

Slovenia

**Programmes covered:
National and Cross Border
Co-operation Programmes
1999-2001**

Final Report

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The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.

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GLOSSARY OF ACRONYMS

AAMRD	Agency for Agricultural Markets and Rural Development
<i>acquis</i>	<i>acquis communautaire</i>
CAP	Common Agriculture Policy
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CBC	Cross Border Co-operation
CC	Candidate Country
CFCU	Central Finance and Contracting Unit
CMR	Comprehensive Monitoring Report
CPER	Country Phare Evaluation Review
DG	Directorate General
DIS	Decentralised Implementation System
EDIS	Extended Decentralised Implementation System
ERDF	European Regional Development Fund
ESC	Economic and Social Cohesion
ESF	European Social Fund
EU	European Union
GOEA	Government Office for European Affairs
GOSPARD	Government Office for Structural Policy and Regional Development
GOLSGaRP	Government Office for Local Self-Government and Regional Policy
IB	Institution building
IE	Interim Evaluation
JHA	Justice and Home Affairs
M€	Millions Euros
MoE	Ministry of Economy
MoERD	Ministry of Economic Relations and Development
MoESP	Ministry of Environment and Spatial Planning
MoLFSA	Ministry of Labour, Family and Social Affairs
NAC	National Aid Co-ordinator
NARD	National Agency for Regional Development
NGO	Non-governmental Organisation
NMS	New Member State(s)
NPO	Non-profit Organisation
NUTS	<i>Nomenclature des Unites Territoriales Statistiques</i>
PAA	Pre-accession Adviser
PAJC	Public Administrative and Judicial Capacity
PIFC	Public Internal Financial Control
RR	Regular Report(s)
SAPARD	Special Accession Programme for Agriculture and Rural Development
SME	Small and Medium Size Enterprise(s)
ToR	Terms of Reference
VAT	Value-added tax
WWTP	Wastewater Treatment Plant

PREFACE

The purpose of this *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation Programmes to support Slovenia in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

This report has been prepared during December 2005 and January 2006,¹ and reflects the situation where the Phare national Programmes have ended. The evaluation is based on an analysis of documents provided at the start, during and on completion of the national Programmes, including previous interim evaluations, on the results of questionnaires, and on interviews with beneficiaries, contractors, and stakeholders. It examines the performance of the programmes in addressing the objectives stated in the formal programming documents, provides a general assessment of the programmes and draws conclusions and lessons learnt from them.

The evaluation of the Slovenian National and Cross Border Co-operation programmes is one of a series of ten similar evaluations in the eight new member states, and in Bulgaria and Romania. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare National and Cross Border Co-operation programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

¹ The report was prepared by Dietmar Aigner, Lead Evaluator, assisted by Senior Local Expert, Ms Tatjana Božinac Mohorčič. It was reviewed at MWH Central Office by Martin White.

EXECUTIVE SUMMARY

Slovenia National and Cross Border Co-operation Programmes 1999-2001

Scope and Objectives

The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation programmes to support Slovenia in meeting the Copenhagen criteria in order to facilitate its accession to the European Union. The overall objective of this evaluation is to provide accountability with respect to the use of European Commission funds, and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries. The evaluation also provides for a brief update of post-2001 allocations.

Key Evaluation Findings

Individual design of projects was clearly acquis and needs driven. Needs assessments were carried out at the initial design stage for many projects. In most cases, the original objectives of the programmes were appropriately defined to deliver the intended effects. Most of 1999-2001 Phare institutional building projects were strategically planned. Individual intervention areas were in line with identified priority needs, but for the more complex areas this was often difficult to achieve. These programmes were ambitious and comprised a broad range of activities and individual delivery tools. The programming of Twinning Light proved to be very useful and practical and served the Slovene needs well. Phare programmes focusing on economic and social cohesion were relevant to the preparation for Structural Funds but their strategic use suffered from incomplete overall frameworks and management structures.

Phare programmes in Slovenia delivered their outputs cost-effectively. Sound financial management and monitoring together with the high value of the outputs indicate that the individual programmes were generally cost effective. Implementation was often difficult and delayed, but overall the key Phare institutions in Slovenia performed well. Co-financing of Phare activities was planned and delivered well, with a few exceptions. Institutional building projects were often complex and ambitious but nevertheless delivered their outputs. Project completion reports confirm that the working environment for twinning and technical assistance was generally friendly and collaborative. Most Phare works and supply projects have delivered what they were designed for. However, low levels of staffing have been a continuous threat to effective delivery. There were problems with proper co-ordination, where more than one ministry was involved, but inter-institutional co-operation improved steadily where clear arrangements were established in advance.

Phare 1999-2001 support has shown substantial results, increasing overall performance of Slovene beneficiaries. Across the eight sectors under review, key improvements in legislative and administrative structures, systems, infrastructures and resources were noted, and could be at least indirectly attributed to the Phare support given. Over the years, Slovenia has made good use of Phare for substantially strengthening its administrative and judicial capacities.

Most institution building projects have already made a strong intermediate impact. This can be observed in the efficient work of those institutions that received Phare support. However, it is difficult to separate a measure of the impact of institutional building projects because project outputs such as working procedures, legal acts, increased professional knowledge etc., are usually integrated into the work of beneficiaries. Nevertheless, there is clear evidence that the

intended impacts have been satisfactorily achieved or at least preconditions for their successful achievement were put in place. Socio-economic impacts have been moderate, due to the small size of some of the individual interventions or due to the time needed for substantial socio-economic impact to materialise. More positive socio-economic impact is likely to occur in the mid-term in areas such as increased welfare, employment, economy, civil society, and human rights. Shorter-term socio-economic impact has resulted mostly from investment in environmental protection or transport infrastructure, where the benefits for environment and society are apparent once the infrastructure is put into operation. Catalytic impacts could be identified in areas such as cross border co-operation and environment.

Impact of Phare assistance is sustainable, especially for newly established bodies. The administrative capacity to fulfil the obligations of EU membership is present and is sustainable. The most sustainable impact of institutional reforms is observed in *acquis* areas where new institutions were established. Individual projects for non-governmental organisations were largely sustainable. Although the Slovene administrative capacity appears generally sustainable, there are some concerns about the restricted staffing levels in many ministries and agencies that work on European issues. In the area of economic and social cohesion, the latest political changes could adversely influence sustainability.

Conclusions

The conclusions cover overall Phare performance in Slovenia, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Slovene beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

Overall, Slovenia has performed well, and has effectively used Phare to support the technical preparation for accession. The key objectives of the Phare national and cross border co-operation programmes during the period under review were successfully achieved. All the projects under review provided valuable support in Slovenia's preparations for EU membership. In particular, Phare provided excellent support to making the *acquis* work in practice. This was partly due to the success of twinning, which showed an added benefit in the creation of sustainable personal contacts with other partner administrations and EU administrators in the same expert field. Slovene administrators feel themselves well prepared to carry out their tasks in accordance with EU standards. Observers external to the Slovene administration confirmed that the Slovene administration has continuously improved over the years, and this is partly attributed to effective use of the available Phare support.

From an ex post perspective, Phare support addressed the accession needs well and satisfactorily achieved support for Slovene membership preparations. The programmes were in the main directly focused on identifying and addressing gaps in the Slovenia's legislative and institutional frameworks to manage the evolving *acquis*. The focus of Phare support was well directed at the objectives of the pre-accession strategy. Cost-effectiveness was mostly ensured and the results and impact achieved by Phare are positive and significant, particularly in the area of institutional building. Sustainability of the institutions and administrative capacities, developed with the help of Phare, is ensured for the overwhelming majority of projects evaluated.

Phare provided essential support to reinforced administrative and judicial capacity in Slovenia. At a sectoral level, Phare assistance has supported progress and encouraged change in various aspects of strengthening administrative and judicial capacity. Legislative and

administrative impacts, particularly establishment of new institutions, alignment of legislation, and strengthening of administrative capacities, were well addressed. The programmes under review were influential in promoting and supporting institutional change. The impact of Phare institutional building projects is observed in efficiently working institutions and outcomes of supply projects operating in accordance with planned provisions.

At the horizontal level of public administrative and judicial reform, the contribution of Phare is less obvious, but still significant. Many Phare projects had beneficial horizontal implications. For example, Phare has clearly impacted on a more efficient functioning of Slovene courts. However, compared to other Phare countries, Slovenia has not asked for specific Phare support for tackling horizontal public administration reform for many years, and it has made steady progress with public administration reform using its own resources.

Phare support to economic and social cohesion and preparation for Structural Funds was useful, but limited by incomplete management structures. The Phare support made a useful contribution to preparing and testing new structures in the field of Structural Funds. It provided constructive hands-on support to the Structural Funds programming processes, and created the momentum for regional partnerships working on economic development from a bottom-up perspective. It helped to strengthen the status and position of the geographical regions and regional development agencies, sometimes even creating an atmosphere of enthusiasm. Despite their evident limited impact, the various pilot investments and grant schemes has helped to redress the imbalance between central and regional agendas. They have laid the successful basis for a more intensified and differentiated use of the later Phare support in this area.

However, the main problem preventing the effective use of Phare support was the lack of a single strategy and stable structures for regional development and preparation for Structural Funds. The national strategy has been difficult to develop, either due to a lack of political consensus, or because the EU requirements were not sufficiently clear at the time of key decision-making. The area of regional development has been a subject of constant changes and the political process for setting up the frameworks and capacities for Structural Funds is not finalised. There remains a lack of institutional stability in the economic and social cohesion sector even after accession. The ongoing regionalisation of structures puts a question mark on the administrative capacity established for structural funds at the central level.

Recommendations

To address the key findings and conclusions of the evaluation, two actions are recommended in respect of pre-accession assistance planned for current or future candidate countries.

Firstly the Commission Services should request the National Aid Co-ordinator to make a detailed *ex ante* assessment of the implementation and absorption capacity needed for external support before launching future interventions, and ensure that any shortcomings are overcome before starting implementation.

Secondly, the Government of Slovenia should consider making more of their pre-accession experience available for other candidate countries, particularly in the Western Balkans, through involvement of Slovene experts, at least as junior partners, in twinning operations.

Lessons learned

The best lesson to be learned from Slovenia is to look at the key factors that have contributed to Slovenia's success. One success factor was a strong political commitment together with clear strategic vision and sectoral strategies, including an effective strategic planning and management function. This was demonstrated for many areas of the accession process but with Economic and Social Cohesion as a notable exception. A second factor was a stable and well-qualified, organised and motivated administrative staff with the ability to cope in a flexible way with the accelerating accession process, and to adapt the opportunities to use Phare accordingly. Thirdly, there was an effective accumulation and use of the knowledge gained in previous Phare cycles, allowing the Slovene administrators to learn lessons from previous Phare interventions and to put these into practice for the next programming and implementation round. Finally, there were well-qualified and flexible twinning partners and technical assistance contractors, able to deliver their input in accordance with local needs and situations. The combination of these factors enabled Slovenia to make the maximum benefit from Phare assistance and to prepare itself for accession.

MAIN REPORT

1. INTRODUCTION

1.1. Objectives

1. The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support Slovenia in meeting the Copenhagen criteria in order to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

2. The evaluation of the Slovenian National and Cross Border Co-operation programmes is one of a series of ten similar evaluations in the eight new member states, and in Bulgaria and Romania. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare National and Cross Border Co-operation programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

1.2. Background and Context

4. The key objectives of the Phare Slovenian National and CBC Programmes during the period under review were to provide assistance in the following areas:

- Support for taking on the obligations of membership, notably in the area of justice and home affairs (JHA) and economic and social cohesion (ESC);
- Reinforcement of administrative and judicial capacity, including the management and control of EU funds;
- Further integration of Slovenia into the EU internal market.

5. National and CBC Phare programmes were financed through successive annual allocations. The total financial assistance amounted to M€ 108.7 during the evaluation period (1999-2001)². The key sectors of assistance included ESC and CBC, JHA and Internal Market.

6. The Slovenian national and CBC programmes were subject to interim evaluations (IE) regularly undertaken by the EMS Consortium, which were summarised in a Country Phare Evaluation Review³ (CPEER). The key findings of the report were as follows:

- The CPEER confirmed that on the whole Slovenia had performed well in implementing Phare assistance, and that this assistance had successfully supported the accession process. Institution building had progressed well in many important *acquis* areas and the use of twinning had been successful.
- There had been significant institutional building (IB) and enhancement of administrative capacities in several areas and Phare had provided useful pump priming funds for constructing infrastructure such as for environment.
- The Phare results were mostly sustainable, particularly with infrastructure.
- However, key concerns included inadequate local quality control as well as unclear rules of co-operation between implementing bodies.

² See Annex 2 for details. The programmes to be evaluated include so-called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes participation in Community programmes and nuclear safety programmes. Slovenia benefited from Phare-funded multi-beneficiary programmes, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

³ SI/CPER/03113 issued 22 October 2003.

1.3. Evaluation Questions

6. This evaluation focuses mainly on the outputs produced by the national and CBC programmes for Slovenia. It will assess the impact and sustainability of these outputs. The evaluation also assesses the effectiveness and efficiency of the contribution of the national and CBC programmes towards the actual performance of services in the beneficiary country, taking into account EU standards as benchmarks where relevant.

7. Evaluation questions were established in a Terms of Reference (ToR) for the evaluation, and these were divided into performance evaluation questions, and thematic/cross-cutting questions (see Annex 1). The methodology is also given in the ToR in Annex 1.

8. Following a sampling approach, a number of example projects were selected by the Steering Committee for this evaluation⁴ covering the following eight sectors: Agriculture, Cross Border Co-operation, Economic and Social Cohesion, Energy and Transport, Environment, Internal Market, and Social Affairs. Details on the evaluation planning, including definition of the sample, are given in Annex 3. Evaluation indicators are presented in Annex 4.

1.4. Limitations affecting the evaluation

9. The level of analysis that could be achieved by this *ex post* evaluation was restricted by constraints in the field, namely the limited availability of data in country (no statistical data was systematically collected by beneficiaries after project termination), limited availability of persons familiar with the key outputs (the main contact people were those directly implementing Phare, but results are often used by the technical persons in the background); the limited number and quality of questionnaire responses, as well as the use of a small number of sample projects and the limited resources available for the evaluation in terms of staff and time.

⁴ The Steering Committee consisted of representatives of the Evaluation Units of DG ELARG and the National Aid Co-ordination Unit.

2. PERFORMANCE OF PHARE ASSISTANCE

10. This chapter starts by examining the overall performance of the 1999-2001 Phare national and cross-border co-operation programmes, followed by consideration of needs assessment and design, inputs, outputs, results, impact and sustainability. This review is set against the evaluation questions specified in Annex 1 and the indicators given in Annex 4.

2.1 Successful overall performance

11. The overall performance of Phare in Slovenia was successful, particularly in the achievement of a high level of results. Despite sometimes substantial difficulties in implementation and long delays, the Slovene administration largely made effective use of the Phare support on offer. The Slovene beneficiaries were generally able to learn from their experience, enabling subsequent projects to run more satisfactorily. Institution building interventions in particular, progressed well and delivered the planned effects, especially through the use of twinning. The main risk to effective delivery was insufficient staffing, leading to absorption problems. In most cases, however, this was successfully overcome.

