 2009)
- Draft Final Report (submitted on 5 March 2010)
- Final Report in the Slovak and English versions.

During the evaluation process the following documents - beside the mandatory outputs - have been produced for the evaluation purposes:

- Matrix for indicators quality assessment
- Format for provision of financial data on implementation
- Format for provision of information on progress in attainment of indicators target values.

#### 4. Procedure of the evaluation activities performed

The procedure of the evaluation activities performed is illustrated in the following time schedule:

Activities	December 2009				January 2010				February 2010				March 2010			
	II.	III.	IV.	V.	I.	II.	III.	IV.	I.	II.	III.	IV.	I.	II.	III.	IV.
Kick-off meeting	10															
Inception Report production and submission			22													
Secondary data collection																
Primary data collection																
Analysis of data and information obtained																
Evaluation, formulation of conclusions and findings																
Draft Final Report production and submission													05.			
Incorporation of comments															20	
Final Report submission																31

## 5. Conclusions and overall evaluation

### 5.1 Summary of main findings

#### Implementation physical progress achieved

The physical progress achieved in the OPH implementation and its priority axes by the end of 2009 can be considered appropriate to the state of the financial resources contracting and drawing. With regard to the fact that merely 24 projects were in their implementation phase as to this date, including the Technical Assistance projects, the effects of interventions supported could not become evident in a more significant way. Specific outcomes and results directly related to the implementation of projects can be observed only in case of a small range of indicators. At the same time, in case of some indicators covering the status outside the OPH environment the progress recorded in the fulfilment of objectives does not have to be connected with the Programme implementation but with the general development in the health sector. With regard to the current implementation state and the Programme allocation we do not assume significant problems in fulfilling the objectives (target values) set. For more comprehensive and efficient observation of the physical progress we recommend that definitions of some indicators at the level of priority axes and Programme be specified or revised pursuant to recommendations mentioned in section 5.5.

#### Implementation financial progress achieved

Upon the data provided to OPH MA we can state that the financial progress achieved in the OPH implementation is satisfactory. Within the operational programme there was more than EUR 125 million contracted in total, e.g. the rate of contracting 42.55 % of the total ERDF and SB allocation to the Programme. 100 % of the allocation for the Priority Axis 3 Technical Assistance is contracted through two projects for the entire programming period. The rate of contracting of public resources is above-average when compared to other NSRF programmes. We expect that the allocation to the Programme could be fully contracted in 2 years. This opinion is supported by the fact that at the moment the process of evaluation of calls already closed is still going on, and for 2010 the Managing Authority plans to indicatively publish 2 calls for submission of applications for grant for the Priority Axis 2.

We have observed smaller progress in drawing of resources allocated to the OPH implementation. As to 31 December 2009 the OPH resources drawing reached the level of 5.01 % where applications for payment to the beneficiaries were approved in the total amount exceeding EUR 14.74 million. The rate of drawing of resources within OPH reflects the current state in the implementation of projects and Programme. In the period of several months we expect a significant increase of the Programme performance in this indicator when the respective projects enter the full implementation phase. The risk of failing to draw the resources allocated by the end of the programming period can be considered relatively low.

While respecting the valid rules for automatic decommitment and upon the current state of the Programme financial implementation the n+3/n+2 rule does not constitute a direct risk for the commitment for 2007. In case no significant problems occur in the

OPH implementation, the risk of failing to draw the commitments for 2008 and 2009 is only marginal due to the n+3 rule.

### **Implementation system compliance with strategy**

The Operational Programme Health implementation system in the programming period of 2007 to 2013 shows compliance with the chosen Programme implementation strategy aimed at investment in the healthcare infrastructure relevant for diseases of Group 5. The setting of the system as a whole meets the requirements of efficient and effective strategy implementation by MA. Moreover, we can positively assess the ability of individual components (aspects) of the implementation system to support the implementation of the strategy through two thematic priority axes, respectively demand and national projects. In the process of the Programme preparation and definition of individual management and implementation processes MA has managed to sufficiently reflect the strategy needs within: institutional provision, programming, publishing of calls for submission of applications for grants, evaluation and selection of projects, monitoring and evaluation. The Priority Axis 3 Technical Assistance shall serve to support the efficient and effective Programme implementation and its strategy. The setting of two Technical Assistance projects reflects the requirements of pursuing the strategy chosen in the programming period.

### **Compliance of indicators at the project and Programme levels**

The physical progress in implementation of the Programme and projects is monitored through measurable indicators. For efficient and effective monitoring at all levels it is necessary - beside the selection of quality indicators fulfilling the basic quality criteria - to ensure compliance between project and Programme indicators. This requirement is based on the fact that project indicators constitute a database for most Programme indicators of OPH. The Operational Programme contains indicators at the level of the global objective and priority axes, 28 indicators in total. Indicators at the level of individual measures (75 in total) are presented in the Programme Manual. For the purposes of monitoring of implementation of projects supported MA has defined 44 project indicators that are included in the official list of project indicators administered by the Central Coordination Body (CCB). The limited number of the Programme and project indicators properly reflects the close thematic focus of OPH where beside the Technical Assistance priority themes (topics) the support is related only to one priority theme (76 Health Infrastructure). At the same time, the relatively small number of indicators increases the comprehensiveness of the indicators system and decreases the requirements of its management and updating.

Upon the analysis we consider the compliance between measurable indicators at the project and Programme levels sufficient. In case of most indicators it is possible to identify direct links of project indicators to the next Programme level, the level of measures. Such links were reviewed on the basis of the monitoring subject and definition of indicators. We consider very positively the availability of definitions for all indicators being used in the context of OPH since they are missing in most NSRF operational programmes. Within the evaluation we have also identified specific shortcomings of the compliance of indicators which in particular relate to various

definitions at the project and Programme levels<sup>1</sup>. This fact constitutes a real risk of collection and presentation of inconsistent data. Therefore, for the reasons mentioned above we recommend that MA update the set of indicators at the Programme and project levels and that the mutual compliance between them be increased. The updating should also use the definitions recommended for “core” indicators constituting the basic skeleton of set of the OPH indicators.

### **Monitoring Committee operation and cooperation with Managing Authority**

The basis for the Monitoring Committee establishment in 2007 was the OPH Working Group. In accordance with the provisions of the Council Regulation (EC) No. 1083/2006 the Monitoring Committee was established within 3 months from the Programme approval by the European Commission. At its first meeting OPH MC adopted its own Statute and Standing Order defining rules and procedures in fulfilling the tasks connected with the monitoring of the OPH implementation. The recent operation of OPH MC has been fully in accordance with the valid Statute and Standing Order.

As far as the overall efficiency concerns, the recent operation of the Monitoring Committee can be assessed positively. However, it should be emphasized that with regard to the limited progress in the Programme implementation the Monitoring Committee has not so far performed some activities defined in the respective MC regulation or it has performed them only marginally. The positive aspects contributing to the MC operation efficiency include the MC staff stability where so far a minimum number of MC members have been replaced, as well as high attendance of the MC members at its meetings. In particular the external factors were the reason for the repeated approval of some documents (evaluation and selection criteria, selected sections of the Programme Manual, Statute of OPH MC). The respective changes have had only a limited influence on the overall efficiency of operation of OPH MC. While increasing the efficiency of the Monitoring Committee operation we positively assess the MA effort to involve the MC members also in activities of the Euregio 3 project within the Communitarian Programme PUBLIC HEALTH. We propose to consider the possibility of reimbursing the cost connected with the MC members’ participation in events of organized projects that provide a possibility to exchange experience with the partners from EU.

Partnership as one of the basic principles of the cohesion policy has been already respected in the process of the OPH preparation where the relevant partners were represented in the Working Group. This Group was the basis for establishing the OPH Monitoring Committee that constitutes the main forum for cooperation between MA and representatives of social and economic partners. The composition and representation of the individual types of partners within OPH MC can be considered well-balanced in accordance with the partnership principle. The rules of the Monitoring Committee operation defined in the Statute and Standing Order of OPH MC also create conditions for a partnership dialogue with the representatives of structures responsible for the Programme management and implementation.

The cooperation between OPH MA and MC takes place mainly in the form of the Monitoring Committee meetings and *per-rollam* procedures. Within the recent

---

<sup>1</sup> Differences between the titles of indicators at the Programme and project levels related to the same subject of monitoring are caused by elaborating the Code List of Project Indicators merely after the operational programmes had been approved.

Programme implementation the partners have focused in particular on provision of the basic documents necessary to start the Programme implementation (evaluation and selection criteria, selected sections of the Programme Manual) and on evaluation of the progress achieved in the implementation (Annual Reports, evaluation of calls for submission of applications for grants). The form and content of the cooperation between OPH MA and MC corresponds also with the mutual communication. Outside the Committee meetings the partners use in particular the written form of communication, respectively phone or e-mail contact. With regard to the cooperation results achieved we consider the communication channels created and the recent communication efficient and supporting the cooperation. With respect to the progress in the OP implementation and the importance of issues being solved we consider the cooperation intensity sufficient. We expect that efficient cooperation in monitoring the progress achieved in fulfilling the objectives and ensuring the results will require close and more intense cooperation of the partners in the coming phases of the Programme implementation. In our opinion, the effort to ensure partnership cooperation has become evident also at the MC meetings and results achieved. The effort to ensure active approach from the side of MA as well as OPH MC has contributed to the quality of the Committee meetings and efficiency of the mutual cooperation.

#### **Technical Assistance use**

Already in 2007 the Managing Authority prepared and in 2008 approved two projects to ensure the efficient OPH implementation from the very beginning of the implementation. Each Technical Assistance project relates to one measure covering the overall allocation of the measure for the programming period 2007-2013. Of the total volume of public resources allocated to the Priority Axis 3 Technical Assistance (EUR 9,205,882) more than 16 % was drawn by the end of 2009. Naturally, the labour cost constitutes the highest volume of the resources drawn; this cost is reimbursed within the project for the Measure 3.1. Further, this project financed services related to the preparation of the basic documents for the Programme efficient management (OPH Programme Manual and MA Internal Manual of Procedures), and interpreting/translations. The cost of the material and technical equipment constitutes a very low share in the resources used. In the next period the progress in the Programme implementation will require the provision of adequate material and technical equipment, therefore, we recommend that equipment of essential nature be ensured for fulfilment of the MA tasks. Within the second Technical Assistance project (3.2) more than 80 % of expenditure approved in requests for payment related to the evaluation and elaboration of studies. In general, the resources spent within the Technical Assistance projects correspond to the volume and quality of outputs delivered and thus they can be considered as resources used efficiently.

The expenditures declared within the Technical Assistance can be considered used in accordance with its main mission - to support the OPH efficient and effective implementation. The volume of resources drawn and the share of the individual categories of cost reflected the real needs of MA in the programming cycle. The reimbursement of labour cost of the staff involved in the OPH management and implementation significantly contributed to the provision of sufficient administrative capacities and their stabilization. Considering the significant importance of the human resources quality for the Programme quality management we recommend that higher attention be paid and more resources be allocated to the further education of the MA

staff including exchange of experience and development of cooperation with partners from other EU countries. Since a detailed analysis and assessment of activities in the area of information awareness were not the subject of the evaluation, we recommend that information activities of OPH be evaluated in the next period in the context of the target groups needs.

## 5.2 Progress in physical implementation

The evaluation of the physical progress achieved in the operational programme implementation is based on quantified objectives set for OPH. The basic information to evaluate the implementation progress was the data on individual measurable indicators selected for the respective objectives acquired from ITMS. In accordance with the Terms of Reference the evaluation is focused on the level of priority axes, however, the progress at the level of measures was also taken into account in order to evaluate the progress achieved at this level.

### Background

The process of negotiations was concluded on 8 November 2007 when OPH was officially approved by the European Commission Decision No. K(2007) 5503 for the Community assistance from the European Regional Development Fund within the Convergence objective. Since OPH started its physical implementation yet in 2008, it was not possible to show any data on physical or financial progress in 2007, except for making an advance payment by EC. In 2008 the MA activities were focused on two main areas:

- finalization of basic documents for the Programme implementation;
- preparation and announcement of calls for submission of applications for grants and the subsequent process of evaluation and selection of applications for grant.

The process of programming and preparation of management documentation continued by adopting and updating:

- Description of management and control systems
- Internal Manual of Procedures
- OPH Programme Manual - 2 updates
- Manual for Applicant for grant
- State aid
- Evaluation and selection criteria for OPH
- Statute and Standing Order of the Selection Committee
- Statute and Standing Order of OPH MC

Overview of calls for proposals published in 2008:

Priority axis	Measure	Date of announcement	Deadline	Allocation in EUR
1	1.1	22.7.2008	23.10.2008	19,916,351.32
1	1.2	11.9.2008	9.1.2009	79,665,405.30
2	2.1	4.9.2008	5.12.2008	6,638,783.77
2	2.2	4.9.2008	15.4.2008	7,302,662.15

Overview of calls for proposals published in 2009:

Priority axis	Measure	Date of announcement	Deadline	Allocation in EUR
1	1.1	20.04.2009	22.07.2009	2,916,340.33
1	1.2	29.10.2009	12.3.2010	124,834,720.34
2	2.1	18.09.2009	15.01.2010	10,000,000.00
2	2.1	29.5.2009	17.9.2009	15,000,000.00
2	2.2	29.5.2009	16.09.2009	4,308,716.85

By the end of 2009, 24 projects were in their implementation phase, out of which 2 Technical Assistance projects and 1 national project. This situation corresponds to the situation of smooth assistance distribution and drawing.

Priority axis	Measure	Number of projects	Total volume (grant + own resources)
1	1.1	11	23,422,560.69
1	1.2	6	80,332,005.15
2	2.1	4	6,844,323.40
2	2.2	1	7,302,243.75
3	3.1	1	8,358,382.00
3	3.2	1	84,500.00
<b>Total for OP</b>		<b>24</b>	<b>127,107,014.99</b>

### Status of objectives fulfilment at priority axes level

After having updated the management documentation - partly due to modifications in the SF and CF management system - the process of announcement of calls and acceptance of applications for grant was started in 2008 that smoothly continued in 2009, too. In accordance with the management documentation, in particular with the current Programme Manual, the assistance resources drawing continues where the interest from the side of applicants exceeds the amounts allocated to the respective call. By the end of 2009 24 projects were in their implementation phase of which 2 Technical Assistance projects and 1 national project; during the year 63 applications for grant were registered in 4 calls and 1 restricted call of which there are 2 national projects. The measurable indicators had been fulfilled until first projects started their implementation in 2009<sup>2</sup> that is why the values in 2007 and 2008 are mostly equal to zero. In 2008 within the Priority Axis 1 no projects were implemented. With regard to

<sup>2</sup> Except for the Technical Assistance projects.

the number of projects approved in 2009 it can be expected that in 2009 there will be significant progress in fulfilment of all measurable indicators set. With regard to the number of projects approved in 2009 the risk of failing to fulfil the target values of measurable indicators is relatively low.

#### Implementation status - Priority Axis (PA) 1

Priority axis 1 indicators	Baseline 2006	2007	2008	2009	Objective 2015
1. Number of patients hospitalized in modernized infrastructure (number)	0	0	0	0	56,000
2. Number of hospitalizations of outpatient sensitive diseases (%)	12.20	4.78	5.80	5.72	8
3. Average hospitalization period (day)	9.5	0	0	10.83	7.1
4. Number of jobs created (number)					
- total	0	0	0	3	30
- men	0	0	0	1	15
- women	0	0	0	2	15
5. Average decrease of energy cost of buildings used by supported health infrastructure facilities (%)	0	0	0	0	15%
6. Number of projects supported from OPH, Priority Axis 1 (number)	0	0	0	17	30
7. Number of beds operated within modernized infrastructure (number)	0	0	0	90	1,250
8. Area of premises built and equipped to provide health care (m <sup>2</sup> )	0	0	0	0	37,600
9. Area of premises renovated and equipped to provide health care (m <sup>2</sup> )	0	0	0	11,720.57	150,200

As shown in the table above the status of the measurable indicators fulfilment 17 projects have been supported (3 of them have been already completed) which is more than one-half of the planned number of projects. The projects completed have already created jobs (10 % of fulfilment) and contributed to the indicator of the area of renovated premises (7.8 %), and number of beds in modernized infrastructure (7.2 %). The average hospitalization period of 10.83 days constitutes the current baseline value of projects approved where the value of this indicators still has not reflected OPH interventions like in case of the number of hospitalizations.

Within the Priority Axis 2 there has been 5 projects supported which constitutes more than one sixth of the planned number of projects (1 project completed). The project completed has already created jobs (8.93 % of fulfilment) and contributed to the indicator of the area of renovated premises (1 %), and number of patients treated (0.08 %).

### Implementation status - PA 2

Priority axis 2 indicators	Baseline 2006	2007	2008	2009	Objective 2015
1. Number of patients who were provided health care in modernized infrastructure (number)	0	0	0	668	844,000
2. Number of preventive examinations (number)	0	0	0	0	N/A
3. Number of preventive acts - interventions (selected diagnoses) (number)	0	0	0	0	N/A
4. Number of jobs created (number)					
- total					
- men	0	0	0	2.5	28
- women	0	0	0	1	14
	0	0	0	1.5	14
5. Average decrease of energy cost of buildings used by supported health infrastructure facilities	0	0	0	0	15 %
6. Number of projects supported from OPH, Priority Axis 2 (number)	0	0	0	5	28
7. Area of premises renovated and equipped to provide health care (m <sup>2</sup> )	0	0	0	660	66,140

Within the Priority Axis 3 Technical Assistance 2 Technical Assistance projects were prepared in 2007 and subsequently approved in 2008. Each project covers one measure and the entire programming period.

### Implementation status - PA 3

Priority axis 2 indicators	Baseline 2006	2007	2008	2009	Objective 2015
1. Number of jobs created					
- total					
- men	0	24	4	13	65
- women	0	9	1	5	
	0	15	3	8	
2. Number of projects supported (number)	0	0	2	2	2

Both planned Technical Assistance projects were supported (100 %) and 41 jobs (of 65 planned) were created which constitute 63.08 % of fulfilment.

### Conclusions

The physical progress achieved in the OPH implementation and its priority axes by the end of 2009 can be considered adequate to the status of the financial resources contracting and drawing. With regard to the fact that by this date only 24 projects were implemented, including the Technical Assistance projects, the effects of interventions supported could not become evident in a more significant way. Specific outcomes and results directly related to the implementation of projects can be

observed only in case of a small range of indicators. At the same time, in case of some indicators covering the status outside the OPH environment the progress recorded in the fulfilment of objectives does not have to be connected with the Programme implementation but with the general development in the health sector. With regard to the current implementation state and the Programme allocation we do not assume significant problems in fulfilling the objectives (target values) set. For more comprehensive and efficient observation of the physical progress we recommend that definitions of some indicators at the level of priority axes and Programme be specified or revised pursuant to recommendations mentioned in section 5.5

### 5.3 Progress in financial implementation

#### Financial allocations to Programme

The Operational Programme Health was approved by EC on 8 November 2007 and upon the respective decision the amount of EUR 250 million was allocated from the European Regional Development Fund (ERDF) to implement the Programme. OPH consists of 3 priority axes:

- Priority axis 1: Hospital healthcare system modernization
- Priority axis 2: Health promotion and health risks prevention
- Priority axis 3: Technical Assistance.

The allocations to the individual priorities reflect the needs of target groups and their importance for achievement of objectives selected. The investment support focused on general and specialized hospitals (PA 1) constitutes 77.23 % of the total ERDF allocation to the Programme, where 19.64 % of the ERDF resources are earmarked to support providers of outpatient healthcare. In accordance with the Council Regulation (EC) No. 1083/2006 and the system of implementation of cohesion policy implementation in Slovakia the total amount of EUR 7.825 million has been allocated from ERDF (3.13 % of the Fund contribution for OPH) to the Priority Axis Technical Assistance.

In October 2008 there was reallocation of financial resources between measures within the Priority Axis 2. The main reason for this modification was the transfer of public resources (ERDF and SB) in the amount of EUR 1,455,129 from the Measure 2.1 to the Measure 2.2 for the purpose of ensuring the sufficient volume of financial resources for implementation of national projects upon the updated calculation of expected cost. On the basis of application of the Commission Decision No. EC/842/2005 of 28 November 2005 on application of Article 86 paragraph 2 of the EC Treaty to the state aid in the form of compensation for services in the public interest being provided to some enterprises entrusted with provision of services of general economic interest the indicative allocation of private resources was also decreased at the level of Measures 1.1., 1.2, 2.1, and 2.2 upon an updated calculation of expected cost and the modified method of calculation of the co-financing rate from EU resources in relation to the total eligible public expenditure. The revisions of the Financial Plan of the OPH Programme Manual had no impact on the EC Decision on the ERDF contribution for OPH, respectively revisions at the level of measures required no modification of allocations at the level of the Operational Programme and priority axes that would be subject to approval by the European Commission.



Upon request of the Certifying Authority (CA) the financial plan title has been modified into the Financial Plan of the Operational Programme Health Programme Manual for 2007 to 2013. The updated Financial Plan of the OPH Programme Manual was approved by the members of OPH MC in written procedure - *per rollam* procedure - in October 2008. The current Financial Plan of the OPH Programme Manual containing the valid allocations also at the level of measures is described below.

## Financial Plan of OPH Programme Manual

	Total A=b+l	Total b=c+g	Public resources							Private resources L	Rate of co- financing from EU m=(c/b)*100
			EÚ		National						
			Total c=d	ERDF d	Total g=h+i+j+k	SR h	regional i	local j	other k		
<b>Priority axis 1</b>	<b>239,102 167.00</b>	<b>227,147,059.00</b>	<b>193,075,000.00</b>	<b>193,075,000.00</b>	<b>34,072,059.00</b>	<b>34,072,059.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,955 108.00</b>	<b>85.00</b>
Measure 1.1	23,910,216.90	22,714,705.90	19,307,500.00	19,307,500.00	3,407,205.90	3,407,205.90	0	0	0	1,195,511.00	85.00
Measure 1.2	215,191 950.10	204,432,353.10	173,767,500.00	173,767,500.00	30,664,853.10	30,664,853.10	0	0	0	10,759 597.00	85.00
<b>Priority axis 2</b>	<b>60,359 799.00</b>	<b>57,764,706.00</b>	<b>49,100,000.00</b>	<b>49,100,000.00</b>	<b>8,664,706.00</b>	<b>8,664,706.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,595 093.00</b>	<b>85.00</b>
Measure 2.1	48,582,450.00	46,153,327.00	39,230,328.00	39,230,328.00	6,922,999.00	6,922,999.00	0	0	0	2,429,123.00	85.00
Measure 2.2	11,777,349.00	11,611,379.00	9,869,672.00	9,869,672.00	1,741,707.00	1,741,707.00	0	0	0	165,970.00	85.00
<b>Priority axis 3</b>	<b>9,205,882.00</b>	<b>9,205,882.00</b>	<b>7,825,000.00</b>	<b>7,825,000.00</b>	<b>1,380,882.00</b>	<b>1,380,882.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>85.00</b>
Measure 3.1	8,358,382.00	8,358,382.00	7,104,625.00	7,104,625.00	1,253,757.00	1,253,757.00	0	0	0	0.00	85.00
Measure 3.2	847,500.00	847,500.00	720,375.00	720,375.00	127,125.00	127,125.00	0	0	0	0.00	85.00
<b>Total</b>	<b>308,667 848.00</b>	<b>294,117,647.00</b>	<b>250,000,000.00</b>	<b>250,000,000.00</b>	<b>44,117,647.00</b>	<b>44,117,647.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,550 201.00</b>	<b>85.00</b>

Source: Programme Manual of OPH (version 7.0)

## Financial progress achieved

As to 31 December 2009, of the total public resources allocated to the Priority Axis 1 in the amount of EUR 227,147,059 projects in the amount of EUR 102,147,441.44 were contracted which constitutes contracting at the level of 44.97 %. Furthermore, projects in the total amount of EUR 13,804,350.98 were contracted for the Priority Axis 2 of the total public resources in the amount of 57,764,706 which constitutes contracting at the level of 23.90 %. Within the Priority Axis 3 - through two projects approved - the 100 % contracting of resources was achieved. At the Programme level the proportion of the ERDF and SB resources contracted to the total allocation reached 42.55 %.