2.2 Design reflected relevant accession needs

12. *The individual design of projects was clearly acquis and needs driven* (see Box 1). Design was based on priorities of the Accession Partnerships and National Programmes for the Adoption of the *Acquis*, which were put forward on the basis of findings and conclusions of annual Commission Reports on Slovenia's progress towards accession. In many cases, individual interventions were also fully in line with national strategic documents, existing for the respective sector.⁵ A particular positive example for the prevailing strategic approach in institution building has been Slovenia's approach for joining the Common Agriculture Policy (CAP). The preparation for implementing the CAP was facilitated by a long-term vision leading to the early adoption of a national support system similar to the EU system. Over the years this system had time to develop fully and to be tested, an experience that most of the other new member states were still missing at the time of their accession. On the other hand, many project designs appeared to be essentially strategy-driven by the Commission, notably for new institution building areas where the Slovene beneficiaries were not yet familiar, and/or driven by urgent challenges resulting from the rapidly moving accession process.

Box 1: A demonstrated need for liberalisation and regulation of the energy market

The need for the twinning project '*Liberalisation and Regulation of Energy Market*' (SI0002.01) was related to the internal market in energy, which at that time was developing in electricity, followed by gas. The project design was general and flexible enough, so that the twinning partners were in the position to contribute the most to support the Energy Agency as the developing market regulator, in its early operation phase. The project covered topics most relevant for any regulatory authority in terms of EU Directives, i.e. regulation of network companies to ensure their performance and adequate quality of supply, aiming at continuously decreasing costs.

Source: Project Fiche, Final Report

13. *Needs assessments were carried out at the initial design stage for many projects*, usually as a part of the internal planning exercise, with the active participation of project designers, co-ordinators, implementers and the main beneficiaries. Commission representatives, notably at Headquarters, were involved in programming. Some project

⁵ For instance in the area of environment: Environmental Accession Strategy for Slovenia and National Environmental Action Plan; Employment: National Employment Strategy and National Employment Action Plan; Economic and Social Cohesion: (preliminary) National Development Plan; Statistics: Mid term Programme of Statistical Survey, Strategy of Construction of the External Border of EU.

proposals addressing crucial areas such as regional development, agriculture or the internal market, were subjected to inter-service consultation, in accordance with the Commission's internal procedures, which provided comments from other line DGs⁶. The involvement of other stakeholders in the process of needs assessment and design varied, notably at local level (for instance, consultation with local non-governmental organisations (NGOs), or local economic and social partners), but was in most cases not considered as necessary.

14. The design of projects was often constrained by over ambitious objectives, and weak indicators of achievement of objectives, especially for the 1999 programmes. There was a gradual improvement in the 2000 and 2001 programmes, demonstrating that lessons learned were applied.

15. ***Most of 1999-2001 Phare IB projects were strategically planned.*** Very often one project was followed by at least one other pre-planned sequential project and/or sometimes even accompanied by a complementary activity, thus continuing and expanding the benefits already achieved (see Box 2). Often EU advisors provided useful planning input and supported the Slovene beneficiaries in the identification of needs and gaps that needed further assistance. Institution building projects were usually highly ambitious and complex, including many different activities and often involving different Slovene institutions. Consequently they were difficult and complicated to manage, and extensions had often to be granted. However the outcomes and results of those projects were mostly significant. Most beneficially, they supported many newly established EU institutions in their establishment and prepared them for new and unfamiliar functions.

Box 2: A continuous programme of twinning successfully supported financial control in Slovenia

Phare has provided steady support to public internal financial control (PIFC) in Slovenia over a period of five years. This assistance was launched in 1999 with a classical twinning (SL9905.03.02), which defined a reasonable basis for developing financial control and auditing. A Twinning Light in 2001 (SI0104.01 'Public Internal Financial Control Methods and Techniques' - allocation 0.1 M€) represented a small but important addition, which was followed by further assistance. By the time of the evaluation, the fifth twinning operation had been launched, funded under the Transition Facility. Overall, with the continuous help of Phare, the Budget Supervision Service of the Ministry of Finance successfully established the key components of a framework of PIFC, in line with EU requirements, and is carrying out control and auditing in an internationally accepted professional manner.

Source: Budget Supervision Service

16. ***Programming of Twinning Light proved to be very useful and practical.*** The Twinning Light,⁷ which was newly introduced in 1999, demonstrated advantages compared to classical twinning in that successful completion of a project did not depend so much on the experience, expertise and reputation of the Pre-accession Adviser (PAA) and, secondly, on relationships established between the PAA and the staff within the beneficiary institution. While the added value of classical twinning in the initial phase of institutional building was clearly significant, the Twinning Light model provided more flexibility and was utilised well in Slovenia for filling gaps in IB-type projects, like drafting by-laws or checking administrative structures for compliance. This could not be covered by conventional technical assistance, as it requires expertise and functional experiences from public servants in the relevant field and here, in many cases, clear preference was given by the Slovene authorities to Twinning Light instead of

⁶ As an example, the fiche for the veterinary and phytosanitary facilities for the Border Inspection Post Obrezje (Phare 2001), including its revisions, also required the endorsement of DG SANCO.

⁷ Twinning Light consists of the provision by a Member State of a package of services, generally involving short-term missions by selected officials and/or, less frequently, civil servant experts staying for lengthier, intermediate periods. The financial ceiling for Twinning Light was set at €150,000 and their duration limited to six months (source: Twinning Light Manual).

classical, long-term twinning. In addition, the EU-15 member states often did not show enough interest in classical twinning projects in Slovenia, and were more interested in Twinning Light. This was because they did not want to lose key staff for long periods, and preferred the short missions associated with Twinning Light.

17. ***ESC was relevant to the preparation for Structural Funds.*** ESC grant schemes were introduced in 2000, which allowed financially larger projects than the previous small project funds under CBC, and provided an important exercise for the future use of Structural Funds. For instance, under the SI0004.02 '*Activating Employment Potentials at the Local Level*', the future intermediate body for European Social Fund (ESF) – the Ministry of Labour, Family and Social Affairs (MoLFSA) and its subsidiary units - were entrusted with the implementation of the same type of intervention that they have to run now under membership conditions. The project had a good underlying rationale,⁸ and was clearly relevant as the first on-the-job training, despite a late start, and difficult implementation due to a constant pressure of deadlines. Potential project applicants were also given the opportunity to become familiar with the approach of the ESF. However, the relevance of such Structural Fund-type pilot activities was limited, since these activities were implemented under Phare rules, which are not comparable to the procedures valid for EU member state interventions under Structural Funds.

2.3 Inputs successfully transferred into planned outputs

18. ***Implementation was often difficult and delayed.*** Project preparation and contracting were often lengthy, due to complicated procedures or immaturity of projects, which led to delays. However, difficulties and differences resulting from planning, implementation and monitoring were usually mutually resolved. Relationships between the Phare stakeholders in Slovenia and European Commission representatives, both at Headquarters and the Delegation, have been constructive over the years, and effective partnerships were established. Decentralised monitoring structures and systems, set up from the year 2000 onwards for the proper implementation of Slovene Phare support, have gradually improved.

19. ***Phare key institutions in Slovenia were successful in overcoming implementation difficulties.*** Over the years, the Government Office for European Affairs (GOEA), responsible for Phare programming and overall co-ordination, the Central Finance and Contracting Unit (CFCU) as an Implementing Agency for Phare contracts (works, supply, services/twinning), and the contracting authorities in the line ministries, performed well in resolving the appearing implementation difficulties. The line ministries had a lot to learn about EU procurement procedures and standards and this made it sometimes difficult for the CFCU to keep control of procurement matters. The performance of line ministries varied but over the years almost all of them were able to increase their performance with Phare contracting. Valuable knowledge in all Slovene Phare administration bodies on how procurement should be dealt with has been collected and is now applied regularly. This will definitely be useful for the future.

20. ***However, Slovene Phare programmes were in general cost-effective.*** Overall, the individual tools for delivering Phare support (twinning, technical assistance, works, investment, grant schemes) were well chosen for the stated purpose. The size of the given Phare budget was usually sufficiently planned and tailored to the intervention needs. There were, however, cases where not enough interest from EU-15 member states was given for

⁸ The project was based on the Accession Partnership; National Programme for Adoption of the *Acquis*; Preliminary National Development Plan 2000-2002; National Employment Action Plan 2000-2001; Regional Development Strategy; Five Area Based Partnership Integrated Development Programme; and a Regional Micro Credit Scheme Programme. *Source: Project Fiche, Guidelines for Applicants.*

Slovene twinning proposals (see 16), and Slovenia had to use a different tool (Twinning Light or technical assistance).⁹

21. An analysis of final disbursement figures for the sample projects selected for this *ex post* evaluation shows that allocated project budgets were often under spent. Overall, compared to original allocations, savings of around 20% have materialised, usually without affecting the activities provided (see Annex 5). Under-spend has been a phenomenon particularly attributed to grant schemes and twinning operations. Some of this was due to the natural caution in preparing budgets, and in several cases due to lower than anticipated expenditure for grant projects, expert travel or study tours. There were a few cases of under-spend where the ability of the contractor/twinning partner to organise and manage the project was over-estimated and some activities were not then completed. Even here, achievement of the overall objectives was usually not compromised, thus allowing cost-effective delivery of results.

22. Sound financial management and monitoring together with the high value of the outputs indicate that the individual programmes were in general cost effective. Management or administrative costs analysed for a few twinning or TA projects in the evaluation sample appeared to be adequate. A number of projects over-achieved the expected output and thus delivered an increased value for money. An example is '*Alignment and Implementation of technical legislation for Industrial Products on Company Level*' SI0003.01 (see Table 1) which, despite a number of implementation difficulties, successfully achieved more output than originally envisaged (Phare allocation M€ 0.5, final commitment/disbursement M€ 0.497):

Table 1.- Value for Money – '*Alignment and implementation of technical legislation for industrial products...*'

Expectation according to ToR	Output achieved (according to Final Report)	Value for money
A minimum of 200 companies should participate in the awareness raising activities planned in the initial phases of the project	More than 225 companies participated in the two awareness seminars organised at the Chamber of Commerce and Industry in January 2002. The events resulted in some 150 completed Expression of Interest forms.	12.5% increase in the number of participating companies.
A minimum of 40 companies (beneficiary SMEs) should participate in the implementation phase, i.e. they require in-company consulting work by EU experts and Slovene consultants. The number of in-company consulting days should be at least 700 plus an additional 100 days for the consultants to write Final Reports for each consulting activity.	The final number of participating companies was 78, with a total of 831 contracted man-days of consultancy work. In addition, about 50 days were spent for editing of final reports. Immediate impact: All the selected companies were able to prepare tender dossiers for selected products on their own.	95% increase in the number of the participating companies.
A roster of Slovene consultants should be established to assist the European experts carry out the above activities. The ToR foresaw that the Slovene consultants should carry out at least 50 – 70 % of the in-company work.	Out of 45 applicants, 31 consultants were selected and contracted. A breakdown of the total number of man-days yielded shows that 85% were produced by Slovenian consultants, and 15% by EU experts.	At least 21% increase in involvement of Slovene consultants.

⁹ For instance the SI0104.02 '*Public Internal Financial Control Methods and Techniques*' project, originally designed as a classical twinning received only one response, proposing a Twinning Light solution, and had to be modified accordingly.

23. ***Co-financing of Phare activities was planned and delivered well, with some exceptions*** notably at the level of municipalities, which sometimes had difficulties in providing their co-financing share for investment projects. There was also an anomaly where the payment of value-added tax (VAT) was included as part of the national contribution. For goods and services purchased in Slovenia, the VAT has returned to the Ministry of Finance, and Slovenia as a country had then not contributed the full co-financing as agreed in the project fiche.¹⁰ This was resolved only from the 2003 Phare programme onwards. For earlier projects, like the ones under review, only those contracted after the time of reaching understanding between the Slovene Government and the European Commission were able to provide full co-financing without any VAT deduction.

24. ***IB projects were often complex and ambitious but delivered their outputs.*** An example of a highly complex and ambitious, but nevertheless very successful project, was the Chemical Safety twinning under SL9906.01. It was implemented from July 2001 to October 2002 with a budget of M€ 0.5. This project suffered particularly from substantial delays in the starting date, resulting in an operational period of 10 months remaining from the planned total of 15 months. Despite this, the twinning partners were able to achieve all 66 benchmarks and the guaranteed results given in the twinning covenant. The 42 short-term experts assisting the PAA that contributed to the success of this twinning project came from the project implementing body and another 20 institutions from 10 member states, and completed 105 single missions to Slovenia. Following the integrative multi-sectoral and horizontal approach envisaged for this project, the activities carried out within the twelve priority fields of chemical safety included on-the-job-training, seminars, workshops, lectures, on-site trainings, consultations/advice, legislative and technical support to numerous Slovene institutions and 16 study visits of 37 Slovene experts to 20 institutions in six member states. All together around 150 experts were involved in realising the project goals.

25. During the period under review, Phare produced remarkable outputs and in many areas these were constant due to well-planned sequencing of follow-up interventions (see Box 3).¹¹ These mainly consisted in comments on draft laws, development of secondary legislation, institutional diagnosis, development of training strategies, set up of training systems and provision of training, information material on EU good practice, workshops, and drafting of technical specifications. Beneficiaries always appreciated these outputs, notably because of the high quality

Box 3: Main output of 2001 Phytosanitary Twinning

1. Rules on internal organisation and job descriptions for the Administration for Plant Protection and Seeds;
2. Study visits and training on organisational aspects and national procedures for registration of plant protection products;
3. Manual for monitoring pesticide residues in food of plant origin;
4. Compliance check of local legislation with regard to marketing of propagating material of agricultural and forestry plants;
5. Legislative requirements and implementation system for ensuring the appropriate authenticity of varieties of propagating material;
6. Training for implementing a plant passport system;
7. Training for diagnostics of harmful organisms;
8. Support of a computer-based phytosanitary information and communication system.

Source: Final Report

¹⁰ The rules about VAT in relation to national co-financing were agreed late. The Phare Programming Guide for 2002 included the requirement that national co-financing should be at least 25% of the total project cost. However, it was only made clear in the 2003 Programming Guide that the payment of VAT by Phare beneficiaries should not be included as part of national co-financing. The 2003 Guide was issued in August 2002, when Slovenia had already completed drafting project fiches for Phare 2003, and the national budget had already been fixed. The approval of the 2003 programme was delayed, as in January 2003 the project fiches had to be revised to remove the planned payment of VAT as a contribution to national co-financing.

¹¹ The 1999 Chemical Safety twinning also has follow-up projects, currently Phare 2003, and further continuation is planned under the 2005 Transition Facility.

of expertise involved.

26. The overwhelming majority of IB projects were suitable for the intended purpose and in practice delivered what they were designed for. However, in a few cases activities and outputs were cancelled during the implementation of projects, because a planned activity/output was no longer relevant and necessary (e.g. '*Alignment of Slovene Statistics with the Acquis Communautaire*', SI0002.03), or there was simply a lack of staff within the beneficiary institution (e.g. support to the phytosanitary administration or to the future CAP Paying Agency).