With regard to the fact that the evaluation was carried out by the end of the third year of the programming period and by the end of the second year of the real Programme implementation, we consider the progress in the OPH financial implementation (expressed by the level of public resources contracting) acceptable. The total allocation to OPH is the second-lowest among the programmes of the National Strategic Reference Framework behind the Operational Program Technical Assistance (OP TA). The current level of the Operational Programme contracting significantly exceeds the state of contracting at the level of NSRF that is approximately 25 %. OPH belongs to the most efficient programs from the point of view of the proportion of resources contracted to the total allocation for the programming period of 2007 to 2013.

After having considered the total allocation and investment cost of projects being supported in both thematic priority axes we do not expect a risk of failing to contract the Programme allocation. On the contrary, we expect the allocation to the Programme could be fully contracted in 2 years. This opinion is also based on the fact that at the moment the process of evaluation of calls already closed is still going on, and for 2010 MA plans to preliminarily publish 2 calls for submissions of applications for grant for the Priority Axis 2.

### Survey of OPH resources contracting and spending (as to 31 December 2009)

OPH	Financial Plan (EU+SB)	Contracting (EU+SB)	% contracting	Spending (EU+SB)	% spending (EU+SB)
Priority axis 1	227,147,059.00	102,147,441.44	44.97 %	11,587,608.13	5.10 %
Priority axis 2	57,764,706.00	13,804,350.98	23.90 %	1,642,933.00	2.84 %
Priority axis 3	9,205,882.00	9,205,882.00	100.00 %	1,514,240.64	16.45 %
OPH total	294,117,647.00	125,157,674.42	42.55 %	14,744,781.77	5.01 %

Source: OPH Managing Authority

By the end of 2009 OPH recorded the public resource spent at the level of 5.01 % where payment requests in the amount of more than EUR 14.74 million were approved for beneficiaries. In the monitored period the total amount of EUR 11,587,608.13 was spent under the Priority Axis 1 which constitutes 5.10 % of the total financial allocation earmarked for this priority axis. In the Priority Axis 2 there was a total

amount of EUR 1,642,933.00 recorded within the approved requests for payment which constitutes 2.84 % of the total financial allocation earmarked for this priority axis. The highest spending rate can be seen in the Priority Axis 3 reaching 16.45 % of allocated public resources as to 31 December 2009.

The OPH spending rate reflects the current state in the Programme implementation. Upon the published calls for submission of applications for grant projects were selected and contracted within OPH. However, most investment projects are only in the initial phase of implementation showing only a limited volume of expenditure. In total, we consider the recent financial progress in OPH implementation acceptable with regard to overall Programme implementation development. The level of the ERDF and SB resources spending is approximately at the level of the entire NSRF, respectively it corresponds to an average rate in other operational programmes. At the same time, to our opinion, in short-term horizon it is possible to expect significant increase of this indicator with regard to the nature of projects and satisfactory rate of contracting. In general, we consider the risk of failing to use the Programme allocated resources at the end of the programming period very low. In this phase the MA attention should be gradually shifted from support of applicants to efficient assistance to beneficiaries in the process of projects implementation. Most beneficiaries - to opinion of a MA representative - have problems just when preparing the application for payment which requires special attention.

### Status of using commitments in light of n+3/n+2 rule

In the programming period of 2007 to 2013 the rule of automatic decommitment is applied, which in practice means that the Commission will automatically decommit any part of the commitment in the Operational Programme that has been used neither for an advance payment nor for intermediate payments, or for which no application for payment has been delivered by 31 December of the second year following the year of the budget commitment adoption. The Slovak Republic used the possibility to apply an exemption for this rule since GDP in 2001 to 2003 did not reach the level of 85 % of the GDP average in the EU-25. In practice this means that the operational programmes, including OPH, must spend the commitments for 2007 to 2010 within three years following the year of the budget commitment adoption (n+3 rule) where in case of commitments for 2011 to 2013 a period of two years (n+2 rule) shall be applied.

The OPH approval in the end of 2007, the process of building the structures responsible for the Programme management, and the need of complex preparation of the Programme start resulted in the situation where the first call for submission of applications for grant was published in the second half of 2008. Yet in the beginning of the third year (2009) of the programming period first projects that were supported within OPH started to be implemented. This corresponds to the situation by the end of 2009 where the relatively high level of contracting of public resources allocated to OPH is accompanied by only limited progress in the resources drawing. It is just the volume of resources drawn which is relevant for evaluation of the commitments drawing status while respecting the n+3/n+2 rule. By the end of 2009 a total amount of EUR 14,744,781.77 was spent (public resources) within OPH, of which ERDF constituted EUR 12,533,064.36 and the state budget EUR 2,211,717.41. The Funds contributions, respectively ERDF contributions in case of OPH are relevant for the evaluation of the n+2/n+3 rule fulfilment.

In accordance with the valid reporting methodology commitments shall be reduced by the amount of advance payments received. OPH MA received from EC an advance payment in the amount of EUR 22,500,000. Therefore, the commitment for 2007 was reduced by the advance payment and it currently is EUR 13,056,323. An overview of commitments from the European Regional Development Fund within OPH by the individual years is shown in the table below.

#### Use of annual commitments and spending within OPH

Years	Commitment	Spent from ERDF (31.12.2009)	% of commitment
2007	13,056,323*	12,533,064.36	95.99 %
2008	34,599,224	0.00	0 %
2009	33,296,268	0.00	0 %
2010	30,717,394	0.00	0 %
2011	33,076,047	0.00	0 %
2012	36,494,036	0.00	0 %
2013	68,760,708**	0.00	0 %
<b>Total</b>	<b>250,000,000*</b>	<b>12,533,064.36</b>	<b>5.01 %</b>

\* 2007 commitment reduced by advance payment in the amount of EUR 22,500,000

\*\*2013 commitment increased by advance payment in the amount of EUR 22,500,000

Source: OPH Managing Authority

Upon the analysis of data available to evaluate the status of commitment drawing for OPH we can state that as to 31 December 2009 5.01 % was drawn of the total commitment from ERDF. The use of commitment for 2007 after deducting the advance payment and approved requests for payment from the side of beneficiaries constitutes 95.99 %. Pursuant to n+3 rule OPH MA can draw the commitment for 2007 yet till the year of 2010 (the commitments for the next years have not been drawn so far). Therefore, the automatic decommitment of the commitment for 2007 constitutes practically no risk. Based on the current status of the Programme financial implementation - when we expect growth in drawing the resources to be continued - the risk of loss of resources from the commitments for 2008 and 2009 is relatively low.

### Conclusions

Upon the data provided by OPH MA we can state that the financial progress achieved in the OPH implementation is satisfactory. Within the operational programme an amount of more than EUR 125 million was contracted which constitutes a 42.55 % rate of contracting of the total ERDF and SB allocation to the Programme. 100 % of the allocation to the Priority Axis 3 Technical Assistance are contracted through two projects for the entire programming period. The rate of contracting of public resources is above-average in comparison to other NSRF programmes. We expect that the allocation to the Programme could be fully contracted in 2 years. This opinion is supported by the fact that at the moment the process of evaluation of calls already

closed is still going on, and for 2010 the Managing Authority plans to preliminarily publish 2 calls for submission of applications for grant for the Priority Axis 2.

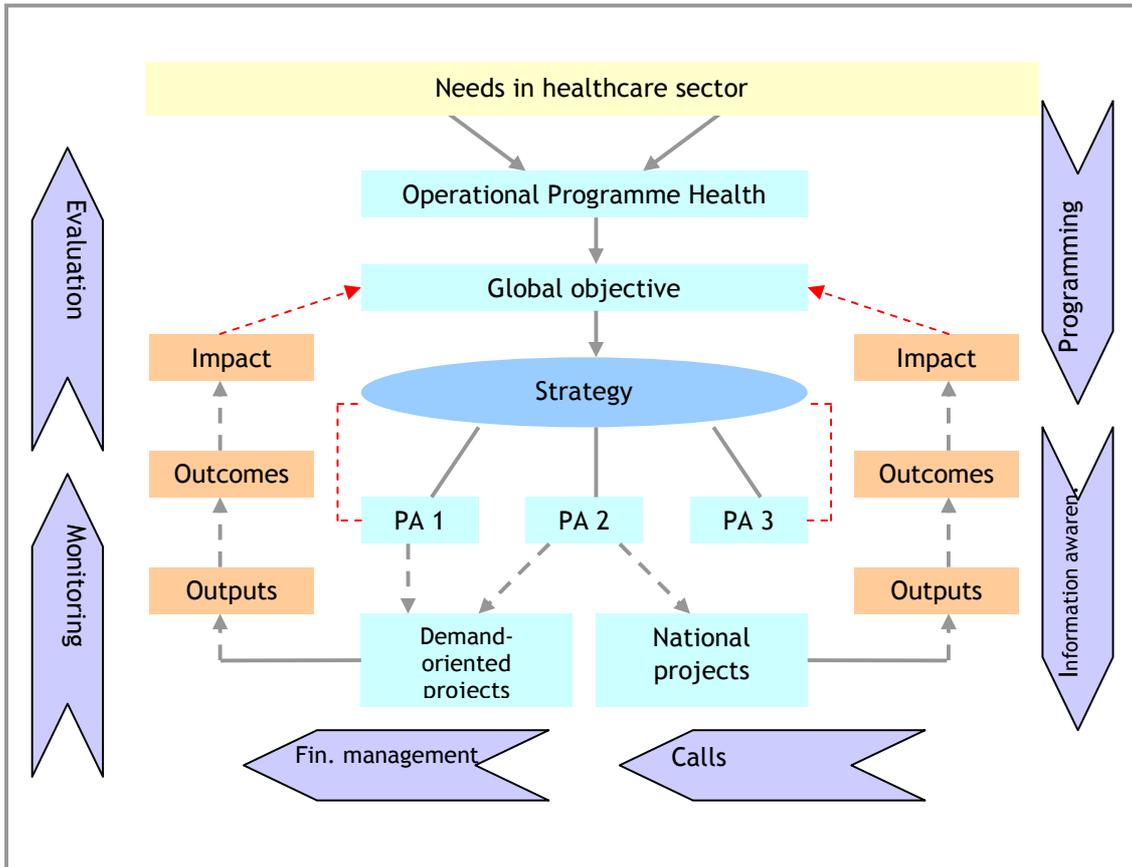
We have observed limited progress in spending the resources allocated to the OPH implementation. As to 31 December 2009 the OPH spent resources reached the level of 5.01 % where requests for payment to the beneficiaries were approved in the total amount exceeding EUR 14.74 million. The rate of drawing of resources within OPH reflects the current state in the implementation of projects and Programme. In the period of several months we expect a significant increase of the Programme performance in this indicator when the respective projects enter the full implementation phase. The risk of failing to draw the resources allocated by the end of the programming period can be considered relatively low.

While respecting the valid rules for automatic decommitment of commitments and upon the current state of the Programme financial implementation the n+3/n+2 rule does not represent a direct risk for the commitment for 2007. In case no significant problems occur in the OPH implementation, the risk of failing to draw the commitments for 2008 and 2009 is only marginal due to the n+3 rule.

#### **5.4 Implementation system and strategy**

Upon the social and economic analysis performed and identification of the main development factors and disparities the OPH global objective has been set. The Programme implementation should “improve the conditions influencing the health state of the productive-age and nonproductive-age population by improving the quality, efficiency, and availability of healthcare and support to health within the healthcare infrastructure”. In connection to the global objective the Programme implementation strategy has been defined on the basis of the thematic and territorial concentration of resources. The strategy chosen shall ensure effective and efficient fulfilment of the global objective on one side, and ensure the Programme internal consistency, its objectives, and activities on the other side.

**Scheme 1**



The evaluation shall provide an answer to the question whether the system established for the OPH implementation is in accordance with the strategy defined. The evaluator's task is not to repeatedly evaluate the state of needs in the healthcare sector and verify the relevance of the strategy chosen. The evaluation is focused on assessment of the implementation system ability - within its current setting - to contribute to the fulfilment of the strategy in the programming period of 2007 to 2013.

### Strategy

The Programme strategy is based on the global objective where - with regard to the high number of ill persons and mortality rate due to Group 5<sup>3</sup> diseases - the supporting component is the investment in:

- the healthcare infrastructure of general and specialized hospitals (providers of curative, acute, and clinical healthcare);

<sup>3</sup> Group 5 diseases: circulation system, tumours, external factors, respiratory system, digestive system.

- healthcare infrastructure of polyclinics and healthcare centres (providers of complex outpatient healthcare connected with prevention).

Investment in improvement of quality of the healthcare infrastructure has a form of demand and national projects. In the programming period two national projects shall be implemented within the Priority Axis 2. Specifically, it is the following projects:

- “Purchase and delivery of mobile mammography units”
- “Completion of infrastructure of the National Transfusion Service of the Slovak Republic”.

At the same time, the strategy chosen respects the current trends in development of the healthcare systems in Europe where efficient, quality, and available healthcare is placed at the top of healthcare systems.

## Compliance of strategy and implementation system

### Institutional aspects

In accordance with the Competence Act the Ministry of Health of the Slovak Republic (MoH) as the state administration central body fulfilling principle functions in the healthcare sector was entrusted to manage the Operational Programme Health. MoH was indirectly involved in implementation of the Submeasure 3.1.2 within the Operational Programme Basic Infrastructure (OPBI) in the programming period of 2004 to 2006 and had experience in using foreign assistance (Pre-accession Funds, community programs, etc.). However, for the needs of OPH it was necessary to build a completely new structure that was based on staff with practical experience in managing the Structural and Pre-Accession Funds acquired in other sectors. A relatively limited number of staff involved in the Programme management and implementation in 2006 and 2007 has gradually extended up to the current number of 41 officers. In this way it was possible to create adequate structures and administrative capacities for efficient implementation of the Programme and its strategy. Within the MoH structure the European Programmes and Projects Division is entrusted to perform the MA functions. This division consists of the following units or departments:

- EU Programmes Department;
- Projects Implementation Department;
- Projects Evaluation Department;
- Paying Unit.

The general system of the SF implementation and management requires cooperation with other units of the Ministry, in particular in the area of control and audit. Activities in this area are performed by the Control, Government Audit and Complaints Department of MoH. The cooperation with special units of the Ministry, in particular with the Health Division, seems to be bringing benefits also in terms of implementation of the strategy chosen.

### Programming

On the basis of the analysis performed, the global objective setting, and formulation of the integrated OPH implementation strategy MA started defining the priority axes.

Those should not only properly take into account the strategy but efficiently complement it through specific projects as well. The Operational Programme Health consists of two thematic priority axes of OPH<sup>4</sup>:

- Priority axis 1 - “Hospital healthcare system modernization”
- Priority axis 2 - “Health promotion and health risks prevention”.

The Priority Axis 1 is aimed at improvement of quality, efficiency, effectiveness, and availability of healthcare at general and specialized hospitals through investment in their complex restructuring. The investment support is primarily directed to the facilities treating the Group 5 diseases thus ensuring the real interconnection of the strategy chosen to the priority axis. The priority axis global activities react to the existing needs of potential applicants, i.e. the lack of new capacities meeting the current quality standards, deterioration and obsolescence of hospital premises and the absent modern healthcare technology and equipment. Interventions being supported within the Priority Axis 1 are properly complemented by activities eligible to obtain support from the Priority Axis 2. The Priority Axis 2 is focused on providers of outpatient health care (polyclinics and healthcare centres). Within the context of the strategy chosen the Priority Axis 2 is intended to strengthen prevention and early diagnostics of diseases, specific Group 5 diseases. The Priority Axis 2 support is focused on investment in renovation and modernization of buildings and provision of delivery of healthcare technology and instrument equipment including information technology.

Thematic focus of the priority axes properly reacts to the OPH implementation strategy. On one side, it is aimed at the complex support of outpatient healthcare providers that are of key importance in the phase of prevention and detection in relation to the Group 5 diseases. At the same time, the Priority Axis 1 is focused on curative, acute, and clinic health care provided by a network of general and specialized hospitals. The strategy and objectives of the priority axes are fulfilled through combination of demand-oriented projects and national projects.

### **Calls for submission of applications for grant**

Before the real implementation of the Programme it was necessary to finish the process of building the management and implementation structures and prepare the calls for submission of applications for grant. The preparation included also provision of the standard documentation of calls for submission of applications for grant and implementation of activities focused on information awareness of potential applicants. General awareness of possibilities of how to use the SF assistance in the healthcare sector in the programming period of 2007 to 2013 has been created in the process of the Operational Programme elaboration. After having approved the programme MA had concentrated on provision of specific information on areas and requirements for provision of OPH support to eligible applicants. Special and professional associations operating in the healthcare sector - mostly represented also in the OPH Monitoring Committee (MC) - have become relevant and important partners in informing the target groups.

From the day when OPH was approved by EC in 2007 to the end of 2009 in total 8 calls for submission of applications for grant were published and 1 direct assignment to

---

<sup>4</sup> Priority axis 3 Technical Assistance is intended to support efficient implementation of the entire OPH.

prepare a national project. After having published each call for submission of applications for grant MA held information seminars for applicants. The respective activities were carried out in Košice, Banská Bystrica, and Bratislava. At these meetings the applicants could obtain the basic information on:

- objectives of the respective call;
- requirements for obtaining the OPH support;
- content of the application for grant;
- process of evaluation of applications for grant;
- the method of implementation of projects approved.

Moreover, the participants of the events had the possibility to directly communicate with the MA staff and ask them questions related to the preparation of applications for grant. Upon the results of the first calls evaluation MA flexibly reacted within the seminars to the most frequent problems and shortcomings of the applications submitted. Beside the information seminars detailed information on the Programme and calls were available at the Operational Programme official website for potential applicants. Furthermore, the applicants had the possibility to consult the preparation of applications in person with entrusted MA staff or through an e-mail address created. The MA representatives stated that the applicants asked MA their questions mainly through the e-mail address. The answers were continuously published at the website in the section of FAQ - frequently asked questions - they were binding for the applicants. In this way the risk of inconsistent guidance was eliminated - it was a frequent problem in the programming period of 2004 to 2006. In general, the information activities focused on applicants can be considered efficient, in particular in terms of the flexible approach of MA in relation to information needs of the target groups and results of appraisal of the projects submitted. Sufficient information awareness of applicants is one of the fundamental prerequisites of successful implementation of projects and the Programme implementation strategy.

### **Appraisal and selection of projects**

The OPH implementation strategy is directly applied through demand-oriented and national projects co-financed from ERDF and state budget in the individual measures. In order to efficiently support the strategy it is necessary to create an appraisal system able to objectively identify the best projects directly contributing to the fulfilment of objectives set and priority axes. A set of evaluation criteria consists of five groups of criteria defined by the SF and CF Management System for the programming period of 2007 to 2013:

- project suitability and purpose;
- project implementation method;
- budget and cost efficiency;
- applicant's administrative, technical (special), and technical capacity
- project sustainability.

The specific assessment criteria of technical (special) assessment of applications were proposed by MA and approved by MC. The weight of the individual groups of evaluation criteria is not identical for the Priority Axis 1 and Priority Axis 2.

Weight		Evaluation criteria
PA 1	PA 2	
49 %	43 %	project suitability and purpose
15 %	17 %	project implementation method
8 %	9 %	budget and cost efficiency
8 %	9 %	applicant's <sup>5</sup>
20 %	22 %	project sustainability

The weight assigned to criteria related to the project suitability and purpose of a project being submitted within both priority axes can be considered positively. In this group of criteria (suitability and purpose) the highest weight is assigned to criteria that are explicitly bound to the strategy principles and directly support the OPH strategy:

- the project contribution to provision of complex approach in the building and technical area;
- the fulfilment of the requirement of the project preferential focus on treatment of the “Group 5 disease”.

In case of the Priority 1 it is also the criterion:

- Compliance of the project with provision of efficient, available, and permanent health care in terms of the Regulation No. 751/2004 as amended posterior.

It should be noted that assessment criteria through which the support of the chosen strategy application is ensured can be also found in other assessment criteria.

Moreover, the setting of the assessment criteria system efficiently contributes to fulfilment of the strategy chosen for the OPH implementation. On one side, the level of reflection of the strategy principles becomes evident within the assessment criterion no. 1 “Number of points in the individual groups of criteria and the total number of points of application”. However, the key selection criterion in relation to the strategy is the criterion no. 2 “Project complexity”. When assessing the projects it is necessary to take into account the number of points acquired in evaluation criteria related to the complexity evaluation<sup>6</sup>.

## Monitoring

The measurable indicators used for the purposes of monitoring of the Programme physical progress are linked to the objectives set at the individual levels of the Programme (OP, priority axes, measures). The setting of the evaluation indicators system at the level of the OPH global objective and priority axes sufficiently covers the strategy chosen. In particular, it is output and outcome (result) indicators at the level of the Priority Axes 1 and 2.

<sup>5</sup> Administrative, special, and technical.

<sup>6</sup> For PA 1 evaluation criteria: 1.1, 1.2, 1.4, 1.8, 2.1, 2.4, and 2.5; for PA 2 evaluation criteria: 1.1, 1.2, 1.3, 1.7, 2.1, 2.4, and 2.5.

## Evaluation

The implementation strategy proposed for the programming period of 2007 to 2013 - including other OPH parts - was the subject of the ex-ante evaluation performed during the Operational Programme preparation. The ex-ante evaluation assessed not only the internal logic of the Program and interconnection of its parts but the compliance of objectives and strategy with the relevant documents of strategic nature at the level of EU and Slovak Republic. The ex-ante evaluation (and the programming process) resulted in a strategy suitably supporting the global objective fulfilment. The OPH strategy importance for fulfilment of the Programme objectives set is confirmed also by this interim evaluation constituting one of the steps enabling efficient support of the strategy through the adequate implementation system. We believe that within the recent OPH implementation sufficient attention has been paid to the strategy issue and its connection to other Programme parts. Therefore, we can consider the setting of processes related to the evaluation suitable and efficient.

## Conclusions

The Operational Programme Health implementation system in the programming period of 2007 to 2013 shows compliance with the Programme implementation strategy chosen focused on investment in the healthcare infrastructure relevant for the Group 5 diseases. The setting of the system as a whole meets the requirements of efficient and effective implementation strategy by MA. Moreover, the ability of the individual components (aspects) of the implementation system to support the strategy implementation through two thematic priority axes, respectively demand-oriented and national projects can be considered positively. In the process of the Programme preparation and definition of individual management and implementation processes MA has managed to sufficiently reflect the needs of the strategy within: institutional provision, programming, publishing of calls for submission of applications for grant, appraisal and selection of projects, monitoring, and evaluation. The Priority Axis Technical Assistance serves to support the Programme efficient and effective implementation and also its strategy. The setting of the two Technical Assistance projects reflects the requirements of pursuing the strategy chosen in the programming period.

## 5.5 Measurable indicators

A system of measurable indicators of the operational programme suitably set should take into account the focus of interventions being supported, and at the same time, it should provide the structures responsible for the Programme management and implementation with reliable information on the current state of implementation in terms of fulfilment of the objectives set at every moment of implementation. A functional system of monitoring and indicators is the fundamental prerequisite for using the monitoring as an important tool of the Programme management. For this purpose MA has defined Programme indicators at the level of the Programme global objective, priority axes, and measures. In all cases the Programme indicators are expressed through outputs and data obtained from a lower level - the level of projects.