27. ***Project completion reports confirm that the working environment for twinning and technical assistance was generally friendly and collaborative.***¹² The majority of the Slovene partners felt themselves deeply involved in the implementation of projects. Usually beneficiaries involved in projects and individual working groups really did want to improve their knowledge of procedures and methods. Consequently, they participated in the various Phare activities with an efficient approach. The success of projects like '*Liberalisation and Regulation of Energy Market*', SI0002.01, and '*Chemical Safety*' SI9906.01, depend on a deep commitment to the project from the beneficiary. Projects like these with highly motivated Slovene project leaders, and all beneficiaries actively participating in the implementation, produced excellent results, leading also to strong impact. The inclusion of various EU-15 twinning partners within one intervention was often beneficial. For instance the *Consensus III* project (SL9913) benefited from the combination of having Germany and Sweden in one project. The Germans having long experience with their traditional system, and the Swedish who had experienced the same adoption process only a few years before the Slovene partners, were an appreciated combination for effectively tackling the issue of adoption of the *acquis* in the area of free movement of workers.

28. ***Most Phare works and supply projects have delivered what they were designed for.*** Among the sample of works and supply projects analysed under this evaluation there has been only one major exception to this statement. One out of four biomass district heating systems supplied under the *CBC Slovenia-Austria* programme (SL9912.01) has not yet been put into operations, for reasons outside of the control of Phare.¹³

29. An efficient way of stimulating environmental investment has been the ECO Fund, targeted at ecological improvements and supported by Phare under *SL9907.01 'Support to Investment in Environment – Environmental Credit Scheme II'*.¹⁴ The ECO Fund and the Ministry of Environment and Spatial Planning (MoESP) work based on a bilateral co-operation agreement. By allocating Phare money to such a fund, a long-term instrument was established. In comparison to the grant scheme approach, the advantage of such a fund is the revolving, more catalytic nature, which has turned out to be very successful (see Box 4).

¹² See final reports for projects such as '*Prevention and Repression of Organised Crime*', '*Liberalisation and Regulation of Energy Market*', '*Strengthening of Veterinary Control*', '*Institution Building for Implementation of the Acquis in Respect to the Free Movement of Workers*' and the '*Co-ordination of Social Security Schemes*'.

¹³ Due to insufficient technical preparation by the benefiting municipality, the height of the chimney of the heating system was miscalculated, leading to occasional adverse air conditions in the immediate neighbourhood of the heating system. The municipality refused to pay the contractor fully and the case is currently pending at the Slovene courts (source: MoESP).

¹⁴ The Environmental Credit Scheme was established by Phare in 1997 in partnership with the Slovene Government. The objective was to provide soft loans for necessary environmental projects whose revenue can be used to fund new projects.

30. ***Insufficient staffing was always a threat for effective delivery.*** The proper delivery of Phare was often jeopardised by insufficient staffing levels on the side of the beneficiaries. The staffing situation in most Slovene administrations appears to be traditionally very tight. Particularly newly established institutions (such as the Agriculture Markets and Rural Development Agency) had difficulties in making sufficient staff available to work on the Phare projects, besides their daily tasks. Staff restrictions together with often lengthy preparation and contracting processes made the physical implementation of projects often very demanding and consequently absorption capacity was a major area of concern. In general, however, the planned project outputs or guaranteed results were usually reached by the end of the project due to flexible approaches of twinning partners, professional and target-oriented behaviour, and often extra working time taken by Slovene beneficiaries.

Box 4: Good Practice - the ECO Fund

The target of 14 investments was exceeded more than twofold (until now 32 investments were approved: 22 in water (~69% of the financial share), 5 in waste (~11% financial share), 2 in air (~5% financial share), 1 in noise (~4% financial share) and 2 in risk management (~11% financial share). Key factors of this successful revolving environment fund are:

- ECO is the only instrument available to the private sector. Based on the interest stated in the application forms, the demand seems to be higher than supply.
- By providing good financial conditions for private companies, it encourages them to make investments earlier than originally envisaged. The overall effect of the allocated Phare money results in investments that are 10 times higher than financial initiative from the ECO Fund.
- The Fund is managed professionally. The management has a long-term vision on sustainability of the ECO Fund. They are discussing expansion of their offer with venture capital funding for promotion of innovative environmental initiatives/renewable energy.
- Close monitoring of individual projects, also after completion: Investment applicants need to report annually to the Fund on the environmental impacts of the investment for three years after its completion. In cases of non-compliance with this rule or not achieving the desired impact after three years, the Fund has the right to request the return of the investment.

Source: Project Fiche, Progress Report

2.4 Intended results/ immediate impacts successfully achieved

31. ***Phare 1999-2001 support has shown substantial results, increasing the overall performance of Slovene beneficiaries.*** For the selected sample projects reviewed, the results achieved are summarised in Annex 5. For the sectors under review, the key improvements in legislative and administrative structures, systems and resources are summarised in the following paragraphs.

32. In the area of ***Agriculture***, with help of Phare 1999, important steps in the path to accreditation of the AAMRD as the Paying Agency under the CAP were made, with the establishment of the Agricultural Markets Department within the Agency, and the setting up of the IACS and a market information system. In the area of veterinary control, major legislation like the Veterinary Practise Act (2001), together with implementation rules and other secondary legislation (2003 and 2004) were influenced by the Phare know-how transfer. Moreover, the effective alignment and enforcement of the phytosanitary *acquis* was assisted and the capacity of the Administration for Plant Protection and Seeds was gradually enhanced.

33. Phare ***CBC programmes*** provided valuable funds for investment into environmental protection and economic stimulation. A number of (pilot) projects were effectively set up in the border regions and contributed positively to the long-term development of the border areas. The various small project funds produced only moderate effects, as expected, but stimulated people-to-people exchange in fields such as economic, cultural and social life of the border areas.

34. Under the **ESC** sector, Phare interventions were successfully realised and enabled upgrading of economic infrastructure and improvement of human resource skills and increased employment in disadvantaged regions. In the least developed region of Slovenia, a business incubator network was established and made operational. It also serves as a model for other business incubator investments in Slovenia. The SME sector was provided with favourable conditions for financing, which stimulated economic growth, and creation of new job opportunities.

35. Phare support to **Energy and Transport** resulted *inter alia* in a new organisation of the Slovene Railways (separation of infrastructure from operations, in accordance with Commission requirements). In the area of energy, the basis for setting up an effective Energy Agency was established, and advice was provided on opening of the gas and energy markets.

36. All programmes under **Environment** produced useful results that have supported Slovenia's efforts in protecting and improving the quality of the environment. With the help of Phare, equipment for pollution monitoring and analysis was purchased and put into operation, and environmental inspection and control capacities were consequently upgraded. A major focus was the provision of funds for investment, and WWTPs, sewerage systems, waste disposal, and (pilot) projects for renewable energy were effectively constructed or upgraded.

37. Under **Internal Market**, successful projects effectively provided transposition and implementation of the horizontal and vertical EU Directives, as well as the establishment of a properly functional institutional framework required for the free movement of goods. The '*PIFC Methods and Techniques*' Twinning Light (SI0104.02) successfully adapted secondary legislation and modernised the standards and guidelines for auditors in line ministries and substantially prepared the audit of the SAPARD Agency. The '*Chemical Safety*' project (SL9906.01) was very successful in developing an integrated and effective horizontal legislation harmonised with the *acquis* in the priority areas of chemical safety. On the basis of the project outcomes, Slovenia has been able to prepare a National Programme on Chemical Safety, and project recommendations have been included there.

38. In the area of **Justice and Home Affairs**, an important achievement of the 1999 Phare programme was the definition and quantification of court statistics and the perceived problem of backlog. The project also provided important input for an Action Plan on reducing the backlog of cases that was agreed by the Government in 2002. Preconditions for enforced co-operation in the area fight against organised crime were established. In order to support Slovenia in its efforts to protect the EU's future external border, works and equipment were delivered by Phare which effectively helped to set up state-of-the-art border inspection posts, including the necessary veterinary and phytosanitary control and inspection capacities.

39. The Phare support to the **Social Sector** essentially helped to develop the capacity of the relevant institutions, decision-makers, officials and social partners, particularly with a view to participate in the co-ordination of social security schemes at EU level or to develop social dialogue. These results were mostly achieved through a large number of seminars, study visits and other training activities. Administrative procedures were developed, including IT support, in the institutions concerned.

2.5 Substantial impact addresses wider objectives

40. **Impact evaluation is constrained because impacts are not usually monitored** by the respective contracting authorities or line ministries. There are almost no statistical data

available¹⁵ on the extent that impacts (intermediate and global/ socio-economic) contributed to achieving wider objectives.¹⁶ Even in cases of pilot interventions, where impact should be assessed to steer follow-on projects, this is often not done. For instance, within the scope of the project '*Activating Employment Potentials at the Local Level*' (SI0004.02), the MoLFSA received technical assistance for developing a monitoring system for the implementation of their grant scheme projects. The system was not completed in time to allow monitoring of the 2000 grant scheme. However, it was used under the Phare 2001 grant scheme for the regular monthly monitoring of grant projects, and will also be used to monitor the current 2003 Phare grant schemes. Despite original intentions to follow up the consequences of the grant schemes in terms increased employment of the participating beneficiaries, the MoLFSA or the Employment Service only monitored the physical implementation period, but did not make any impact analysis for outcomes of the 2000 grant schemes, and thus did not follow what happened to the unemployed people that benefited from the intervention. One of the reasons given by the MoLFSA for the lack of follow up was a shortage of staff.

41. ***Most IB projects have already made a strong intermediate impact***, which can be observed in the efficient work of those institutions that received Phare support. However, it is difficult to separate a measure of the impact of IB projects as project outputs (like working procedures, legal acts, increased professional knowledge etc.) as these are usually integrated into the work of beneficiaries. The indicators defined at the planning phase are not really applicable for a thorough assessment of the impact of institution building interventions. The programmes under review were influential in promoting and supporting institutional change in an accession related context via restructuring of existing institutions, establishment of new institutions, alignment of legislation, and strengthening of administrative capacities. In the main the intended legislative and administrative impacts have been achieved, or preconditions for their successful achievement have been in place.

42. ***Socio-economic impacts have been moderate***, due to the small size of some of the individual interventions or due to the time needed for substantial socio-economic impact to materialise. However, more positive socio-economic impact will occur in the mid-term in areas such as increased welfare, employment, economy, civil society, and human rights. Shorter-term socio-economic impact has resulted mostly from investment into environmental protection or transport infrastructure, where the benefits for environment and society are apparent once the infrastructure is put into operation (see Box 5).

43. For the sectors under review, the key improvements (intermediate and global impacts) in legislative and administrative

Box 5: Global impact of environmental investment

As a result of the **Slovenska Bistrica** WWTP project (SI0007) 5000 citizens are now connected together with two important local factories. The WWTP complies with the EU Urban Wastewater Treatment Directive. The impact of the treatment of the wastewater is a substantial improvement in the protection of local drinking water sources and in the water quality of two local rivers.

Source: MoESP

As a result of the **Idrija Sewerage** project (SI0108.01 ECO Adria) 2570 inhabitants of Spodnja Idrija are connected to the sewerage system. The most valuable outcome is improvement in the treatment of sewage from Idrija and Spodnja Idrija, which reduces the load on the River Idrijca, River Soča and the Gulf of Trieste. The impact of the cleaner river water is the further development of local tourism, especially connected to fishing in the River Idrijca.

Source: Municipality of Idrija

¹⁵ Phare Project Fiches do not require contracting authorities to collect such specific data.

¹⁶ Immediate objectives/project purposes provide a basis for assessing an intervention in relation to the short-term results/ immediate impacts that occur at the level of direct beneficiaries/recipients of assistance. Wider objectives provide the basis for assessing an intervention in relation to its short to medium-term effects (intermediate impacts) on both direct and indirect beneficiaries/recipients of assistance. Global objectives provide a basis for assessing an intervention in relation to longer term and more diffuse effects (global impacts).

structures, systems and resources are summarised in the following paragraphs.

44. The most visible impact in the area of *Agriculture* is the fact that Slovenia was able to deliver EU assistance to their farmers and rural stakeholders after accession in compliance with the CAP. The quality of the Phare support, as training, know-how transfer and investment, has in most cases been of a high standard, and despite various difficulties in absorbing and implementing the assistance, the success has been remarkable. This must also be attributed to the strong political commitment prevailing in the sector. The most successful accession state in meeting the CAP obligations, Slovenia introduced an agriculture support policy similar to the CAP some three years before accession, and then used the three years to bring the institutional arrangements up to the standard required by the CAP. This was one of the few instances in this sector where a long-term strategy devised by the candidate country was followed making use of the Phare programme. In the area of phytosanitary and veterinary control, Slovenia is able to meet their EU obligations, and the capacity to cope with changing legislation, including its implementation and enforcement, is basically secured. In veterinary control, like in many other Phare-supported sectors, training programmes were set up and are now being continued and developed under member state conditions. In the area of food safety, Slovenia like other new member states, is trying to keep up with a constantly moving target.

45. Under the 1999 – 2001 *CBC programmes*, the intermediate local impact from the various investments in the border regions usually materialised after physical completion. Local environmental conditions were substantially improved and had sometimes also catalytic side effects (see Box 6). CBC initiatives such as development of business zones, and stimulating regional economic co-operation had some local impact at least.

Box 6: Catalytic effects of Phare CBC

The positive catalytic effect of Phare CBC can be seen in the area of investment and works. Experience with the pilot biomass project led to the start of two additional larger heating systems (in Kocevje connecting 1300 households, 18 public institutions and 11 private business users; and in Vransko, connecting 126 properties and 8 private business users). Recently four more municipalities have applied for biomass systems.

Source: MoESP

46. The CBC small project funds provided an intermediate impact, potentially stemming from long-term direct links established by the benefiting non-profit, professional or special interest associations in the border regions. Regional development institutions on both sides of the borders learned to how co-operate with each other. The capacities of local and regional authorities to develop and implement EU co-financed projects have improved and cross-border networking has been stimulated. All these factors are valuable pre-conditions to reduce the disparities substantially in many border regions in the longer run by using the EU's offer for regional development measures more effectively. The administrative experience gained from Phare CBC is now being made available mostly for INTERREG. For instance for the INTERREG IIIA programme Slovenia/Hungary/Croatia, the Slovene partners assisted their Croatian partners in setting up their programme part. Based on Slovenia's experience with Phare, they were able to cope with the difficulties arising from the different approaches given for ERDF and CARDS.

47. In the area of *Economic and Social Cohesion*, the essential legislative and administrative framework for regional development and the co-ordination of Structural Funds are in place and operational. Implementation of Structural Funds interventions is ongoing at the time of this evaluation. An overall impact of the 1999-2001 Phare programmes under review has been the provision of opportunities for learning-by-doing and the strengthening of the knowledge base and managerial skills for designing and managing Structural Funds interventions. This impact however, can hardly be distinguished from the beneficial

consequences of later Phare support (national 2002 programmes in particular), which successfully provided a package for institutional building for the future implementation of Structural and Cohesion Funds. However, the 1999-2001 programmes in Slovenia represent a rare case where the development of administrative capacity, learning by doing, raising absorption capacity and local impact on cohesion could be successfully combined in one single project. The twinning project on business incubation, where Phare assistance has been a catalyst for inter-municipal cooperation, involving learning for the involved municipalities as well as for the incubator management can be seen as a positive example of a sophisticated but innovative approach to local economic stimulation.