At the level of projects the measurable indicators are used for two basic purposes. Firstly, they serve for beneficiaries to manage projects by monitoring the progress achieved in comparison to the target values planned. At the same time, the data reported by beneficiaries within the individual interim monitoring reports, the final monitoring reports, and the subsequent monitoring reports provides MA with complex information on the state of implementation of individual projects. On the other side, the data reported at the level of projects represents inputs for monitoring of the physical and financial progress at the Programme level. Therefore, a functional system of measurable indicators shall ensure interconnection and compliance of the Programme and project levels through selected indicators that can be aggregated from lower levels to the higher ones.

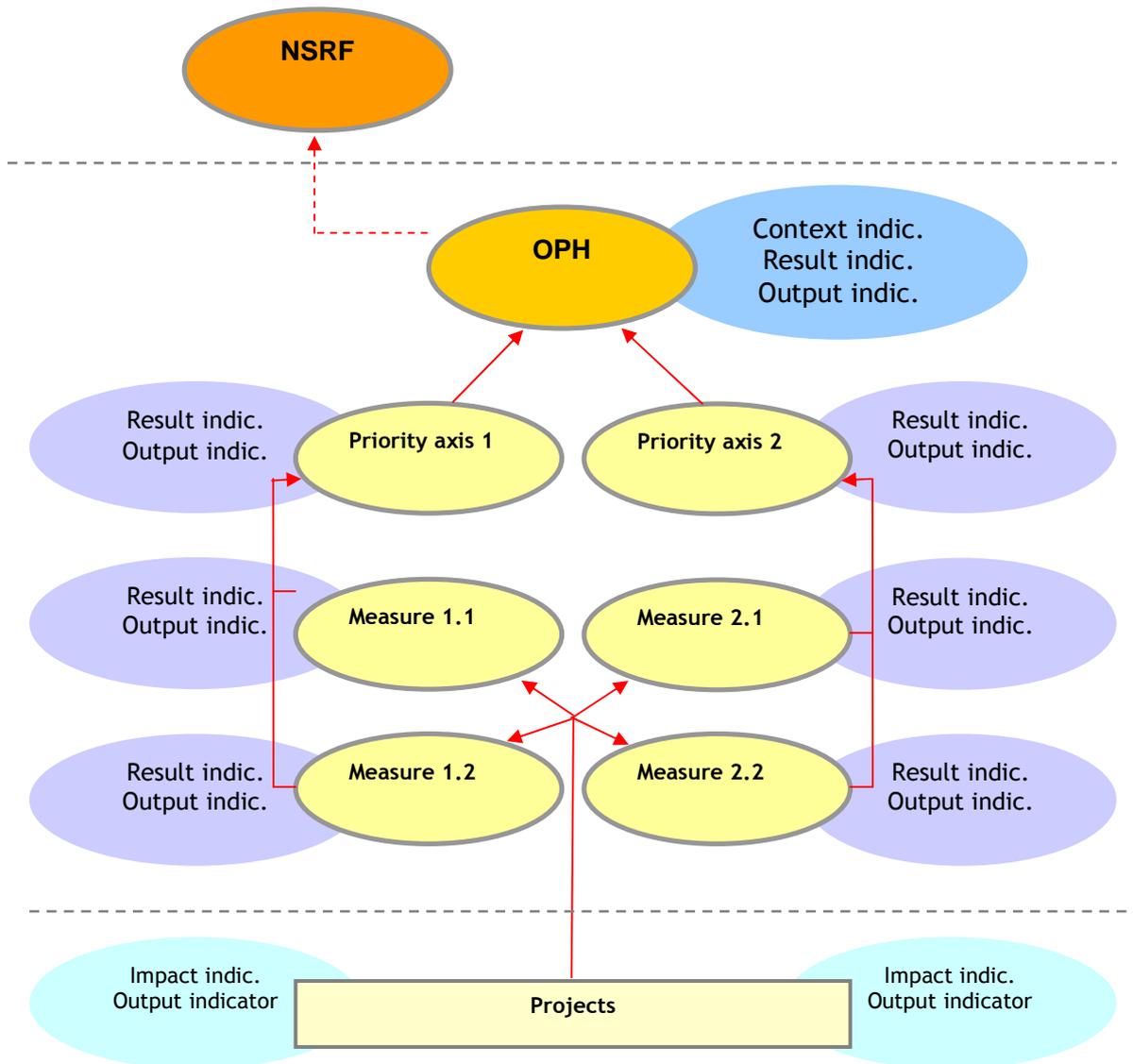
While the process of the Programme preparation is a combination of the top-down and bottom-up approach, the very process of defining the indicators for monitoring the progress in implementation is gradually performed from higher levels to the lowest ones. In practice this means that first the Programme indicators are defined, and then the project ones. The basic prerequisite for indicators is that they sufficiently reflect the objectives at the respective level and manage to cover the progress in the area monitored. A quality indicator suitable for processes of monitoring should have the following attributes:

- relevance - towards the subject of monitoring, i.e. the respective objective;
- definition - a clear definition including a measurement method ensuring consistent use of the indicator;
- standard-based nature - enables to assess the results achieved towards the objectives set
- measurability - it must be quantifiable in definable specific unit using clear methodology;
- reliability- credibility with regard to the source and method of data collection;
- availability - data collection periodicity, cost related to collection of data monitored;
- time constraints - the target values have their time horizon defined;
- ability to aggregate - ability to load the data at a higher Programme level.



The system of OPH measurable indicators at the Programme level and the level of projects is described below.

Scheme: System of OPH indicators



### Indicators at Programme level

The set of indicators at the OPH level reflects the relatively narrow thematic focus of interventions supported within the Programme. Financial resources are concentrated in the investment support of the healthcare infrastructure of general and specialized hospitals (PA 1) and healthcare infrastructure of polyclinics and healthcare centres (PA 2). Beside the thematic priority axes the activities supporting the Programme efficient and effective implementation within the Priority Axis 3 Technical Assistance are performed, too. Therefore, the number of indicators at the Programme level and at the level of priority axes and measures is limited.

In total OPH contains 63 Programme indicators:

- the level of the Operational Programme: 4 indicators
- the level of the Priority Axis 1: 9 indicators
- the level of the Priority Axis 2: 7 indicators
- the level of the Priority Axis 3: 2 indicators
- the level of the Measure 1.1: 9 indicators
- the level of the Measure 1.2: 9 indicators
- the level of the Measure 2.1: 7 indicators
- the level of the Measure 2.2: 3 indicators
- the level of the Measure 3.1: 7 indicators
- the level of the Measure 3.2: 6 indicators

The limited number of indicators contributes to its comprehensiveness, interconnection of the individual levels of the Programme, and lower requirements for its administration and update. From the formal point of view all measurable indicators that are part of OPH or the Programme Manual contain - unlike most operational programmes - also the indicator's definition. A clear definition of indicators and methodology of their collection should eliminate the basic risks connected with collection of inconsistent data. Despite this positive aspect, in some cases it would be necessary to complete the definition (and its further more exact wording). Specifically, we recommend that definitions of the following indicators be completed:

- number of jobs created (at all levels);
- number of attendants at information seminars (Measure 3.2).

in case of the number of jobs created we recommend that the definitions be complied with the definitions being proposed by EC for the respective "core" indicator. The definition of the indicator "the number of projects implemented" for the Measure 3.1 related to the number of concluded contracts on grant provision. In our opinion, in case of the indicator "the number of attendants at information seminars" the definition does not fully describe the subject of monitoring. When applying the current definition this group could also include applicants to whom information had been provided also outside the information seminars (through personal consultations, by phone or e-mail).

Furthermore, the tables of measurable indicators specify:

- indicator title (name);
- indicator type;
- specific unit (unit of measurement);
- the initial state (2006) and target value (2015);
- information source.

For the Programme indicators the target values are defined for 2015 only. One of the possibilities of how to monitor fulfilment of the objectives set in a more efficient way

is to complete the interim values of indicators, e.g. for 2011. In this way it will be possible to continuously monitor the objectives fulfilment during the Programme implementation and identify early enough the eventual deviation from the objectives.

The global objective fulfilment shall be monitored by indicators at the level of the OPH global objective. At the same time, three out of four indicators constitute the “core” indicators, i.e. the respective indicators are regularly used for interventions co-financed from ERDF. Through them it is possible to compare the intervention effects achieved within various programmes (countries), respectively the respective data can be aggregated up to the level of EU. In 2008 the European Commission issued a methodical guidance on the “core” indicators application titled “Working Paper no. 7 Indicative Guidelines on Evaluation Methods: Reporting on the Core Indicators for European Regional Development Fund and the Cohesion Fund“. Update of the “core” indicator “Number of jobs created” would increase compliance with the definition recommended not only at the global objective level.

The set of measurable indicators at the level of both thematic priority axes is based on the “core” indicators that are also intended to ensure interconnection with a higher Programme level and ability to aggregate the data acquired. Beside the “core” indicators the setting of the monitoring system is focused on a close range of output and outcome (result) indicators monitoring the effects of investment activities supported. The only information source for data necessary to monitor the indicators selected is the Ministry of Health of the Slovak republic.

At the lowest Programme level, i.e. at the level of measures, the set of measurable indicators is logically being extended to be able to cover the whole range of activities being implemented, and also to catch the different effects of the individual types of activities. Within the Priority Axis 1 there are identical indicators for both measures since the range and nature of the support is identical, merely applicants/beneficiaries are differentiated (1.1 - specialized hospitals, 1.2 - general hospitals). The differences in indicators of the Priority Axis 2 measures are resulting from the different nature of projects (demand-oriented and national projects).

### **Indicators at project level**

In accordance with the “CCB Methodical Instruction No. 3 on formulation and use of project indicators and their entering in ITMS 2007 to 2013” issued for the SF and CF Management System in the programming period of 2007 to 2013 the outcome (result) and impact indicators are monitored at the level of the individual projects. Within OPH there are in total 44 measurable indicators defined for the needs of applicants/beneficiaries. Of this number 5 indicators are specifically linked to the horizontal priorities and 13 indicators are linked to the Technical Assistance projects implementation.

### **Interconnection of indicators at Programme and project levels**

The fundamental baseline for defining the project indicators was the set of measurable indicators approved in OPH and Programme Manual thus creating prerequisites for their interconnection and compliance. The Programme indicators are linked to specific objectives of the respective Programme level. Moreover, the support being provided through ERDF and SB is categorized into priority areas. Investment

activities financed from OPH are specifically linked only to one priority theme, the priority theme No. 76 “Healthcare infrastructure”<sup>7</sup>. The project indicators being used by MA to implement projects within OPH outside the Priority Axis 3 thematically fall within the priority theme 76.

In order to efficiently administer the set of project indicators the Central coordination Body (CCB) has created a Code list of project indicators and defined procedures of entering new project indicators in the code list. The code list indicators serve in particular for applicants at the project level in preparing the application for grant, for beneficiaries in preparing the monitoring reports, for MA in evaluating the applications for grant and in producing the contract. Each project indicator has a unique twelve-digit code containing the information on the indicator type, its relevance towards the horizontal priorities, and its title within the first and second levels.

In accordance with the respective CCB Methodical Instruction on project indicators the OPH MA - when publishing all calls for submission of applications for grant - provided applicants with the approved set of indicators relevant for the respective measure. A list of outcome (result) and impact indicators of the respective project in connection to the measure supported was part of the call where it was based on the valid code list of project indicators. The applicants are obliged to specify the relevant indicators for the respective project, however, at least one outcome (result) indicator and one impact indicator. In case of the project contribution to the horizontal priorities valid for all NSRF programmes they must select at least one outcome indicator of the horizontal priority.

For the Measures 1.1 and 1.2 the applicants have the possibility to select the most suitable indicators from a group of 18 result and impact indicators. These indicators constitute the database to monitor 9<sup>8</sup> measurable indicators at the level of Measure 1.1. The project indicators take into account the needs of users (applicants/beneficiaries) and are in many cases focused on specific groups of results/impacts that can be aggregated at the level of the measure. On the basis of the analysis we can state that of the group of 18 project indicators for the Measure 1.1 and identical 18 project indicators for the Measure 1.2 it is possible to relatively clearly link 9 indicators to indicators at the measure level. Such indicators can be considered defined in accordance with the closest level of the Programme indicators. It should be emphasized that there is no prerequisite saying that each project indicator must be aggregated at a higher Programme level since the indicators can be used differently; however, the ability of consistent data to aggregate is of key importance (identical definition of the monitoring subject). In case of the next two project indicators for the Measures 1.1 and 1.2:

- total area of new premises (objects)
- total area of technically appreciated premises (objects)

we have identified not only a different title but also a different definition of the indicator when compared to the respective indicator at the measure level. Moreover, the two indicators mentioned latter at the level of projects monitor the total area of facilities, however, the indicators at the level of measures monitor only the area related to the Group 5 diseases. In our opinion, when reporting the general area at the level of projects it is hard to monitor the specific subgroup (Group 5 diseases) unless it

---

<sup>7</sup> Priority themes 85 and 86 relate to the Technical Assistance Priority Axis .

<sup>8</sup> The indicator „Number of jobs created“ includes also the division of jobs occupied by men and women.

is reported by beneficiaries. The two indicators of the Measures 1.1 and 1.2 cannot be monitored through data from the project level. For the purpose of harmonizing the project indicators and Programme indicators we recommend that the indicators monitoring the same subject be defined more precisely and that their definitions be unified. The harmonization of the project and Programme levels (level of measures) will enable the inconsistent data collection as a prerequisite of efficient monitoring of the physical progress in the Programme and projects implementation.

When preparing applications for grant within the Measure 2.1 the applicants have at their disposal 15 project indicators included in the Code list of project indicators. Except for the two indicators all other indicators serve to monitor the impact achieved by performing the project activities supported. At the level of the Measure 2.1 there have been 7 result indicators defined within the Programme Manual. Of the total number of the project indicators it is possible to clearly assign 5 indicators to the respective indicator at the measure level. Another project indicator for the Measure 2.1:

- number of preventive examinations

shows only a certain rate of compliance with the Programme level. At the level of projects the preventive examinations regarding the Group 5 diseases are monitored where the indicator at the measure level does not specify the types of diseases. Examinations connected with the Group 5 diseases constitute only part of all examinations carried out; therefore, it is not possible to simply aggregate the data from projects supported up to the level of a measure. Data for the indicator of the Measure 2.1 “Number of projects supported” can be acquired by MA through ITMS. The compliance between project indicators and indicators at the level of the Measure 2.1 can be considered satisfactory.

For the Measure 2.2 “Healthcare technology renovation and modernization” 3 indicators have been defined in the Programme Manual:

- number of jobs created (in total, men, women);
- averaged reduction of energy cost of buildings used by the healthcare infrastructure facilities;
- number of projects supported.

At the level of projects the beneficiaries use 11 result and impact indicators. The data on the number of jobs created at the measure level is a sum of data of the identical indicator at the level of projects. The number of projects supported is not monitored at a level lower than the Programme level; the respective indicator is reported by MA. Other indicators for projects implemented within the Measure 2.2 included in the Code list of project indicators are not aggregated up to a higher Programme level.

In the programming period of 2007 to 2013 the Managing Authority has been implementing 2 Technical Assistance projects. Each project is implemented within a separate measure, respectively within one priority area relevant to the Technical Assistance:

- Measure 3.1 Technical Assistance for preparation, performance, monitoring, and control (priority theme No. 85);
- Measure 3.2 - Technical Assistance for evaluation and studies, information and communication (priority theme No. 86).

For the purposes of monitoring the physical progress in the Technical Assistance projects implementation there have been in total 13 indicators defined (7 indicators for the Measure 3.1 and 6 indicators for the Measure 3.2). Within the Measure 3.1 it is possible to clearly assign 5 project indicators to the respective indicators at the measure level, i.e. there are prerequisites created for consistent data aggregation. In case of the remaining indicators:

- Number of applications for grant prepared
- Number of applications for grant administered.

the compliance with the Programme level is limited, respectively it is not possible to assess the mutual compliance from the definitions available.

Of the total number of 6 project indicators in the Measure 3.2 we consider 4 indicators consistent with the Programme level although in some cases the definitions partly differ. In case of two indicators - without further specification - it is hard to assess the compliance, namely:

- Number of training attendants;
- Number of trainings for beneficiaries.

In general, we consider the indicators of the project and Programme levels satisfactory. Despite this evaluation we believe that the set of measurable indicators at the project and Programme levels should be completed and the definitions should be harmonized. The risk of monitoring and reporting the inconsistent data in case of the Technical Assistance projects with regard to their nature and number is relatively low.

## Conclusions

The physical progress in the Programme and projects implementation is monitored by using measurable indicators. For effective and efficient monitoring at all levels it is necessary - beside the selection of quality indicators fulfilling the basic quality criteria - to ensure compliance between the Programme and project indicators. This requirement is based on the fact that the project indicators constitute the database for all OPH Programme indicators. The Operational Programme includes indicators at the level of the global objective and priority axes, 28 indicators in total. Indicators at the level of the individual measures (75 in total) are presented in the Programme Manual. For the purposes of monitoring the implementation of projects supported Ma has defined 44 project indicators included in the official Code list of project indicators administered by CCB. The limited number of the Programme and project indicators properly reflects the close thematic focus of OPH where - beside the Technical Assistance priority themes - the support is linked only to one priority theme (76 Healthcare infrastructure). At the same time, the relatively low number of indicators improves the comprehensiveness of the indicators system and reduces requirements of its management and updating.

Upon the analysis we consider the compliance between measurable indicators at the Programme and project levels sufficient. In case of most indicators it is possible to identify direct relations of project indicators to the next Programme level - the level of measures. The interconnection was assessed on the basis of the monitoring subject and the definitions of indicators. We positively evaluate the availability of definitions

for all indicators being used in the OPH context since they are missing in most NSRF programmes. Within the evaluation we have identified also specific shortcomings in the compliance of indicators that are in particular related to various definitions at the Programme and project levels<sup>9</sup>. This fact constitutes a real risk of inconsistent data collection and reporting. For the reasons mentioned above we recommend that MA update the set of indicators at the Programme and project levels and that the mutual compliance between them be enhanced. Moreover, the updating should include the use of definitions recommended for the “core” indicators constituting the basic skeleton of the set of the OPH indicators.

## 5.6 Monitoring Committee operation

### Monitoring Committee functions

The Monitoring Committee is an important element in the cohesion policy operational programmes management and implementation system. The basic framework for the Monitoring Committee operation is defined by the Council Regulation (EC) No. 1083/2006. This Regulation defines the main functions and tasks of the Monitoring Committee as follows:

- adoption of principles and procedures of fulfilment of functions consigned;
- approval of criteria for selection of applications for grant;
- review of the progress in fulfilling the Programme objectives ;
- review of results achieved, in particular the priority axes objectives fulfilment and evaluation results;
- review and approval of annual and final reports;
- proposal of revision or review of the Programme;
- review and approval of modification of EC decisions on the Funds contribution.

In the OPH context the predecessor of the Monitoring Committee was the OPH Working Group the main task of which was to contribute to the Operational Programme preparation and approval by EC. In the Working Group there were representatives of the Ministry of Health of the Slovak Republic, state administration relevant bodies, self-government, and key social and economic partners. After having approved OPH in 2007 the Working Group transformed into the Monitoring Committee where most members of the Working Group were nominated to become the Monitoring Committee members. Currently, the OPH Monitoring Committee consists of 28 permanent members where the EC representative has the observer statute.

### Efficiency of Monitoring Committee function fulfilment

In accordance with the Council Regulation (EC) No. 1083/2006 the OPH Monitoring Committee was established by the Managing Authority within 3 months from the day of the Programme approval by EC. On the basis of the Programme approval the first MC official meeting took place on 28 January 2008. At the meeting the documents related to the MC position and rules of operation were approved. The Committee composition,

---

<sup>9</sup> Differences between the titles of indicators at the Programme and project levels related to the same monitoring subject were by the fact that the Code list of project indicators was elaborated yet after the operational programmes had been approved.

position, tasks, and powers are specified in the Statute of the OPH Monitoring Committee. Another important document for the MC operation is the OPH MC Standing Order specifying the rules for the MC functions and tasks performance, i.e. preparation, summons, chairing of the meetings, the method, of the Committee voting, etc. All OPH MC members were allowed to express their comments on the Draft Statute and Draft Standing Order. After accepting the relevant comments by MA the MC members approved both documents. Afterwards, both documents entered into force and are binding for OPH MC. In relation to the adoption and application of the MC operation rules we can state that within its operation the Monitoring Committee has so far proceeded in terms of the valid Statute and Standing Order. The respective documents constitute important tools for efficient performance of activities falling within the OPH MC powers. Throughout 2009 MC dealt with two proposals to revise the OPH MC Statute that reacted to changes in the SF and CF Management System in the programming period of 2007 to 2013 and the compliance audit results.

From its establishment in 2007 the OPH Monitoring Committee held 3 meetings of which 2 meetings took place in 2008 and one meeting was held in 2009. The total number of meetings can be considered acceptable and in accordance with provisions of the SF and CF Management System that includes the requirement of at least one MC meeting per calendar year. We consider the requirement really minimal and we believe that higher intensity of the MC meetings, respectively more frequent provision of information on the state of implementation would contribute to higher efficiency of the MC operation and better information awareness of the MC members of the current state of the Programme implementation. The limited financial allocation for OPH and support of projects with high investment cost require higher attention also from the side of MC mainly in the first years of implementation. The overall impact and spectrum of tools for the implementation management in the next years (where most projects are in their implementation phase) are significantly decreasing. Beside the standard meetings MA used the possibility in October 2008 and May 2009 to discuss the proposals for the OPH MC members through *per-rollam* procedure.

An important element of the Monitoring Committee powers is the review and subsequent approval of appraisal and selection criteria. The quality and setting of the set of criteria for selection of projects has significant influence on provision of efficient and effective implementation of the entire Programme and fulfilment of objectives set. OPH MC dealt with the proposal of criteria for appraisal and selection of projects within all priority axes (measures) already at its first meeting. The submitted proposal of evaluation and selection criteria was approved by the Monitoring Committee. In the area of review and approval of criteria for evaluation and selection of applications for grant (projects) we consider the recent OPH MC operation in accordance with requirements of the respective Regulation. The respective activities are performed in terms of the valid Standing Order and Statute of OPH MC. In connection with evaluation and selection criteria of OPH the management body (MC) had to modify the respective document. At the same time, it should be stated that the modifications performed have not resulted in substantial changes in the selected system of evaluation and selection criteria. These modifications reacted to the overall changes in the cohesion policy management and implementation system in the Slovak Republic that MA was obliged to take into account.

Within its operation the OPH MC has evaluated the progress achieved in fulfilment of the Programme objectives set. For this purpose the Committee meetings took place to

prepared the Draft Interim Report on OPH performance. By the end of 2009 the OPH MC submitted their comments on the Annual Implementation Report for 2007 and 2008. The comments of the OPH MC members were reviewed and the relevant ones incorporated in the version of the Annual Reports being submitted to EC. Within the meetings the EC observer also expressed his/her comments on the content of the Annual Reports being submitted. With regard to the deadline of the OPH approval and the need to finish the establishment of the OPH implementation system no calls for submission of applications for grant had been announced by the end of 2007. By the end of 2007 no expenditure had been reported within OPH (included in the summery applications for payment approved by CA). in 2008 MA announced the first calls, however, the real implementation of projects (Programme) was only in the initial phase without the possibility to show the physical progress in the given year. We positively consider the MA effort to inform the MC members on the Programme implementation state also outside the mandatory submission of Annual Reports. Upon the information available we can positively evaluate the OPH MC tasks and functions fulfilment related to regular assessment of the progress achieved in fulfilment of objectives set in accordance with requirements of the Statute and Standing Order. On the other side, with regard to the very limited progress in the Programme physical and financial operation the evaluation of the MC operation efficiency is problematic. The MC operation has so far focused on review of Annual Reports where the current state of implementation has not allowed to continuously evaluate the Programme objectives fulfilment and achievement of indicators set. Moreover, no interim evaluation has been finished so far the results of which should be submitted to the MC members. The Committee meeting agenda included the approval of the OPH Evaluations Plan for the programming period of 2007 to 2013.