48. Feedback from questionnaires/interviews indicates some concern about the utilisation of the European Social Fund (ESF). At present, on-going internal reorganisations within the MoLFSA (the Directorate for Labour Market and Employment), together with a high fluctuation of staff, could potentially jeopardise the implementation of the final 2003 Phare intervention as well as the effective delivery of ESF interventions. The MoLFSA need to take action to prevent this.

49. The major impact in the **Energy and Transport** sector as a direct consequence of Phare support is a professionally operating Energy Agency, adequately carrying out national and EU responsibilities on energy efficiency and renewable energy.

50. Support for infrastructure has been implemented well in the **Environment** sector, both under national and CBC programmes (mostly construction of sewers and wastewater treatment plants) (see also Box 6). The operation of the infrastructure contributes to improved protection of the environment in the respective area of intervention and thus also supports the goals of the National Environmental Action Programme. In addition the environment Phare-funded infrastructure contributed directly to an effective implementation and enforcement of the environmental *acquis*.

51. The Commission's reports confirm that Slovenia complies with the provisions of the various aspects of the **Internal Market** *acquis* and that the administrative capacity to implement and reinforce the respective provisions is basically present. Phare played a vital role in advice and in the stimulation of intermediate change. In the area of public finance, systems for financial control, auditing, certification of expenditure and correction of irregularities are in place. They are being constantly developed and fine-tuned, also with further external assistance supplied from Phare and the Transition Facility.

52. Regarding **Justice and Home Affairs**, the Comprehensive Monitoring Report in 2003 pointed to the number of further reforms that still remained to be made to the judicial system, in particular to reduce the backlog of court cases. The important 1999 twinning project was the starting point of progress in this area. However, immediate

Box 7: Phare JHA made intended and unintended impact

The twinning 'Prevention and Repression of Organised Crime' (SL9908.01) made an immediate and unexpected impact. In co-operation with the Italian police force (the twinning partner at that time), an international network of heroin smugglers was destroyed (smuggling from Macedonia, Serbia and Montenegro via Slovenia to Italy, and from there to other EU countries). 25 kg of heroin were confiscated. Three smugglers were sentenced to prison for 6 years and three had to pay € 30,000 fines.

Source: Slovene Criminal Police

The twinning 'Organisation and Functioning of Justice Administration' (SL9908.02) made an intermediate impact. The project initiated concrete steps towards more efficient judiciary, and in the longer run significantly contributed to the reduction of court backlogs. The reduction of backlog of cases reported for the first half of 2005 is 13.2%.

Source: Ministry of Justice

impact from the implementation of Phare assistance for reform of the judiciary was less than expected because some parts of the judiciary resisted reform. Intermediate impact has materialised well, and progress in terms of global impact in this important national area is moderate but steady (see Box 7). Phare support continued under the 2002 envelope and more support is being launched under the Transition Facility. This confirms the commitment to this important national issue.

53. The introduction of the Schengen border management system was effectively supported. Border inspection posts co-financed by Phare 2001 (SI0107.01) are smoothly functioning and adequately protecting the Slovene borders. The border crossing posts at Metlika, Rogatec and Slovenska Vas have been used by public traffic since April 2004. At the Obrežje border crossing (opened in December 2003), the veterinary and phytosanitary inspection facilities are in line with EU standards, as confirmed by EU accreditation. Table 2 shows the numbers of consignments tested in 2004 and 2005. As an unintended impact, the working conditions of border control and inspection staff at the border inspection posts have been improved, the buildings are environmentally friendly, and the entire infrastructure of the located border municipalities has benefited as well.

Table 2.- Improved Veterinary and Phytosanitary Border Inspection at Obrežje

Year	No of annual consignments	
	Subject to EU veterinary control	Subject to EU phytosanitary control
2004	4044	3526
2005	5140	3777

Source: Joint Government Services

54. In the **Social** sector Phare's intermediate impact is clearly visible. Slovenia is essentially fulfilling and implementing EU requirements in areas such as labour law, equal treatment of women and men, health and safety at work, social dialogue, public health, employment policy, social inclusion and social protection. The capacity of the relevant bodies was strengthened to participate in the co-ordination of social security schemes at the EU level ('*Consensus III*', SL9913) and the dialogue between the social partners was enhanced ('*Social Dialogue*', SI0101.04). The Economic and Social Council of Slovenia, developed with advice funded by Phare, is operating without major difficulties.

55. Evaluation of the '*Labour Market Indicators*' project, however, provided one of the few examples where the beneficiary institution has so far failed to realise the impact the project results potentially offers (see Box 8).

Box 8: An example of good practice poorly used

Under the project '*Labour Market Indicators*' (SI0002.01), a state-of-the-art computer-based Labour Market Indicators System was put in place at the MoLFSA, which potentially provides a valuable source for labour market policy and analysis, and for reporting to the European Commission. Initially, the system was developed for following up the National Employment Strategy and the National Employment Action Plan. The system established has received international recognition and other member states have expressed interest. However, although the system was designed for 10 people, the project leader is the only staff that is effectively working with it. The impact of the project is extremely limited, since the MoLFSA is hardly using the opportunities the system can offer, and has designated no further staff to work with it. The system modules could be upgraded to follow up the results of ESF interventions, but no funds were provided for such a purpose.

Source: MoLFSA

2.6 Phare support is sustainable

56. *The most sustainable impact of Phare assistance on institutional reforms is observed in acquis areas where new institutions were established.* Institutions

such as the Agency for Agricultural Markets and Rural Development, the Energy Agency, or the Agency for Telecommunications, Broadcasting and Postal Activity were all set up with substantial support and knowledge delivered by Phare. Generally all the newly

established agencies are functioning efficiently and demonstrating that institutional sustainability has been achieved (see Box 9). The impact of these new EU institutions on the size of the civil service capacity varied. In some areas (for instance Energy or Telecommunications) staff were mostly transferred from existing institutions, and subsequently developed further. In other areas, for example, the Agricultural Paying Agency had to recruit new staff in order to cope with its workload.

Box 9: Institutional sustainability

Since 2000, Phare projects have supported the **Energy Agency**, the regulatory authority vital for the functioning of the internal market. The Phare support presents an invaluable contribution to the state, to the market as such, and to the authority, which after almost 5 years of operation, acts as a fully responsible entity and carries out its tasks in accordance with the legislation. There are no strong or negative actions against this regulatory authority. Staff turnover has been low, and the Agency demonstrates a high level of sustainability.

Source: Energy Agency

57. *Some concern remains in the area of Economic and Social Cohesion.* The area of regional development and Structural Funds legislation, structures and competencies, has been the subject of constant change. Within the given evaluation sample, this is most clearly demonstrated by the development of the central institution for CBC and INTERREG programmes, the National Agency for Regional Development (NARD)¹⁷ (see Table 3).

Table 3.- Uncertain institutional sustainability in the area of Structural Funds – the history of the NARD

Year	Institutional milestone
1990s	The Programme Management Units/Programme Implementation Units for Phare programmes related to regional development and CBC worked under the umbrella of the Ministry of Economic Relationships and Development (MoERD).
1999	Law on Balanced Regional Development introduced and provided the basis for establishing the National Agency for Regional Development (NARD).
2000	The NARD established as a body within the MoERD.
2001	Merger of the MoERD and the Ministry of the Economy (MoE): The NARD becomes a body within the MoE. The Managing Authority for Structural Funds planned within the MoE.
2002	Establishment of the Government Office for Structural Policy and Regional Development (GOSPARD), which takes the role of Managing Authority for the Objective 1 Programme 2004-2006.
2003	The NARD becomes a Public Agency.
2004	Parliamentary Elections and change of name of the GOSPARD into the Government Office for Local Self-Government and Regional Policy (GOLSGaRP).
2005	New Law on Balanced Regional Development, adopted in October 2005, and enforced in November 2005.
2006	The NARD dissolved as an Agency; it becomes a part of the GOLSGaRP; establishment of a Government Office for Reforms.

¹⁷ The NARD has been the main beneficiary of the SL9804 Special Preparatory Programme for Structural Funds (SPP). The SPP project purpose was to assist the Slovene Government in establishing the institutional framework and administrative capacity in order to effectively co-ordinate and implement the Structural and Cohesion Funds, including the pre-accession instruments. NARD, in these days responsible for the preparation and implementation of the National Development Plan, acted as the Programme Implementing Agency with specific responsibilities for the implementation of the SPP, including the co-ordination of all line Ministries involved in the Programme.

58. Although the loss of NARD staff is not problematic yet (during the whole period only four people have left the Agency), working conditions are increasingly difficult due to the uncertain position in comparison to the regions in Slovenia where more and more power is being transferred, and in comparison to Managing Authorities in Italy and Austria. The prevailing institutional uncertainty regarding job positions could eventually lead to substantial loss of staff, and with them the Phare-funded knowledge and experience.

59. ***Administrative capacity appears sustainable.*** There is a positive assessment of the sustainability of the administrative capacity that has been substantially developed with the help of Phare. Feedback from interviews and questionnaires provides evidence of a rather moderate fluctuation within the Slovene administration¹⁸. The Evaluators noted during the fieldwork that most of the technical staff in line ministries who were involved in the design and implementation of the Phare projects under review are still working in the same or similar positions.¹⁹ The majority of them were promoted, but remained within the same organisation.

60. Similarly, expert and managerial staff at the GOEA and the CFCU have been in post for many years (some since 1997 when the Decentralised Implementation System (DIS) was introduced in Slovenia). This extensive experience with implementation and contracting matters continues to be available for the Transition Facility and other EU funds.

61. As a result of a change of government, the majority of people in political positions (ministers, state secretaries, cabinets) have been replaced, and now changes at senior management positions are ongoing. The stability of the technical level of administration has not been severely influenced, but individual changes have taken place more often than in previous years. Some observers have inferred negative consequences of these changes on the timely contracting of Phare 2003 funds.

62. ***Overall, the administrative capacity to fulfil the obligations of EU membership is present and is sustainable.*** This can be observed in all ministries and departments, except in the department in the MOLFA responsible for the ESF sector (the Directorate for Labour Market and Employment). In the past this Directorate was in charge of implementing the *SI0004.02 Activating Employment Potentials at the Local Level* grant scheme and for similar Phare activities under the 2001 and 2003 ESC Phare programmes. Now the main focus of work is ESF interventions, and the Directorate is lacking head as well as sufficient staff. Due to huge workloads and no improvements in working conditions, the department is faced with high staff turnover rates. At the time of this evaluation, all staff previously implementing Phare grant schemes had left the service.

63. ***However, many ministries and agencies that work on European issues are understaffed,*** as has been observed in the past. Although they can complete the essential tasks related to the obligations of membership, as noted above, the workload is high and is increasing. This has an immediate negative impact in that staff have little or no time to participate in discussions in Brussels in formulating EU policy, or to participate in further training or to be involved in transfer of knowledge to new potential candidates for EU membership. The Western Balkan countries in particular seem to be interested to learn from the Slovene example. It is also logical that these countries should learn from Slovenia

¹⁸ The majority of respondents from questionnaires and interviews characterised the staff turnover within their administration as 'low' (less than 10% per 5 years) or 'moderate' (10% - 20% per 5 years).

¹⁹ For instance the Head of the Unit for International Co-operation in the Ministry of Agriculture and Forestry, responsible for the implementation of all Phare-funded agriculture programmes, has been in post since 1997.

because of the common history (also in terms of underlying institutional and legal frameworks) and the lack of language difficulties. However, the rigid size and structure of the Slovene administration makes it almost impossible to transfer their pre-accession know-how on a longer-term basis, such as twinning secondments.

64. ***Individual NGO projects were largely sustainable.*** In the case of *ACCESS* (SI0006), the Technical Secretariat followed up the results of their projects due to the *ex post* evaluation. This presents one of the few examples where an implementing unit systematically assessed the impact of the intervention in order to provide input especially for the *ex post* evaluation. Currently all NGOs that were involved in the implementation of individual grant projects are continuing with their operations, and activities initiated under the *ACCESS* programme have even been upgraded or expanded. Overall the *ACCESS* projects produced only a very limited impact in terms of the entire NGO sector,²⁰ but individual benefits gained were usually sustainable.

65. Among others, a proper example is the *ACCESS* grant for the Sent Association. Phare funds were used to set up the basis for a network of community based psychiatric services to marginalised groups. A long-term effect of the project has been the start of involvement of the local community. The civil initiative has empowered the local resources to provide a supportive environment for people with mental problems. The networking is being enlarged gradually. Only one of the *ACCESS* projects has a questionable sustainability, which is due to the new government not providing funding promised by the previous government.²¹

66. The Government of Slovenia should assess the situation and results from the *ACCESS* project for the NGO Ključ, and should consider a solution that would allow continuation and sustainability of the project outcomes.

²⁰ According to Ministry of Interior statistics, 15,500 NGOs and non-profit organisations (NPOs) are registered in Slovenia, of which 12,000 NGOs/NPOs are active. On the other hand, estimates by several NGO support agencies suggest that there are only between 150 and 200 NGOs/NPOs actively engaged in the delivery of services, campaigns or other operational activity (see also Interim Evaluation Report No. R/SI/JHA/02.138, 20 March 2003). *ACCESS* 2000 focused on supporting six Slovene NGOs.

²¹ Under *ACCESS*, the NGO Ključ bought a building as safe premises for victims of human trafficking. After the end of the *ACCESS* programme, the NGO was pro-active in expanding their activities as well as in securing financial means for future operations. In 2004 the project was upgraded (supply of services for those victims – funded by Municipality of Ljubljana until the end of 2006). A Co-operation Agreement with Police Force was signed regarding insurance of help and care to the victims of human trafficking. A crisis centre was opened, as not all victims were considered to be appropriate applicants for the safe house. The project was also temporarily secured from EQUAL funds. An action plan for fight against human trafficking, including financial allocations, was prepared for the period 2004-2006 by an inter-ministerial working group, which included the NGO Ključ as a member. The former Government approved this Action Plan in July 2004 and requested the relevant line ministries to provide financial means for implementation. However, by the end of 2004, a new Government was appointed, and further financial support to the NGO has not been confirmed yet. Due to the unfavourable financial situation, the NGO is considering selling the Phare-funded building and stopping any activities unless State funding is continued. This raises the question of whether the Phare funds should be returned. *Source: Technical Secretariat*

3. THEMATIC/ CROSSCUTTING FINDINGS

64. Having examined overall and sectoral performance of the Phare Programme in Chapter 2, this chapter reviews progress made with the support of Phare towards three key thematic areas of the pre-accession strategy:

- Phare's factual contribution to Slovenia's improved performance in the pre-accession process,
- Building public administrative and judicial capacity (PAJC) to apply the *acquis*, and
- Supporting ESC and the preparation for Structural Funds.