In connection with the Operational Programme content and the Funds financial contribution there have been no changes in the recent OPH operation. It should be noted that in accordance with the SF and CF management system and its Statute OPH MC dealt with revisions of the Programme Manual including modifications in the financial tables. The Monitoring Committee first meeting agenda included selected parts of the Programme Manual, namely: eligible activities, eligible applicants, and financial plan. The Monitoring Committee members raised several comments on the proposal submitted that were in most cases accepted by MA. Regarding the comments not accepted MA submitted an explanation at the MC meeting, and then this explanation was discussed. The proposed parts of the Programme Manual were then approved by OPH MC. The selected parts or sections of the Programme Manual were repeatedly included in the OPH MC meetings agenda. From the approval of the Manual at the first meeting there have been modifications performed regarding the eligible activities, eligible applicants, and financial plan as well. The modifications performed in the financial plan were related only to the Programme Manual level and did not result in changes in the OPH financial tables, respectively they required no amendment of the EC Decision on the ERDF contribution. When performing the activities mentioned above OPH MC proceeded in accordance with approved rules related to the Committee operation. A positive aspect is the fact from the day of last amendments in the Programme Manual there have been no other revisions of it (and so far no proposals of its amendment have been announced).

In the context of efficient fulfilment of tasks OPH MC is responsible for we can positively consider the effort to ensure continuity and smooth transition from the process of programming to the implementation phase. We believe that the transformation of the Working Group into the Monitoring Committee with a minimum

number of new members contributes to the fulfilment of the main Programme strategy (philosophy). In comparison to experience gained in the shortened programming period of 2004 to 2006 there is also a positive aspect - the stability of the OPH MC members where so far there have been merely few personnel changes of the MC members. The high attendance of the members at the MC meeting proves the fact that they care about the fulfilment of tasks of OPH MC in monitoring the Programme implementation.

In the current OPH MC composition we can identify three basic groups of members:

- structures responsible for SF and CF management and implementation;
- representatives of regional and local self-government, NGOs;
- representatives of organizations operating in the healthcare sector.

When increasing the MC operation efficiency a positive step is to involve MoH in the Euregio 3 project being implemented within the communitarian programme PUBLIC HEALTH. The project is focused on exchange of experience in using the SF funds in the healthcare sector, and participation in special workshops is offered also to the OPH MC members. The participation of social and economic partners might be hindered by the high cost of participation in events organized by the project. This problem could be solved by reimbursing such cost by the Technical Assistance resources. Upon positive experience in other Member States (EU 10) it would be worth thinking about the possibility to allow the MC members to take part in short-term seminars/workshops focused on selected aspects of the Programme implementation.

### Cooperation of Managing Authority and Monitoring Committee

One of the main principles of the cohesion policy is the partnership principle; in other words, the principle of cooperation with relevant social and economic partners and their involvement in the processes of the Programme preparation and implementation. The partnership principle had been already respected in the phase of programming when representatives of the self-government and special (professional) organizations operating in the healthcare sector were actively involved in the Operational Programme preparation process. The main task of the OPH Working Group was to contribute - through comments and consultations - to elaboration of a quality programme reacting to real needs in the healthcare sector. The mutual cooperation continues also after approval of OPH where main partner of MA in monitoring the Programme implementation is just MoH for OPH.

Currently, the Monitoring Committee consists of 28 members. Neither the EU legislation nor the national domestic legislation (nor the relevant documents related to the SF and CF management system) specify explicitly the proportion of the individual types of entities in MC. Nevertheless, we can state that the Monitoring Committee composition is balanced in terms of the representation of various groups of partners. Representatives of state administration bodies responsible for the SF (OPH) management. Local and regional self-government together with NGOs, and a representatives of special organizations have almost the equal representation in MC. Moreover, the rights and obligations of all members are identical. Pursuant to the Statute and Standing Order all MC members have the same powers which is a prerequisite for efficient implementation of the partnership principle in practice. During the recent operation of MC its members have had the possibility to review and

evaluate proposals submitted, present their own opinions, and request MA information necessary for qualified performance of a member of MC.

The cooperation between MA and MC takes place mainly at the OPH MC meetings. For each meeting invitations are sent to the members in sufficient time advance that include information of the meeting agenda. At least 14 days before the meeting the MC members receive - beside the meeting agenda - materials/documents being the subject of the negotiations and discussions. The Committee meetings are led by the Chairman (MA representative) and decisions are taken by absolute majority of votes provided at least two-thirds of the members are present at the meeting. We consider this way of taking decisions suitable since it creates space for sufficient respect of opinions of the individual members, respectively types of organizations represented in MC.

As already mentioned above the SF and CF Management System for the programming period of 2007 to 2013 specifies the requirement of holding at least one regular meeting. If necessary, the Chairman or one-third of members may summon an extraordinary meeting. Beside regular meetings MA initiated the approval process through *per-rollam* procedure. In general, we consider the meeting and the approval process by *per-rollam* procedure suitable forms of cooperation between MA and OPH MC that create conditions for cooperation between partners.

Upon information and interviews with the MA representative communication in writing prevails within the communication between MA and OPH MC and its individual members. Such communication includes summons of meetings, delivery of materials to negotiations, submission of comments, and minutes of meetings. In case of the *per-rollam* procedure the communication takes place only in writing. The direct verbal form of communication is to a large extent applied only to the Committee meetings. The Standing Order specifies (relatively in detail) the method and form of communication at the MC meetings. For communicating with the individual members the Managing Authority uses also personal meetings outside the MC meetings and phone and e-mail communication. In most cases such forms of communication are used at negotiations on proposals and comments submitted. According to the MA representative such forms are intended to solve substantial conflicts and explanation of mutual positions before the very meeting of the Monitoring Committee. In general, the form of communication corresponds to the form of cooperation between MA and OPH MC. The communication channels created are able to ensure efficient communication between partners and contribute to quality cooperation.

Experience in the Programme implementation points to the fact that the cooperation between MA and MC focused on provision of the Programme quality implementation requires a certain intensity of contacts and communication between partners. The SF and CF Management System requirement of holding at least one MC regular meeting per calendar year constitutes a minimum intensity of cooperation. From the day of the Programme approval there have been three regular meetings of OPH MC held. Moreover, the *per-rollam* procedure was used twice. With regard to the progress in the OP implementation and relevance of issues being solved we consider the recent intensity of cooperation sufficient. We expect that efficient cooperation in monitoring the progress achieved in fulfilment of objectives and provision of results will require more close and intensive cooperation in the next phases of the Programme implementation. In practice, this will likely require more frequent MC meetings or regulate information of the members on the progress achieved in the physical and financial implementation of the Programme and its parts.

The recent cooperation between MA and OPH MC has been focused mainly on creation of the basic conditions to start the Programme implementation. Upon proposals being submitted by MA the Monitoring Committee repeatedly dealt with fundamental documents: evaluation and selection criteria for OPH and selected parts of the Programme Manual related to eligibility and financial allocations. Approval of such documents was a prerequisite for publishing of calls for submission of applications for grant. Another set of documents with which the Monitoring Committee dealt upon the proposals submitted consisted of Annual Reports on implementation, and information on the implementation course and results of calls published. Moreover, the Committee members could influence the content of the OPH Evaluations Plan for the programming period of 2007 to 2013. During the recent Programme implementation the cooperation between MA and OPH MC has focused on key materials for the Programme implementation and documents on the Programme implementation state. In all cases the respective proposals were initiated by MA where such proposals were approved or taken note of by the Monitoring Committee. Upon available information on the MC operation we can state that the MC members actively expressed their opinions on proposals submitted. In order to strengthen cooperation and eliminate eventual misunderstandings MA has focused on detailed explanations and justification of proposals submitted with a view to eliminate misunderstandings and possibilities of various interpretation. In all cases OPH MC actively used its powers and expressed its standpoints on proposals, respectively submitted additional proposals. Relevant comments were accepted by MA without reservation. In case of substantial conflicts or disputes MA proactively initiated another communication with the individual members where it tried to clarify the respective positions. In our opinion, the effort to ensure close cooperation with partners has become evident also in the course of voting on proposals (*per-rollam* procedures) where in most cases they were approved almost unanimously. The selected approach has contributed also to the quality of meetings and high efficiency of cooperation between MA and OPH MC.

## Conclusions

The basis for the Monitoring Committee establishment in 2007 was the OPH Working Group preparation. In accordance with the provisions of the Council Regulation (EC) No. 1083 the Monitoring Committee was established within 3 months from the Programme approval by the European Commission. At its first meeting OPH MC adopted its own Statute and Standing Order defining rules and procedures in fulfilling the tasks connected with the monitoring of the OPH implementation. The recent operation of OPH MC has been fully in accordance with the valid Statute and Standing Order.

As far as the overall efficiency concerns, the recent operation of the Monitoring Committee can be considered positive. However, it should be emphasized that with regard to the limited progress in the Programme implementation the Monitoring Committee has not so far performed some activities defined in the respective MC regulation, respectively it has performed them only marginally. The positive aspects contributing to the MC operation efficiency include the MC staff stability where so far a minimum number of MC members have been replaced, as well as high attendance of the MC members at its meetings. In particular the external factors were the reason for the repeated evaluation and approval of some documents (evaluation and selection criteria, selected sections of the Programme Manual, OPH MC Statute). The respective changes have had only a limited influence on the overall efficiency of operation of

OPH MC. While increasing the efficiency of the Monitoring Committee operation we positively assess the MA effort to involve the MC members also in activities of the Euregio 3 project within the Communitarian Programme PUBLIC HEALTH. We propose to consider the possibility of reimbursing the cost connected with the MC members' participation in events of organized projects that provide a possibility to exchange experience with the partners from EU

Partnership as one of the basic principles of the cohesion policy has been already respected in the process of the OPH preparation where the relevant partners were represented in the Working Group. This Group was the basis for establishing the OPH Monitoring Committee that constitutes the main space for cooperation between MA and representatives of social and economic partners. The composition and representation of the individual types of partners within OPH MC can be considered well-balanced in accordance with the partnership principle. The rules of the Monitoring Committee operation defined in the Statute and Standing Order of OPH MC also create conditions for a partnership dialogue with the representatives of structures responsible for the Programme management and implementation.

The cooperation between OPH MA and MC takes place mainly in the form of the Monitoring Committee meetings and *per-rolam* procedures. Within the recent Programme implementation the partners have focused in particular on provision of the basic documents necessary to start the Programme implementation (evaluation and selection criteria, selected sections of the Programme Manual) and on evaluation of the progress achieved in the implementation (Annual Reports, evaluation of calls for submission of applications for grants). The form and content of the cooperation between OPH MA and MC corresponds also to the mutual communication. Outside the Committee meetings the partners use in particular the written form of communication, respectively phone or e-mail contact. With regard to the cooperation results achieved we consider the communication channels created and the recent communication efficient and supporting the cooperation. With respect to the progress in the OP implementation and the importance of issues being solved we consider the cooperation intensity sufficient. We expect that efficient cooperation in monitoring the progress achieved in fulfilling the objectives and ensuring the results will require close and more intense cooperation of the partners in the coming phases of the Programme implementation. In our opinion, the effort to ensure partnership cooperation has become evident also at the MC meetings and results achieved. The effort to ensure active approach from the side of MA as well as OPH MC has contributed to the quality of the Committee meetings and efficiency of the mutual cooperation

## 5.7 Technical Assistance

### Use of the Technical Assistance

The Technical Assistance resources serve to structures responsible for the Structural Funds and Cohesion Fund support management and implementation to ensure efficient and effective implementation during the entire programming period. For this purpose it is possible to use maximum 4 % of the allocation for programmes within the objective Convergence and Regional Competitiveness and Employment. With regard to the existence of a separate Operational Programme Technical Assistance and while respecting the respective limit of the Technical Assistance resources the operational programmes that are part of NSRF were allowed to earmark 3.13 % of the total allocation to support the Programme implementation.

The Council Regulation (EC) defines the purpose for which a Member State, respectively a Managing Authority can use the Technical Assistance resources as follows:

- Programme preparation;
- management support;
- monitoring and implementation;
- evaluation;
- information and publicity;
- control performance;
- strengthening of administrative capacity.

When categorizing the interventions supported from SF and CF two priority themes are applied to the Technical Assistance activities:

- No. 85 Preparation, performance, monitoring, and control;
- No. 86 Evaluation and studies, information and communication.

Within OPH the Technical Assistance constitutes a separate priority axis having cross-section nature and providing complex support of the Programme implementation. The internal structure of the priority axis copies the focus of the priority themes. The Measure 3.1 serves to ensure preparation, performance, monitoring, and control while the Measure 3.2 serves to finance evaluations, studies, and information activities of the Programme. The total allocation for the Priority Axis 3 Technical Assistance makes EUR 9,205,882.00 (ERDF+SB).

Already in 2007 the Managing Authority prepared and in 2008 approved two projects to ensure the efficient OPH implementation from the very beginning of the implementation. At the time of the Programme preparation a detailed evaluation of the needs to be financed by the Technical Assistance resources while covering all MoH functions and powers. The quantification of the needs was based on the number of staff involved in the OPH management and implementation, the expected number of projects, and the range of activities. Each Technical Assistance project relates to one measure while covering the overall allocation of the measure for the programming period of 2007 to 2013.

## Technical Assistance efficiency

Of the total volume of public resources allocated to the Priority Axis 3 Technical Assistance, more than 16 % had been drawn by the end of 2009.

Within activities related to preparation, performance, monitoring, and control (Measure 3.1) the expenditure is divided into 3 basic categories (activities) with the following share in the project total budget:

- personnel provision - 84.81 %
- material and technical provision - 13.03 %
- provision of services - 2.17 %.

By the end of 2009 the total amount of EUR 1,418,757.38 had been drawn within the project related to the Measure 3.1 which makes 16.97 % of the measure budget. The prevailing part of expenditure approved within applications for payment was related to the reimbursement of salaries of staff involved in the OPH implementation. The staff cost reimbursed from OPH constituted 87.57 % of all Technical Assistance resources so far drawn in the respective project. The declared expenditure directly related to the Programme preparation and implementation. We consider the provision of sufficient administrative capacities and their wages funds the eligible type of expenditure, in particular in the context of the need to ensure the Programme implementation start and finalization of the respective management documents. We believe that adequate financial remuneration (reimbursed from the Technical Assistance resources) of the MA staff also contributed to the minimum staff turnover and human resources stability.

By the end of 2009, costs related to the provision of services had reached the amount of more than EUR 120,000. The substantial part of this expenditure was related to the Programme preparation and basic documents. The OPH Programme Manual elaboration and Internal Manual of MA procedures were financed from the project. The total volume of expenditure corresponds to the demanding process of elaboration of this type of documents. The expenditure in the amount of almost EUR 5,800 is related to interpreting and translations. With regard to the current phase of the Programme implementation we consider the resources so far drawn for activities related directly to the human resources development within MA very low. Nevertheless, investment in this area can be regarded to be of key importance for provision of development of key powers and skills of staff having impact on the total MA performance.

The Technical Assistance resources have been so far used only marginally (approximately 5 % of the total cost) for the material and technical provision of the OPH implementation. We expect that the technical and material requirements of the Programme effective and efficient implementation will be significantly stricter proportionally to the number of projects approved and implemented. Therefore, we recommend that inevitable material and technical equipment be provided for the MA functions performance in the shortest period possible and that it be used actively. Upon the financial data available and evaluation of the Programme quality and implementation progress we consider the resources drawn within the Measure 3.1 used efficiently.

The total amount of EUR 847,500 (ERDF and SB) is earmarked for the project related to implementation of the Measure 3.2 Technical Assistance for evaluation and studies, information and communication. The expenditure within the project reacts to the supported area related to the OPH implementation during the entire programming period:

- information and communication - 66.81 %
- evaluation and studies - 33.19 %.

Within the respective project an amount of EUR 95,483.26 has been so far drawn which makes 11.27 % of the Measure 3.2 budget. The main part of the cost so far reported is related to the evaluation performance and elaboration of studies (almost EUR 78,000). The approved expenditure includes the OPH ex-ante evaluation performance, its strategic environment impact assessment, and another study. The volume of resources spent on this type of activities corresponds to the market prices in the Slovak Republic and can be regarded adequate. In the coming years (2010 to 2012) further interim evaluations should be carried out in accordance with the OPH Evaluations Plan that should serve to improve the Programme implementation process and ensure the fulfilment of objectives set.

Of the total volume of applications for payment approved 18.73 % of expenditure (EUR 17,880.07) was related to the provision of information to the public and relevant target groups. The approved expenditure constitute approximately 3 % of the total amount allocated to ensure information and publicity. In this connection it is necessary to note that the range of target groups is relatively narrow in case of OPH, and that MA has so far performed lower-cost information activities. In order to identify information needs of the OPH target groups as well as efficiency and effectiveness of information activities so far performed we recommend that a separate interim evaluation be carried out.

### Technical Assistance benefits

The basic prerequisite of solid performance of functions connected to the Operational Programme management and performance is to ensure the sufficient number of qualified staff. The MA priority staff in the initial phase of the programming period (after approval of OPH) was to strengthen administrative capacities. From the end of 2007 there has been a significant increase of the number of MoH staff involved in the processes of the OPH management and implementation. The Technical Assistance resources have so far preferably served to reimburse the labour cost of staff participating in the OPH implementation. The recent Programme performance can be assessed mainly by the progress achieved in its implementation. With regard to the nature of projects supported (investment projects) the current state of implementation - in particular in terms of the volume of resources contracted - can be considered above-average. A significant share in the positive state can be assigned to the ability of MA to provide adequate administrative capacities with a minimum staff turnover. An important aspect in this context is the ability to attract and keep quality human resources. The Technical Assistance resources enable to reimburse the labour cost of staff responsible for the OPH implementation that in general exceed the remuneration of other state administration staff.

Beside the provision of the sufficient number of staff the ability to support the human resources development is of key importance for the Programme efficient and effective

implementation. In principle, the MoH staff education is the responsibility of the Personnel Office preparing education plans every year. Such plans include also the OPH MA requirements related to the staff education. Beside the education activities being offered within the education plans MA is allowed - after consultations with the MoH Personnel Office - to send its staff to trainings reacting to specific education needs of MA. All types of education activities are eligible expenditure of the Technical Assistance. So far the Technical Assistance resources have been spent only for a limited number of education activities, however, they can be considered relevant. Most activities of the human resources development were related to the financial area and efficient management. Nevertheless, we believe there is still enough space to use the Technical Assistance resources to ensure the MA staff education and exchange of experience (cooperation) with foreign partners. The knowledge and skills acquired can be then used by the staff in performing their functions and tasks. A significant part of trainings directly connected to the SF financial management system and ITMS use for the OPH staff is organized by CA and CCB where the cost of such trainings is not reimbursed by the OPH Technical Assistance resources. With regard to the importance of the human resources quality and the fact that part of new staff consisted of persons with limited experience and knowledge in the area of SF we recommend that a possibility be considered to create a standard set of trainings focused on the SF issues for new staff and specific education modules for staff having certain experience. Continual development of each officer or employee that would react to his/her education needs in the context of his/her work position could be ensured, for example, through the individual education plans.

The cost related to the MA material and technical provision has been so far used only to a limited extent, however, we consider it justified. Moreover, the activities related to the Programme Manual and Internal Manual preparation were financed from the project budget for the Measure 3.1. Both documents have been modified many times, however, it should be noted that the modifications were not caused by the authors (financed from the Technical Assistance) but mostly by changes in the overall SF management system in Slovakia.

Within the project for the Measure 3.2 most cost approved in applications for payment was related to the performance of ex-ante evaluation and strategic environment impact assessment (SEA) of the Programme. The ex-ante and SEA constitute a significant benefit for the process of the Operational Programme programming. On the other side, it is questionable to what extent the resources drawn at the level less than EUR 18,000 have managed to really contribute to sufficient information to the public and target groups on the OPH implementation. Mostly, the initial phase of the programming period requires significantly higher investment in communication and information activities.

## Conclusion

Already in 2007 the Managing Authority prepared and in 2008 approved two projects to ensure the efficient OPH implementation from the very beginning of the implementation. Each Technical Assistance project relates to one measure covering the overall allocation of the measure for the programming period of 2007 to 2013. Of the total volume of public resources allocated to the Priority Axis 3 Technical Assistance (EUR 9,205,882.00) more than 16 % was drawn by the end of 2009. Naturally, the labour cost constitutes the highest volume of the resources drawn; this

cost is reimbursed within the project for the Measure 3.1. Further, this project financed services related to the preparation of the basic documents for the Programme efficient management (OPH Programme Manual and MA Internal Manual of Procedures), and interpreting/translations. The cost of the material and technical equipment constitutes a very low share in the resources used. In the next period the progress in the Programme implementation will require the provision of adequate material and technical equipment, therefore, we recommend that equipment of essential nature be ensured for fulfilment of the MA tasks. Within the second Technical Assistance project (3.2) more than 80 % of expenditure approved in applications for payment related to the evaluation performance and elaboration of studies. In general, the resources spent within the Technical Assistance projects correspond to the volume and quality of outputs delivered and thus they can be considered as resources used efficiently

The expenditures declared within the Technical Assistance can be considered used in accordance with its main mission - to support the OPH efficient and effective implementation. The volume of resources drawn and the share of the individual categories of cost reflected the real needs of MA in the programming cycle. The reimbursement of labour cost of the staff involved in the OPH management and implementation significantly contributed to the provision of sufficient administrative capacities and their stabilization. Considering the significant importance of the human resources quality for the Programme quality management we recommend that higher attention be paid and more resources be allocated to the further education of the MA staff including exchange of experience and development of cooperation with partners from other EU countries. Since a detailed analysis and assessment of activities in the area of information awareness were not the subject of the evaluation, we recommend that information activities of OPH be evaluated in the next period in the context of the target groups needs.

## 6. Recommendations

- In order to enhance comprehensiveness and efficiency of monitoring the physical progress we recommend that the definitions of indicators monitoring the same subject be harmonized at the project and Programme levels (level of measures) in cases identified. Furthermore, the updating of the definitions should be reflected in the Programme Manual and documents serving for applicants/beneficiaries when setting the set of indicators and monitoring performance.
- With regard to the fact the “core” indicators constitute the skeleton of the OPH measurable indicators system we recommend that the definition of the indicator “Number of jobs created” be completed in accordance with the European Commission regulation (Working Paper no 7).
- In our opinion, the progress in the Programme financial and physical implementation and priority axes will bring higher requirements of the Monitoring Committee operation. Therefore, we recommend that the intensity of the Committee meetings be increased or that integrated information on the implementation state be regularly (at least twice a year) provided to the Committee members.
- In order to ensure the Monitoring Committee operation efficiency we consider important to increase the Monitoring Committee members’ attendance also at meetings with foreign partners (e.g. within the Euregio 3 project) through reimbursement of the respective cost. At the same time, it is possible to allow the MC members to participate in short-term intensive education programmes.
- With regard to the key importance of the human resources quality for the Programme management efficiency and effectiveness more attention will have to be paid and more resources will have to be allocated to the systematic education of the MA staff.
- Since a detailed analysis and evaluation of activities in the area of information awareness have not been the subject of the monitoring, we recommend that the OPH information activities be evaluated in the context of the needs of target groups in the following periods.

## 7. List of evaluation team members

Mr. Martin Obuch - team leader

Mr. Patrik Štefanička - evaluator

Mr. Róbert Koval' - evaluator