65. Much has been accomplished as far as the first key objective is concerned and positive effects have clearly materialised. Results and impacts for building PAJC at sectoral levels are positive, even impressive in places. With the exception of judicial reform, not much Phare support for horizontal PAJC reforms has been requested over the recent years by the Slovene authorities but many sectoral projects showed beneficial horizontal implications. Slovenia has been made able to utilise SF under member state conditions, but there are mixed prospects for institutional sustainability in this area.

3.1 Slovenia's technical preparation for accession has been improved by Phare

65. *From an ex post perspective, the Phare support addressed the needs of the Slovene beneficiaries well* and managed to achieve support for the Slovene membership preparations in an adequate manner. All the projects under review were *acquis* and needs driven. They had an important impact on the Slovene pre-accession process in the areas of alignment of legislation and establishment of new institutions that were needed in order to enforce the new legislation. In this respect the usefulness of Phare programme was recognised by all parties. Through Phare not only legislative frameworks were set up, but their enforcement was prepared (secondary legislation and operational procedures were set up, inter-sectoral systems were adjusted and harmonised, people were trained, and contacts with partner institutions were established).

66. *Phare provided excellent support to making the acquis work in practice.* The twinning arrangements brought the chance for Slovene administrators to see how mechanisms and procedures in the EU-15 member states were functioning. This, together with a transfer of know-how, enabled the Slovenes to adapt their local systems and structures and, more importantly, to understand the necessity and requirements for new administrative structures. Key essentials in institutional and infrastructure investment were initiated or at least substantially co-funded by Phare. Without the help of Phare, many of these investments would have had to wait longer.

67. *Twinning shows positive side benefits.* Apart from the various outputs and guaranteed results realised by twinning, a most valuable side-benefit achieved in the view of many beneficiaries has been the establishment of personal contacts with other partner administrations and EU administrators in the same expert field. In many cases contacts set up under a 1999 twinning arrangement still continue and have thus effectively led to an informal network between EU-15 and new member state officials.

68. *Slovene administrators feel themselves well prepared to carry out their tasks in accordance with EU standards.* This been expressed in many interviews and presents a widespread view. Such improvement in knowledge and self-confidence was often attributed in interviews to the benefits gained from the available Phare support. Observers external to the

Slovene administration²² confirmed that the Slovene administration has continuously improved over the years, and this is partly attributed to effective use of the available Phare support.

3.2 Slovenia's administrative and judicial capacity has been strengthened by Phare

69. *Phare provided essential support to reinforced administrative and judicial capacity in Slovenia.* Without Phare support, the development of *acquis*-specific administrative capacities would have been taken longer and it would have been more difficult to achieve the commitments given in the accession negotiations within the timetable set for accession.

70. *At the horizontal level of PAJC, the contribution of Phare is less obvious but still remarkable.* Particularly support to PIFC had beneficial horizontal implications, including developing financial control capacities in line ministries and in the Slovene Court of Auditors. However, compared to other Phare countries, Slovenia has not substantially asked for specific Phare support for tackling horizontal public administration reform for many years.²³ Nevertheless, Slovenia made steady progress with regard to public administration reform through the adoption of horizontal laws and ethical codes. A new Law on Civil Service, requested by the Accession Partnership of 1999, was adopted in 2002. The crucial framework legislation was put in place as a prerequisite for a professional, impartial, accountable and effective civil service, and was gradually implemented from national resources. Streamlining of public service structures and down-scaling staffing levels has been a constant element of public administration reform for many years, and still prevails in most administrative branches. This often has crucial implications for the bodies dealing with EU affairs, an area which in practice needs staff increases due to the increasing work loads under EU membership conditions.

Box 10: Key steps for civil service reform in Slovenia

2001: Code of Conduct for Civil Servants;
 2002: State Administration Act;
 2002: Law on Civil Service;
 2003: Governmental Decree on reduction of number of ministerial bodies and government offices;
 2004: Establishment of a Ministry of Public Administration.

Source: Slovene Government

71. *At the sectoral level, Phare assistance has supported progress and encouraged change in various aspects of strengthening administrative and judicial capacity.* The understanding of administration at technical and managerial levels has increased substantially, notably in new areas such as the CAP, Structural Funds, internal market liberalisation and the environment. Here, completely new legislative and administrative frameworks often had to be built or these were areas where an increasing amount of effort is being put by the EU. Like other candidate countries, more efforts were needed here to explain and understand the requirements and their implications for State and administration. Overall, the Slovene administration has managed to establish this new complex and bureaucratic systems from scratch in a very short period so that it was all functioning efficiently and effectively on accession. Phare support has been an essential element of this success.

72. With other areas like home affairs, statistics, economic development, transport or social affairs, the Slovene administration was already familiar and basically possessed a body of

²² Current and previous Commission Services staff dealing with Slovenia; local stakeholders and NGOs interviewed during this evaluation. See also for instance 'Public Administration Education in Slovenia', School for Public Administration, University of Ljubljana, 2004; European Group of Public Administration – Conference papers 2004 on Slovenia; 'E-Government in Central Europe – Rethinking Public Administration', The Economist Intelligence Unit, 2005; 'Introducing Quality in State Administration of Slovenia' School of Public Administration, University of Ljubljana, 2002.

²³ The last substantial horizontal support was provided under Phare 1997, where the Academy of Administration received a follow up of previous assistance to develop the area of civil servant training and education.

expertise in these matters. The respective administration therefore was starting from a position of some knowledge of the basic requirements. The immediate accession need was to adapt the existing legislation to the requirements of the EU, to learn about and train staff in the specific techniques required by the new legislation, and to provide equipment required under EU procedures. This task has been well managed by the Slovene institutions with the help of Phare.

73. In the area of judicial capacity, the intended Phare impact has materialised effectively. Independence of the judiciary has not been a major issue for Slovenia during the accession process, although there were concerns expressed about the efficient functioning of the courts. With the 1999 twinning, a major breakthrough was achieved in tackling the issue of backlog of cases pending in the Slovene courts. Together with a clearly demonstrated political commitment on the side of the Slovene government and a very pro-active PAA, initial steps were introduced to address and to speed-up the operations in the Slovene courts, including the education of judges. Progress in this sensitive area is still too moderate for many observers, but achievements are there, and the prevailing commitment must be recognised. Phare assistance in that area continued after 2001, but despite positive outcomes, the work on reducing the judicial backlog still needs to be intensified at all levels of courts. Further EC assistance is still being launched under the Transition Facility, focusing specifically on the reduction of the judicial backlog at the Supreme Court, an area where up to now no Phare support had been requested by the Slovene authorities.

74. ***Despite all the very positive achievements in capacity building and development, sustainability is potentially jeopardised by staff shortages*** - a threat common to almost all Slovene administrations. For instance, in the area of PIFC, a major strategic document (the Strategy for Development of Internal Audit) was adopted by the Government in 2005. The Strategy includes provision for the training of audit staff in line ministries, to be conducted by the overall co-ordinating Budget Supervision Service. However, both the audit units of line ministries and the Budget Supervision Service are complaining about severe staffing shortages. The in-house audit capacity of the Budget Supervision Service is still too small and external auditors have to be recruited to cope with the audit workload.

75. Already in the pre-accession period it was apparent that the small size of Slovenia would lead to a conflict between the wish to operate fully at a European level and the available capacity within the administration and its supporting institutions. There are a number of areas, such as phytosanitary or veterinary control, where the lack of staff in the respective administration presents a serious bottleneck to being able to function day-to-day at the Community level.

3.3 Phare preparation for SF was helpful but limited by incomplete structures

76. ***Phare support was useful, but limited by incomplete management structures.*** Centralised institution building for Structural Funds had been the focus of the 1998 Special Preparatory Programme for Structural Funds, with the NARD as both a direct and indirect beneficiary. Thereafter, Phare funds for strengthening ESC and for preparing for Structural Funds were mostly devoted to regional and local levels.²⁴ However, during the period under review, the political process for setting up the frameworks and capacities for Structural Funds was not finalised in Slovenia, or indeed any of the candidate countries. This had consequences on the strategic use of Phare support in this challenging area. Following completion of the

²⁴ In respect to the Objective 1 Programme 2004-2006, the EU Structural Funds contribute to the development of Slovenia by co-financing an amount of 237.5 M€, out of a total budget of 334.5 M€ (source: DG Regio).

extensive 1998 exercise, the focus of Phare ESC support became the strengthening of human resources development, including administrative capacity building and tackling employment and infrastructure at regional and local levels. Particular emphasis was given to education and to learning-by-doing, notably via grant schemes similar to Structural Funds.

77. *The 2000 ESC programme was the first national programme implemented in the regions*, where before the geographical regions had only participated in various CBC programmes. The implementation of the programme in three selected pilot regions required the individual municipalities to connect, to agree on common interests and to present a single front as a region. Since there was no official NUTS II level in Slovenia,²⁵ this programme increased regional institutional capacity. With the help of both Phare 2000 and 2001, the selected regions established a basis for testing the implementation of Structural Fund mechanisms and for gathering valuable experience. The process was successfully intensified under the Phare 2002 and 2003 programmes. Compared to other CCs, Slovenia was perhaps more successful with effectively gearing the Phare pilot investments into the strategic framework of a national public investment strategy, and established national regional development policies. However, as in most CCs, the development of administrative systems and capacities for EU Structural Funds was a difficult and demanding exercise.

78. *A lack of institutional stability in the ESC sector remains even after accession*, with key responsibilities changing and agencies reorganising. Due to political changes in the country, the approach for using Structural Funds and for developing the Slovene regions has been again under discussion and political re-orientations are ongoing. In the longer term, this can impact negatively on the sustainability of the Phare support provided for this area. As a result of on-going institutional uncertainties, expertise could be lost and the prospects of developing and maintaining a body of experience would diminish. This would clearly limit the impact and sustainability of ESC institution building programmes in Slovenia.

²⁵ There is still no NUTS II level – there are 193 municipalities, and potentially 16 new ones to come.

4. CONCLUSIONS AND LESSONS LEARNED

80. This chapter sets out the conclusions on the overall Phare performance in Slovenia, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Slovene beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

81. It is important that lessons are learned about the strengths and weaknesses of the way in which Phare support for Slovenia was programmed and realised in order to optimise the approach to future pre-accession support. As a way forward, this evaluation recommends three actions, and presents as a lesson learned the success factors from the Slovene example.

4.1 Conclusions

Conclusion 1: Overall, Slovenia has performed well, and has effectively used Phare to support the technical preparation for accession.

82. *The key objectives of the Phare national and cross border co-operation programmes during the period under review were successfully achieved.* The support to Slovenia to take on the obligations of membership, notably in the area of justice and home affairs, and economic and social cohesion was successfully delivered and absorbed; administrative and judicial capacity, including the management and control of EU funds, was effectively increased and reinforced; and the full integration of Slovenia into the EU internal market was essentially guided and supported.

83. *All the projects under review provided valuable support in Slovenia's preparations for EU membership.* In particular, Phare provided excellent support to making the *acquis* work in practice. This was partly due to the success of twinning, which showed an added benefit in the creation of sustainable personal contacts with other partner administrations and EU administrators in the same expert field. It is widely recognised that the Slovene administration has continuously improved over the years, and this is partly attributed to effective use of the available Phare support.

Conclusion 2: From an *ex post* perspective, Phare support addressed the accession needs well and satisfactorily achieved support for Slovene membership preparations.

84. *Phare programmes were in the main directly focused on identifying and addressing gaps in the Slovenia's legislative and institutional frameworks to manage the evolving acquis.* The focus of Phare support was well directed at the objectives of the pre-accession strategy. In many cases individual interventions were also fully in line with national strategic documents that existed for the sector. In the more complex areas, notably regional development and preparation for Structural Funds, a national strategy has been difficult to develop, either due to a lack of political consensus, or because the EU requirements were not sufficiently clear at the time of key decision-making. Often the programmes were ambitious and comprised a broad range of activities and individual delivery tools. There were often problems with proper co-ordination where more than one ministry was involved, but inter-institutional co-operation improved steadily, where clear arrangements were established in advance.

85. ***Cost-effectiveness was mostly ensured.*** Compared to final disbursement rates, many project budgets tended to be over-estimated, but the excess was either converted into further activities or paid back. Even here, achievement of the overall objectives was usually not compromised, thus allowing cost-effective delivery of results. A number of projects over-achieved the expected output and thus delivered an increased value for money. Amongst others, Twinning Light was well utilised in terms of cost/benefit, and the Slovene administration was able to make efficient and effective use of this instrument, mostly as a 'gap filler'. Overall, the capacity of the Slovene administration to plan and realise Phare projects improved steadily over the years.

86. ***The results and impact achieved by Phare are positive and sustainable, particularly in the area of institutional building.*** The intermediate impact of Phare institutional building projects is observed in efficiently working institutions and outcomes of supply and works projects operating in accordance with planned provisions. However, it is difficult to obtain quantitative data to measure impact since Phare provisions do not usually require the implementing bodies to follow up impact after the intervention has ended. Socio-economic impact is identifiable with infrastructure investments, but is less visible for other support areas, where time is needed to allow more substantial impact to materialise in the form of increased welfare, employment, economy, civil society, and social affairs. Catalytic impacts could be identified in areas such as CBC or environment. Sustainability of the institutions and administrative capacities, developed with the help of Phare, is ensured for the overwhelming majority of projects evaluated.

Conclusion 3: Phare provided essential support to reinforced administrative and judicial capacity in Slovenia.

87. ***At a sectoral level, Phare assistance has supported progress and encouraged change in various aspects of strengthening administrative and judicial capacity.*** Legislative and administrative impacts, particularly establishment of new institutions, alignment of legislation, and strengthening of administrative capacities, were well addressed. There has been evidence that the intended impacts have been satisfactorily achieved, or preconditions for their successful achievement were put in place. The programmes under review were influential in promoting and supporting institutional change. Within the evaluation sample, a few projects were able to produce some short-term impact.

88. ***At the horizontal level of public administrative and judicial reform, the contribution of Phare is less obvious, but still significant.*** Many Phare projects had beneficial horizontal implications. For example, Phare has clearly impacted on the more efficient functioning of Slovene courts. However, compared to other Phare countries, Slovenia has used its own resources to make steady progress in horizontal public administration reform, and has not asked for specific Phare support in this area for many years.

Conclusion 4: Phare support to ESC and SF preparation was useful, but limited by incomplete management structures.

89. ***Phare support made a useful contribution to preparing and testing new structures in the field of SF.*** It provided useful hands-on support to the SF programming processes, and created the momentum for regional partnerships working on economic development from a bottom-up perspective. It helped to strengthen the status and position of the regions and regional development agencies, sometimes even creating an atmosphere of enthusiasm. Despite their evident limited impact, the various pilot investments and grant schemes has

helped to redress the imbalance between central and regional agendas. They have laid the successful basis for a more intensified and differentiated use of the later Phare support in this area.

90. *The main problem preventing the effective use of Phare support was the lack of a single strategy and stable structures for regional development and preparation for SF.* The national strategy has been difficult to develop, either due to a lack of political consensus, or because the EU requirements were not sufficiently clear at the time of key decision-making. The area of regional development has been a subject of constant changes and the political process for setting up the frameworks and capacities for Structural Funds is not finalised. NUTS II structures have not been defined, and now more power for regional development is given to local levels. There remains a lack of institutional stability in the ESC sector even after accession. The ongoing regionalisation of structures puts a question mark on the administrative capacity established for structural funds at the central level. In particular, the position of the NARD, effectively established as a competence centre for Structural Funds, INTERREG and Phare ESC/CBC, has been recently changed again for internal political reasons, and this provides institutional uncertainties. Also the staffing situation at the Directorate for Labour Market and Employment in the MoLFSA, managing Phare ESC grant schemes related to social and employment and ESF, was uncertain at the time of this evaluation and would require improvement.

4.2 Recommendations and lessons learned

91. There are three key areas in which recommendations are made. Two recommendations address Slovenia in general or are given in respect to programme/project actions. A third set of recommendations is devoted towards existing and future candidate countries.

General Recommendation addressed to Slovenia

Recommendation 1: Ensure more active participation of experienced Slovene administrators in future twinning operations

92. Despite the rigid size limit of the Slovene administration, the Government of Slovenia should consider making more of their pre-accession experience available for other candidate countries, particularly in the Western Balkans. An expansion of the present involvement of Slovene experts, at least as junior partners in twinning operations for such countries, would be particularly beneficial, bringing hands-on experience and know-how on the basis of similar history, administrative structures and language.

Project Specific Recommendation addressed to Slovenia

Recommendation 2: The MOLFSA should follow up the completed Labour Market Indicators project

93. The MOLFSA should assess the situation of the Labour Market Indicators project and undertake actions to provide sufficient resources for making the system fully operational, in order to achieve the potential impact and to guarantee sustainability.

Recommendation addressed to other/future candidate countries

Recommendation 3: Assess and ensure absorption capacity before launching future interventions

94. The most severe difficulty in implementing Phare interventions in Slovenia has been the limited absorption capacity, due to the rigid limit on the size of the Slovene administration. Absorption capacity will also be a potential bottleneck in other candidate countries. In the case of other/future candidate countries, the Commission Services should request the National Aid Co-ordinator (NAC) to make a detailed *ex ante* assessment of the implementation and absorption capacity needed for external support, in order to check in detail if there is sufficient staff in place, including the appointment of Senior Programming Officers. In the case of any deficiency, the NAC should sign agreements with the relevant ministries to ensure that the deficiency is overcome before the start of the intervention. Before starting any contracting, fulfilment of the given commitment should be carefully checked by the NAC or, under decentralised implementation conditions, by the CFCU. In the case of non-compliance, the NAC/CFCU should take steps to resolve any discrepancies.

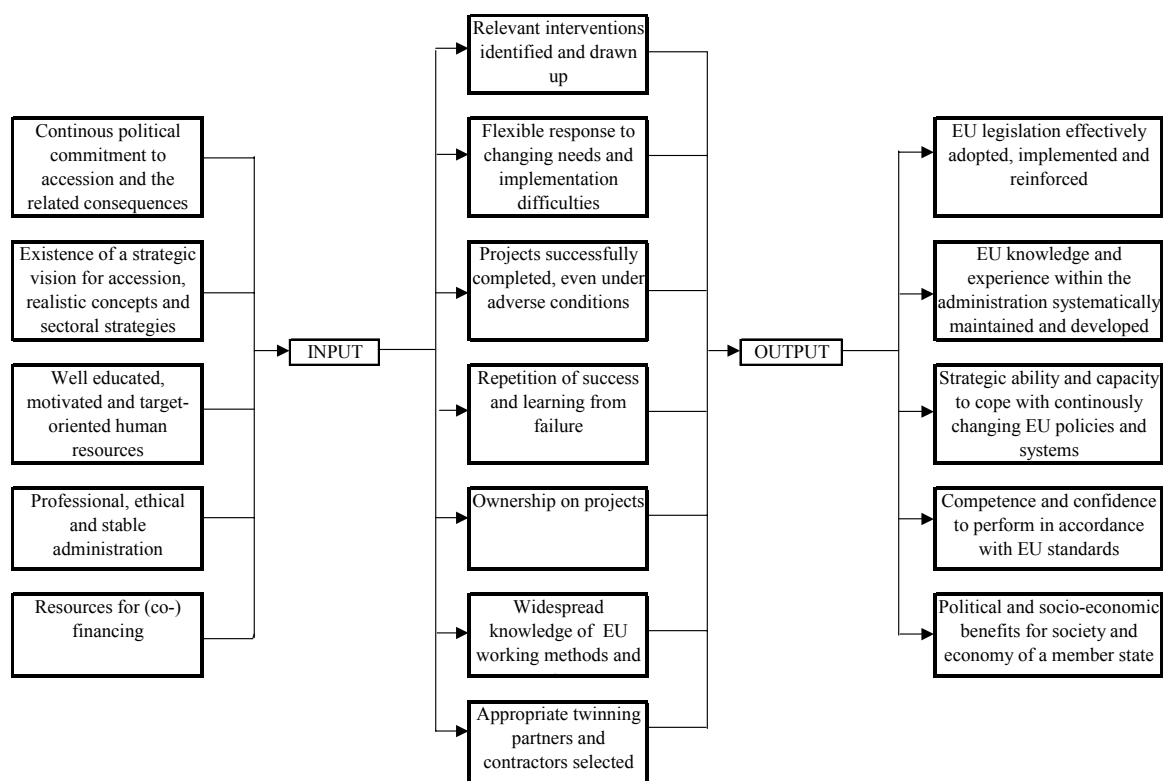
Lessons Learned

Lesson 1: Key factors for Phare success identified from the Slovene example

95. Despite often severe absorption problems during the physical implementation of projects, the Slovene administration has in general made excellent use of the Phare support in order to substantially increase its professional performance and to comply with the obligations of EU membership. The key success factors identified from the Slovene example are given below (see also the cause and effect Figure 1 below):

- A strong political commitment together with clear strategic vision and sectoral strategies, including an effective strategic planning and management function. This was demonstrated not for all but for many areas of the accession process.
- A stable and well qualified, organised and motivated administrative staff with the ability to cope in a flexible way with the accelerating accession process and to adapt the opportunities to use Phare accordingly.
- Effective accumulation and use of the knowledge gained in previous Phare cycles, allowing the Slovene administrators to learn lessons from previous Phare interventions and to put these into practice for the next programming and implementation round.
- Well-qualified and flexible twinning partners and technical assistance contractors, able to deliver their input according to local needs and situations.

Figure 1 – Success factors leading to successful outputs



ANNEXES

Annex 1. Terms of Reference

[These terms of reference were approved 18 October 2005, and have not been updated to take account of small changes, for example, in the time line, that have occurred in the meantime.]

OBJECTIVES

The purpose of the *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support Slovenia in meeting the Copenhagen criteria so as to facilitate its accession to the European Union.

The evaluation of the Slovenian national programmes is one of a series of ten similar evaluations in the ten candidate countries (CC). These will feed into two consolidated evaluations of Phare national and CBC programmes²⁶, which, in turn, will form part of a consolidated ex-post evaluation of the Phare programme.

BACKGROUND AND CONTEXT

In accordance with the priorities of the Accession Partnership, the key objectives of the Phare Slovenian National and CBC Programmes were the following:

- Support on taking on the obligations of membership, notably in the area of Justice and Home Affairs (JHA) and Economic and Social Cohesion (ESC);
- Reinforcement of administrative and judicial capacity, including the management and control of EU funds;
- Further integration of Slovenia into the EU Internal Market.

National and CBC Phare programmes amounted to M€ 108.7 during the evaluation period (1999-2001)²⁷. The key sectors of assistance included ESC and CBC, JHA and Internal Market.

The 2002 Regular Report²⁸ pointed out that the overall impact of Phare had been positive, demonstrated by the effective transfer of know-how, equipment and financial resources into a number of accession priority areas. In 2003, the CMR²⁹ noted that the Slovenia had reached a high level of alignment with the *acquis* in most policy areas. In certain areas, Slovenia partially met the commitments and requirements, but there was still a need to make enhanced efforts in order to complete preparations for accession. In line with comments made in previous Regular Reports, the CMR stated that there was still room for some improvements as regards overall administrative and judicial capacity and in a few other areas, notably regional policy and co-ordination of structural instruments, agriculture and the fight against fraud and corruption.

The Slovenian national programmes were subject to interim evaluations (IE) regularly undertaken by the EMS Consortium, which were summarised in a Country Phare Evaluation Review (CPER). The CPER³⁰ confirmed that on the whole Slovenia had performed well in

² One (i) for the eight new member states, and a second one (ii) for Bulgaria/ Romania.

²⁷ See Annex 1 for details. The programmes to be evaluated include so-called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes participation in Community programmes and nuclear safety programmes. Slovenia benefited from Phare-funded multi-beneficiary programmes, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

²⁸ European Commission: 2002 Regular Report on Slovenia's Progress Towards Accession.

²⁹ European Commission: 2003 Comprehensive Monitoring Report on Slovenia's Preparations for Membership.

³⁰ SI/CPER/03113 issued 22 October 2003

implementing Phare assistance, and that this assistance had successfully supported the accession process. Institution building had progressed well in many important *acquis* areas and the use of twinning had been successful. There had been significant institutional building and enhancement of administrative capacities in several areas and Phare had provided useful pump priming funds for constructing infrastructure such as for environment. The Phare results were mostly sustainable, particularly with infrastructure. However, key concerns included inadequate local quality control as well as unclear rules of co-operation between implementing bodies.

EVALUATION QUESTIONS

This evaluation will focus on the following three interrelated sets of key questions:

- Was Phare well focused on the objectives of pre-accession strategy?
- What were the results and impacts and are these results and impacts sustainable?
- Could the same results and impacts have been achieved more cost- effectively?

These framework questions will be further specified by the below performance evaluation questions and thematic/ cross-cutting questions. It should be noted that the issues and findings that are highlighted under respective question are not necessarily exhaustive.

Performance evaluation questions

Needs assessment and design

The IE findings pointed out that Phare assistance had been mostly relevant or even highly relevant and in line with sectoral needs. However, the individual design of several projects had included over-ambitious objectives and sometimes planning was not thought out well. The evaluation will therefore start with an assessment of the relevance and design of the national programmes. In particular, attention will be paid to the extent to which the objectives/strategy of the national programmes addressed identified needs and the involvement of the stakeholders in the design (ownership).

The extent to which inputs/ activities have produced outputs

The IE findings stated that the individual project management had been mostly good, with a few exceptions, but co-ordination and timely contracting had often been difficult in a number of areas and programmes.

The extent to which outputs have produced intended results

The IEs concluded that Phare had been largely effective. Most immediate objectives were achieved, or were expected to be largely achieved by the end of the projects.

The judgement criteria to assess the extent to which intended results have been achieved include clear national/sector strategies and related action plans, proper needs assessment, well organised beneficiaries in terms of committed and experienced staff, and adequate absorption capacity.

The extent to which the results contributed to the achievement of objectives

The IEs identified a clear impact from the infrastructure projects in the environment sector. Significant contributions to wider objectives were also seen in compliance with the *acquis* (e.g.

agriculture, social security system, border control, and financial control). Since these and other programmes are now essentially completed, it should allow for an improved scope for evaluating actual impacts.

Long term viability of institutional reforms following the withdrawal of Phare support

The majority of results achieved from the 1999 programmes were likely to be sustainable. Sustainability of twinning projects was enhanced by long-standing co-operation between Slovenia and the twinning partners. However, sustainability in most sectors was considered to be endangered by shortages of staff.

Thematic/cross-cutting questions

The extent to which Phare support improved the performance of Slovenia's pre-accession process

The purpose of this question is to assess whether Phare support in practice addressed the *ex post* needs of the Slovenian beneficiaries. Thus the evaluation will seek to assess whether the original objectives (*ex ante* needs) of the programme were appropriately set. This assessment would augment the analysis based on the five performance evaluation criteria.

The CMR for Slovenia provides for an indication of the *ex post* needs of the beneficiaries. As examples, this includes the need for enhanced efforts in agriculture, regional policy and coordination of structural instruments, justice and home affairs, and financial control.

The extent to which Phare support strengthened the administrative and judicial capacity of Slovenia

The examination of the Phare contribution to the public administrative and judicial capacity (PAJC) of the Slovenian beneficiary administrations will fall into two parts:

- *Acquis*-specific administrative capacity issues, where the nature component concerned explicitly demands, often in some detail, a particular capacity of PAJC performance, and
- Horizontal administrative capacity issues, which are non-sector specific but are needed to meet the requirements of the first Copenhagen criterion – the 'Political Criteria'³¹.

The 2004 Consolidated Interim Evaluation Report³² covering all candidate countries, concluded that, in general, Phare support in this area had been hampered by – *inter alia* – the absence of a comprehensive strategy, poor coordination of relevant instruments of assistance, and limited progress on horizontal public administrative reforms and governance.

The extent to which Phare contributed to the strengthening of ESC and to the preparation for the use of Structural Funds

Both the CMR on Slovenia and the IE findings expressed concern about weaknesses in relation to the legislative framework, institutional structures, and financial management and control for the implementation of actions under EU Structural and Cohesion funds.

³¹ As emphasised in the 2000 Phare Review communication, these would involve general public administration reforms including civil service reforms, inter-ministerial coordination and anti-corruption programmes. The requirements of strengthening and reforming the administrative and judicial capacities were stressed in the Madrid, Luxembourg, Feira and Gothenburg Councils.

³² Prepared by EMS consortium, issued March 2004.

METHODOLOGY

Due to the phasing out of Phare, many stakeholders, both in Slovenia and in the EC have changed assignments or left the service. The EC Representation in Slovenia, as far as the Phare programme is concerned, has ceased to provide services after the 30 June 2005. This presents a certain risk, as to the availability of data and information.

Following a desk study analysis, the evaluation team will undertake selected fieldwork. The analysis of documentation will be accompanied by structured interviews, carried out both in country and at the Commission Services Headquarters, following a sampling approach with regard to the list of programmes in annex 1. Other proven data collection tools such as surveys and questionnaires may also be used. The performance evaluation questions have been structured in line with the five standard evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability. To support the evaluation questions, a set of judgement criteria and indicators will be developed. These may be both quantitative and/or qualitative.

As to the sample selection, the Evaluation Contractor (MWH) will make a proposal in close collaboration with DG Elarg and respective national evaluation body. For this purpose the Contractor will prepare an evaluation plan for the country evaluation including a specification of the agreed sample.

Whilst the evaluation will focus on 1999-2001 allocations, it will also provide for a brief update of post 2001 allocations, based on the Slovenia CPER report as well as on the findings of the selected fieldwork.

There will be close consultations with stakeholders (either by electronic mail or by meetings, where appropriate). For this purpose, the Slovenian National Aid Co-ordinator (NAC) has nominated a representative of their evaluation body to ensure that the evaluation will be carried out in partnership, including arrangements for establishing a Steering Group. The arrangements involve establishment of a Group with a representative of DG Elarg country team, the appointed national representative of the exercise, and with DG Elarg Evaluation Unit as the chair of the Group.

REPORTING AND TARGET AUDIENCES

At the conclusion of the fieldwork, a draft evaluation report will be produced and circulated for comments. The evaluation report will contain an introduction (objectives, background and context), performance of Phare assistance, thematic/cross-cutting findings, and conclusions and lessons learned (see annex 2). It will also report on how the evaluation recommendations of the CPER have been taken into account. The scope of the evaluation will probably not allow the drafting of any country-specific recommendations but such recommendations might be extracted from the lessons learned.

The main users of the evaluation will be Phare and Transition facility country teams, and the country teams for the Western Balkans and Turkey. In Slovenia the main evaluation users will include the National Aid Co-ordinators, and the relevant implementing agencies and public authorities.

ACTIVITIES, RESOURCES AND TIMETABLE

The evaluation of the Slovenian national and CBC programmes will be conducted in a number of stages as follows:

Step	Activity	2005						
		Aug	Sept	Oct	Nov	Dec	Jan	Feb
1	Preparation							
2	Info gathering and processing							
3	Drafting of report							
4	Comments from E4 and national authorities							
5	Submission of final Slovenian report as input into the Consolidated National Programme Report							

The evaluation will be carried out by a team consisting of the deputy project director, a key expert, other senior and junior experts, and short-term technical specialists (SSTS), both international and local. Since the Slovenia evaluation exercise is designed as a contribution to a consolidated evaluation of Phare National and CBC programmes and not as an in-depth evaluation, the total resources envelope available for this exercise is limited to 50 man-days.

Annex 2. Phare National and CBC Programme Data for Slovenia 1999-2001

Progr. Number	Programme Title	Expiry Date Contracting	Expiry Date Disbursement	Allocated (M€)
1999	National			
SL9905	Reinforcement of the capacity to adopt and apply the <i>acquis</i>	30/09/01	30/09/02	8.0
SL9906	Further integration of Slovenia into the Internal Market	30/09/01	30/09/02	3.4
SL9907	Economic and Social Cohesion	30/09/01	30/09/02	9.1
SL9908	Justice and Home Affairs	30/09/01	30/09/02	5.0
	CBC			
SL9911	CBC Slovenia/ Italy	31/12/99	31/12/02	5.0
SL9912	CBC Slovenia/ Austria	31/12/01	31/12/02	2.0
	Other FMs			
SL9901	LSIF	31/12/01	31/12/03	6.5
SL9904	LSIF part 4	31/05/00	31/05/01	2.0
SL9909	LSIF part 5	31/12/00	31/12/03	12.5
SL9913	Consensus III	31/12/01	31/12/02	2.0
SL9914	Project Preparation Facility	31/12/01	31/12/02	2.0
Total 1999				57.5

2000	National			
SI0002	Reinforcement of the Administrative Capacity	31/12/02	31/12/03	1.6
SI0003	Internal Market	31/12/02	31/12/03	2.0
SI0004	Economic and Social Cohesion	31/12/02	31/12/03	5.0
SI0005	Justice and Home Affairs	31/12/02	31/12/03	7.1
	CBC			
SI0008	CBC Slovenia/ Hungary	15/12/02	15/12/03	2.0
SI0009	CBC Slovenia/ Austria	15/12/02	15/12/03	5.0
	Other FMs			
SI0006	Special programme for strengthening Civil Society	30/11/02	30/11/03	0.4
SI0007	Supplementary Investment Facility	30/11/02	30/11/03	2.6
Total 2000				25.7

2001	National			
SI0101	Reinforce the Acquis	15/09/03	15/09/04	3.1
SI0102	Internal Market	15/09/03	15/09/04	2.2
SI0103	Justice and Home Affairs	15/09/03	15/09/04	6.0
SI0104	Twinning light	15/09/03	15/09/04	0.4
SI0106	Economic and Social Cohesion	15/12/03	15/12/04	3.5
SI0107	Justice and Home Affairs	15/12/03	15/12/04	3.3
	CBC			
SI0108	CBC Slovenia/ Italy	15/12/03	15/12/04	5.0
SI0109	CBC Slovenia/ Hungary	15/12/03	15/12/04	2.0
Total 2001				25.5

Total 1999 to 2001				108.7
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Source: Financing Memoranda

Annex 3. Evaluation Planning Summary Sheet

This document defines the scope of the evaluation, the approach to fieldwork, and the evaluation sample together with the relevant contact persons. It is supported by working documents giving primary sources of evidence and evaluation criteria for each evaluation question.

Phase (1, 2 or 3)	2 – National (1999-2001) ³³	Subject	Slovenia
Level of Evaluation ('standard' or 'in depth')	Standard		
Evaluation Conclusions	A three-point rating system (satisfactory, barely satisfactory and unsatisfactory) will be used to rate effectiveness and impact of projects, clustered into the sectors Agriculture, CBC, ESC, Energy and Transport, Environment, Internal Market, JHA, and Social Affairs . The results will be presented at sector level in the consolidated report. No rating will be applied to the thematic/cross-cutting questions.		
Evaluation questions	<p><u>Performance criteria</u></p> <ol style="list-style-type: none"> 1. Needs assessment and design 2. Extent to which inputs/activities have produced outputs 3. Extent to which outputs have produced intended results 4. Extent to which results/impacts contributed to achieving wider objectives 5. Long term viability of institutional reforms following the withdrawal of Phare support <p><u>Thematic/Cross-cutting questions</u></p> <ol style="list-style-type: none"> 6. Extent to which Phare support improved the performance of Slovenia's pre-accession process 7. Extent to which Phare support strengthened the administrative and judicial capacity of Slovenia 8. Extent to which Phare contributed to strengthening ESC and preparation for Structural Funds 		
Sampling	The sample projects in Table 1 have been selected in consultation with the country steering group ³⁴ to be representative of the sectors and thematic areas defined for this <i>ex post</i> evaluation, and taking into account the availability of staff knowledgeable about the programmes. Overall, the sample represents 33% of total funding. Note that where the sample size is small, this will reduce the confidence in the data and conclusions that can be drawn there from.		
Sources of evidence	The potential sources of evidence are desk review, questionnaire, analysis (e.g. of a database), and interviews. In the sources of evidence document (not attached), a score is used to indicate for each evaluation question and each source whether it is dominant i.e. a major dependency on information from one source, or whether several sources support each other, giving good triangulation, or whether difficulty is expected in accessing data or the question is predominantly qualitative.		
Interviews	Present and former country coordinators from ELARG D2, and any former staff from the EC Delegation in the period 1998-2004 that can be located. Involved line DGs (such as DG REGIO for ESC, and DG AGRI for Phare support to SAPARD).		
1 Commission staff			
2 Beneficiary staff³⁵	Key Slovene national/regional administrations and public bodies identified in the attached Table 1		
3 Other stakeholders	Relevant national parties such as the Government Office for European Affairs, and the Chairmen of the six Sectoral Monitoring Sub-Committees (SMSC).		
Supporting documents	Table 1 (attached). - Proposed project samples with key contact persons Table 2. (Working document) - Primary Sources of Evidence Table 3. (Working document) - Evaluation Indicators Table 4. (Working document) - List of identified reports for desk review		

³³ The evaluation will also take account of post-2001 allocations where appropriate, based mainly on IE reports.

³⁴ This includes the Evaluation Units of DG ELARG and the National Aid Co-ordination units.

³⁵ Other beneficiaries and stakeholders may be identified during fieldwork (for example from private entities, NGOs, etc.).

Table 1. Proposed sample programmes and contact persons

SMSC	Project No.	Project title	Allocation (M€)	Contact Persons
Agriculture				
Veterinary Control	9905.01.02.1	Strengthening of Veterinary Control (twinning)	0.50	Barbara Logar, VARS
Phytosanitary Control	0101.03	Implementation of the <i>Acquis</i> in the Phytosanitary Sector (twinning)	0.48	Katarina Groznik
CAP	9905.01.01.1	Market Intervention Agency (twinning)	0.40	Marko Verbič, Dušan Vujadinovič
CAP	9905.01.01.2	Farm Registry (twinning)	0.40	Marko Verbič
CAP	0101.01	Accounting System of Reporting and System of Securities Management for EAGGF Guarantee Fund (TA)	0.15	Dušan Vujadinovič
Total sample (23% of sector)			1.93	
Total for the sector in the period 1999-2001			8.29	
Financial and Economic Issues				
Finance & Banking	9905.03.02	Public Finance and Control-2 (development of external audit), (twinning)	0.60	Nenka Krušič, Court of Audit
	0104.01	Public Finance Internal Control Methods and Techniques Public Finance Internal Control Methods and Techniques	0.15	Štefanija Zlobec
Statistics	0002.03	Alignment of Slovene Statistics with the <i>Acquis Communautaire</i> (TA)	0.60	Magdalena Žebre, Statistical Office of the Republic of Slovenia
Total sample (50% of sector)			1.35	
Total for the sector in the period 1999-2001			2.72	
Economic and Social Cohesion				
National Phare	0004.01	Business Incubators Network in Pomurje (works, GS and supply)	2.00	Marko Močnik
	0004.02	Activating Employment Potentials at the Local Level (GS)	2.00	Regional Development Agency Celje
Social	9913	Consensus III (free movement of workers) (twinning)	2.00	Veronika Sorko, Tomislava Arh
	0002.02	Labour Market Indicators (TA)	0.50	Tanja Česen, MoLFSA
	0101.04	Enhancement and Development of Social Dialogue (twinning)	0.49	

CBC	9912.01	Biomass District Heating Systems (CBC SI-AU) (supply)	1.50	Bojan Suvorov, NARD
	0008.01	Joint Nature Park Development (CBC SI-HU), works	1.60	Bojan Suvorov
	0108.01	Eco Adria (CBC SI-IT), (works)	4.00	Tatjana Rener, NARD Štanjel
Total sample (42% of sector)			15.44	
Total for the sector in the period 1999-2001			36.43	

Internal Market				
Internal Market	9906.01.01.1/3	Chemical Safety (twinning and supply)	1.76	Darja Boštjančič
	0003.01	Alignment and Implementation of Technical Legislation for Industrial Products on Company Level (TA)	2.00	Saša Prešern, MoE
	0002.01	Liberalisation and Regulation of Energy Market (twinning)	0.50	Marko Senčar
Total sample (53% of sector)			4.26	
Total for the sector in the period 1999-2001			7.98	

Justice and Home Affairs				
Justice & Home Affairs	9908.02	Organisation and functioning of justice administration (twinning)	0.65	Biserka Javoršek
	9908.01	Prevention and Repression of Organised Crime (twinning)	4.25	Marta Šetinc, Ministry of Interior
External Border	0107.01	State Border Control on the Future External Border of the EU	3.30	Mitja Valič
Access	0006	Access Programme (GS)	0.35	Boštjan Lovka, NAC
Total sample (39% of sector)			8.55	
Total for the sector in the period 1999-2001			21.65	

Transport, Energy, Environment				
Environment	0007	Construction of Sewage System and Waste Water Treatment Plant Slovenska Bistrica (Works)	2.60	Irena Brcko Kogoj, Meta Gorišek MoEW
	9907.01	Support to Investment in Environment (Investment Support A) – Environmental Credit Scheme II	3.37	Irena Brcko Kogoj
Transport	0104.03	Support to Slovenia Railway Organisation (TL)	0.10	Breda Križnar, MoT
Total sample (17% of sector)			6.07	
Total for the sector in the period 1999-2001			36.52	

Annex 4. Evaluation Indicators

The **evaluation indicators** are a wider concept than “performance indicators”, and identify static and dynamic information and events for use in the evaluation. They are divided into three categories, **discrete**, where there are only two possible states (e.g. present/absent), **relative**, where more than two states are possible (e.g. satisfactory, barely satisfactory and unsatisfactory), and **qualitative**, where the expert judgment of the evaluator will be used to reach a conclusion based on all the evidence gathered for the evaluation criteria. This is typically in the areas of outcome and impact evaluation conclusions.

Evaluation Indicators – Performance Evaluation Questions

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
1. Needs assessment and design				
1.1. Adequacy of strategies	<ul style="list-style-type: none"> Clarity of objectives Quality of strategic planning documentation Availability of needs assessment 	•	•	•
1.2. Involvement of stakeholders in line DGs and beneficiary countries in the design	<ul style="list-style-type: none"> Whether stakeholders were consulted Degree of consultation 	•	•	
2. Extent to which inputs/activities have produced outputs				
2.1. What are the outputs: institution building projects; regulatory investment projects; investment projects?	Quantitative/qualitative measure of outputs			•
2.2. What were the tools/activities/resources used to produce the outputs?	Quantitative/qualitative description of tools/activities/ resources			•
2.3. Were there resources/tools provided that were under-used or not used?	<ul style="list-style-type: none"> Extent of participation in events Unused resources/ excess resources provided 	•	•	
2.4. Was the use and the relative importance of the tools provided appropriate?	Suitability of activities for stated purpose			•
2.5. How cost effective was the production of outputs in relative terms?	Relative cost of activities in sample programmes		•	
3. Extent to which outputs have produced intended results				
3.1. What were the improvements in legislative/administrative structures, systems and resources?	<ul style="list-style-type: none"> Clear allocation of the roles and responsibilities within and between institutions (structures) Availability of procedures and guidelines (systems) Availability of suitably qualified skilled staff and adequate financial resources (resources) 		• • •	
3.2. Did the legislative/administrative and judicial performance related to the political criteria improve?	<ul style="list-style-type: none"> Horizontal public administration reform Judicial capacity Rule of law Respect of the protection of the minorities 			• • • •
3.3. Did the legislative/administrative performance related to the economic criteria improve?	<ul style="list-style-type: none"> Legislative/administrative support to a functioning economy 		•	
3.4. Did the legislative/administrative performance related to the ability to take on the obligations of the <i>acquis</i> improve?	<ul style="list-style-type: none"> Support for the transposition of the <i>acquis</i> Support for the implementation of the <i>acquis</i> Support for the enforcement of the <i>acquis</i> 		• • •	
3.5. Have the installed Phare equipment/works/ grant schemes been usefully put into operation?	<ul style="list-style-type: none"> effective use of the investment/ infrastructure upgrade and/ or Phare funding mechanisms 		•	

Evaluation Indicators – Thematic/ Cross Cutting Questions

Evaluation Questions	Evaluation Indicators	Discrete	Relative	Qualitative
4. Extent to which results/impacts contributed to achieving wider objectives				
4.1. To what extent can the legislative and administrative impacts at programme level be separated and measured?	<ul style="list-style-type: none"> • Prevailing observed changes in administrative behaviour, procedures, structures 			•
4.2. To what extent can the socio-economic impacts at programme level be separated and measured?	<ul style="list-style-type: none"> • Prevailing observed changes identifiable for the national/regional macro- and/or micro economic situation 			•
4.3. Examine likely legislative/administrative /socio-economic impacts on the basis of the extent to which pre-conditions are in place or are being put in place	<ul style="list-style-type: none"> • Projects conceived within a strategic framework and based on needs assessment • The essentials for adequate public and administrative capacity in place, including stable institutions, appropriate public investment policies, adequate inter-ministerial and central-regional collaborative machinery of government • Positive project ratings for effectiveness and achievement of objectives • Contribution of project outputs to overall objectives • Identifiable benefits for society or the economy • Awareness of the public administrative units, ministries and regional structures involved in project implementation of the activities; and existence of complementary public administrative systems • Beneficiary awareness of project outputs • Relevant civil society bodies involved, and roles defined, with respect to project outputs 	•		• • • •
5. Long term viability of institutional reforms following the withdrawal of Phare support				
5.1. Have the legal, administrative and organisational outputs been sustained?	<ul style="list-style-type: none"> • Availability of financial and human means for continuation of accession preparation and after accession 		•	
5.2. To what extent has the trained staff in the Slovene administrations been stable?	<ul style="list-style-type: none"> • Fluctuation rate of trained staff 		•	
5.3. Are the pre-conditions for sustainability in place or being put in place?	<ul style="list-style-type: none"> • Positive ratings for effectiveness in achieving project outputs • Sectoral strategy documents exist containing project needs identification. Project outputs contribute to achievement of the strategic objectives • Ownership is demonstrated by managers responsible for onward strategic implementation of project outputs • Horizontal public administration systems stable and adequate • Ongoing national finance available for maintenance, insurance, replacements, consumables, etc. • Secure provisions in place for ongoing 	•	•	• •

Evaluation Questions	Evaluation Indicators			
	staffing, staff replacement and training • Procedures and systems fully documented, with defined responsibility for updating	•		•
6. Extent to which Phare support improved the performance Slovenia's pre-accession process				
6.1. Did the Slovene national programmes address <i>ex-post</i> needs?	• Establishment of ex-post needs • Alignment of project activity to ex-post needs • Current position		• •	•
7. Extent to which Phare strengthened the administrative and judicial capacity of Slovenia				
7.1. Development of a strategic approach for Phare support to building PAJC	• Existence of a strategic framework • Evidence of a needs analysis • Logic of the approach to address the defined needs	• •		•
7.2. Development of national PAJC strategies to underpin Phare programme prioritisation	• Alignment with Phare priorities			•
7.3. Adequacy of Phare support to horizontal reforms and governance	• Alignment of Phare support with defined needs • Extent to which project outputs contributed to achievement of objectives • Identification of non-sector specific capacities, strengthened by Phare. Current position of these capacities			• •
7.4. Adequacy of Phare support to cover the Acquis	• Trend in Slovenia's administrative capacities, both qualitative and quantitative		•	•
7.5. Adequacy of Phare support to develop regional and local PAJC	• Identification of these capacities, strengthened by Phare • Current position of these capacities		•	•
7.6. Efficiency, effectiveness, deployment and co-ordination of instruments (TAIEX, Twinning, SIGMA, Technical Assistance and related investments)	• Adequacy of inter-instrument co-ordination mechanisms • Whether the projects' effectiveness in achieving their objectives were positively rated • Extent to which project outputs contributed to achievement of overall objectives	•	•	•
7.7. Prospects for promoting and supporting a government initiative for a systematic benchmarking approach to public administration reforms	• Viability of proposed key performance indicators • Level of awareness and ownership amongst key actors			• •
7.8. Sustainability of post accession PAJC (related to, for example, scaling down of Phare support and financial/human resource constraints)	• Existence of planned PAJC resource levels for the medium and long term • Identification and availability of financial resources • Identification and availability of human resources • Existence and adequacy of human resource development planning	• • •	•	
8. Extent to which Phare contributed to the strengthening of ESC and to the preparation for Structural Funds				
8.1. To what extent has Phare been successful in preparing Slovenia to support ESC after accession, by assisting the country to put in place the pre-conditions for sustainable recourse to the SF? What are the factors underlying the observed performance?	• Existence of a strategic framework • Adequacy and stability of institutional arrangements incl. planning capacities • Stakeholder dialogue • Sequencing approach for implementation • Trend in Slovenia's ESC administrative structures and capacities, both qualitative and quantitative	•	•	• • •

Evaluation Questions	Evaluation Indicators			
8.2. What Commission and National policies have been used to direct the course of preparations in Slovenia?	<ul style="list-style-type: none"> • Existence of relevant policies • Relationship of policies to the strategic framework and the Phare planning/programming process 	•	•	
8.3. What lessons can be learned from the planning/programming process of Phare ESC assistance?				•
8.4. What lessons learned can be learned from the Phare funded ESC pilot investments in Slovenia? Did they have immediate impact and did they contribute to wider socio-economic cohesion objectives?	<ul style="list-style-type: none"> • Lessons learned from Phare-funded ESC pilot investments in Slovenia • Reduction of regional disparities observed 		•	•
8.5. What institutional arrangements have the Slovenian authorities put in place over time to plan, co-ordinate, and manage operations?	<ul style="list-style-type: none"> • Establishment of bodies and allocation of responsibilities, at national and regional levels 			•
8.6. To what extent has Phare institution building been successful in supporting Slovenia in its preparation for SF implementation?	<ul style="list-style-type: none"> • Remaining gaps in institutional structures, systems, resources and competences 			•
8.7. Has there been any acceleration in the pre-accession performance of ESC programmes since the beginning of the support to ESC in Slovenia?	<ul style="list-style-type: none"> • Trend in key performance indicators 	•		

Annex 5. Sample projects – Financial data and results

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
<i>Agriculture</i>					
9905.01.02.1	Strengthening of Veterinary Control	500,000.00	379,932.36	379,932.36	<p><i>Structures</i></p> <ul style="list-style-type: none"> • Compliance with animal health acquis covering poultry and aquaculture sectors cross-checked; • Compliance with acquis on animal welfare cross checked; <p><i>Systems</i></p> <ul style="list-style-type: none"> • Alignment on public health issues ensured: HACCP system, self control policy and compliance of the food producing plants with the EU standards; • Conformity of the State Veterinary Administration and control systems with special regard to border inspection controls, integration into the ANIMO program and animal identification and movement control system assessed; • Alignment of accreditation procedures in laboratories ensured.
0101.03	Implementation of the Acquis in the Phytosanitary Sector	480,000.00	432,536.56	432,536.56	<p><i>Structures</i></p> <ul style="list-style-type: none"> • Strengthening of the Administration of the Republic of Slovenia for Plant Protection and Seeds (APRPPS) advised; • Meeting the requirements in the fields of plant protection products, quality of seeds and plants, and plant health, particularly on marketing of propagating material and national listing of plant varieties ensured; <p><i>Resources</i></p> <ul style="list-style-type: none"> • Activities in the plant health and plant protection products field completed.
9905.01.01.1	Market Intervention Agency	400,000.00	342,252.32	342,252.32	<p><i>Structures</i></p> <p>Administrative arrangements for applying the external trade policy of the CAP provided;</p> <p><i>Systems</i></p> <ul style="list-style-type: none"> • Systems needed for intervention buying and storage established; <p><i>Resources</i></p> <ul style="list-style-type: none"> • Training, operating manuals and introduction of the Information Technology (IT) system provided, accounting and checking required to cover the work on direct payments of producer aid from the European Agricultural Guidance and Guarantee Fund (EAGGF) improved; • Operating manuals covering about 30 CAP commodity regimes

					prepared.
9905.01.01.2	Farm Registry	400,000.00	238,729.81	238,729.81	<p><i>Systems</i></p> <ul style="list-style-type: none"> • Essential parts of the Integrated Administration and Control System (IACS) Department in the AAMRD established; • Key elements of IACS brought in line with EU requirements, in particular the Farm Register, the Animal Identification Register, and linkages between other information systems.
0101.01	Accounting System of Reporting and System of Securities Management for EAGGF Guarantee Fund	150,000.00	104,885.98	104,885.98	<p><i>Systems</i></p> <ul style="list-style-type: none"> • Financial management procedures (paying, accounting, and reporting procedures) to fulfil the EAGGF requirements for the accreditation of the Accounting Department in the Financial Section of the AAMRD finalised.
<i>Cross Border Co-operation</i>					
9912.01	Biomass District Heating Systems	1,500,000.00	1,500,000.00	1,500,000.00	<p><i>Resources</i></p> <ul style="list-style-type: none"> • Reduction of CO₂ and SO₂ emissions by installing four wood-burning boilers and developing district heating systems initiated. This is claimed to result in a reduction of approximately 150 tons/year of SO₂ and 15,000 tons/year of CO₂, compared to the current emissions in the area of Gornji Grad, Nazarje, Preddvor and Solčava.
0008.01	Joint Nature Park Development	1,600,000.00	1,486,854.39	1,486,854.39	<p><i>Resources</i></p> <ul style="list-style-type: none"> • Environment protected by reducing water pollution and by establishing a trilateral nature park.
0108.01	Eco Adria	4,000,000.00	3,704,031.09	3,591,230.28	<p><i>Resources</i></p> <ul style="list-style-type: none"> • WWTP's constructed, from 500-2000 population equivalents (PE), in the valley of the Soča river and the Littoral-Karst area, thus reduction of pollution and increase of the number of inhabitants and other potential polluters connected to the public sewage system and WWTP.
<i>Economic and Social Cohesion</i>					
0004.01	Business Incubators Network in Pomurje	2,000,000.00	1,954,099.26	1,954,099.26	<p><i>Resources</i></p> <ul style="list-style-type: none"> • Development of small and medium-sized enterprises (SME) in the Pomurje region stimulated. The implementation of the project was conditional upon outcomes of a feasibility study under SL-9914. The total Phare allocation was M€ 2 divided into three parts, twinning (M€ 0.7), works (M€ 1.0) and a guarantee fund (M€ 0.3).
0004.02	Activating Employment Potentials at the	2,000,000.00	1,540,395.45	1,540,395.45	<p><i>Structures, Systems, Resources</i></p> <ul style="list-style-type: none"> • Local employment initiatives in the field of SME development supported through a grant scheme, focusing on training of unemployed

	Local level				and their placement in newly created jobs.
<i>Energy and Transport</i>					
0002.01	Liberalisation and Regulation of Energy Market	500,000.00	405,608.27	405,608.27	<i>Structures</i> <ul style="list-style-type: none"> • Opening of the electric power supply market assisted. • Harmonisation of the legal order of the Republic of Slovenia with the <i>acquis communautaire</i> in the area of electricity market and natural gas market achieved. • Preconditions for improved competitiveness of the energy sector developed.
0104.03	Support to Slovenia Railway Organisation	100,000.00	89,455.63	89,455.63	<i>Structures</i> <ul style="list-style-type: none"> • Strategy concepts and definitions developed; • textual analysis of EU legislation already implemented carried out; • draft documents on railway transport including regulations and guidelines proposed to be adopted to help implement the Railway Transport Act.
<i>Environment</i>					
9907.01	Support to Investment in Environment – Environmental Credit Scheme	3,370,000.00	3,370,000.00	3,370,000.00	<i>Resources</i> <ul style="list-style-type: none"> • Eco Fund assisted in servicing the investment needs of the private and/or municipal sectors with provision of soft loans for environmental projects in the areas of air and water quality protection, and waste management and minimisation.
0007	Construction of Sewage System and Waste Water Treatment Plant Slovenska Bistrica	2,600,000.00	2,600,000.00	2,469,995.90	<i>Resources</i> <ul style="list-style-type: none"> • New WWTP to provide full biological treatment constructed; • Sewerage network upgraded; • Effluent burden/ loading to Dravinja and Drava rivers reduced.
<i>Internal Market</i>					
9905.03.02	Public Finance and Control-2	600,000.00	462,538.59	462,538.59	<i>Systems</i> <ul style="list-style-type: none"> • Audit practice in the Court of Auditors developed, which ensures that government spending and revenues are reviewed in an effective, credible and consistent way, in line with standards of the International Organisation of Supreme Audit Institutions (INTOSAI).
9906.01.01.1/3	Chemical Safety	576,000.00	558,905.97	558,905.97	<i>Structures</i> <ul style="list-style-type: none"> • Integrated and effective horizontal legislation harmonised with the <i>Acquis Communautaire</i> in the priority areas of the chemical safety field in a wider inter-sectoral framework developed; t • Laws and regulations related to the most important and/or problematic parts of life-cycle of dangerous chemicals became more

					complementary without overlaps or gaps; <i>Systems</i> <ul style="list-style-type: none"> • Recommendations for facilitated implementation of the new legislative provisions have been brought into practice - for balanced institution building and effective enforcement of legislation ("practice oriented approach").
0002.03	Alignment of Slovene Statistics with the Acquis Communautaire	600,000.00	599,974.00	599,974.00	<i>Systems</i> <ul style="list-style-type: none"> • Methodology for the use of statistical indicators at regional level developed; • List of indicators developed; • Integral statistical dissemination system developed; • Contemporary access to data and metadata, including its confidentiality ensured; • Structure of earnings statistics developed.
0003.01	Alignment and Implementation of Technical Legislation for Industrial Products on Company Level	500,000.00	497,014.50	497,014.50	<i>Resources</i> <ul style="list-style-type: none"> • Implementation of technical legislation on industrial products related to the "new" approach directives on company level in SMEs promoted and assisted.
0104.01	Public Finance Internal Control Methods and Techniques	150,000.00	138,967.39	138,967.39	<i>Systems, Resources</i> <ul style="list-style-type: none"> • Reinforcement of the institutional and administrative capacity of the financial control sector, strengthening of the control functions, development of the institutional environment for financial control, preparation of manuals, introduction of best practice of public internal financial control, and training of the Budget Supervisory Service (BSS) in its role as a central internal audit co-ordinating and certifying body provided.

<i>Justice and Home Affairs</i>					
9908.01	Prevention and Repression of Organised Crime	432,000.00	390,245.84	390,245.84	<p><i>Structures, Systems</i></p> <ul style="list-style-type: none"> • Establishment of a legislative framework and reinforcement of the Slovene institutional capacity of MoI and MoJ in the areas of the fight against organised crime supported through: <ol style="list-style-type: none"> 1. the harmonisation of legislation (identifying gaps in existing legislation and assisting with drafting of legislation); 2. support to the implementation of the <i>acquis</i> (preparation of strategic policy documents); 3. support to the elaboration of training programmes.
9908.02	Organisation and functioning of justice administration	650,000.00	590,865.35	590,865.35	<p><i>Structures</i></p> <ul style="list-style-type: none"> • Adoption of the <i>acquis</i> in the area of judiciary supported. <p><i>Systems, Resources</i></p> <ul style="list-style-type: none"> • Continuous training programme set up; • Establishment of institutional arrangements advised; • Ways for increased efficiency of organisation and functioning of the justice administration analysed and proposed;
0107.01	State Border Control on the Future External Border of the EU	3,300,000.00	3,238,766.81	3,198,853.81	<p><i>Resources</i></p> <ul style="list-style-type: none"> • Veterinary and phytosanitary facilities at the BIP Obrežje set up and equipped; • International border crossing posts at three border crossings, Metlika, Rogatec and Slovenska Vas, all located on the future external border of the EU, constructed.

<i>Social Affairs</i>					
9913	Consensus	2,000,000.00	1,191,672.09	1,191,672.09	<ul style="list-style-type: none"> • Efforts of Slovenia to adopt the <i>acquis communautaire</i> with respect to free movement of workers, and to co-ordinate social security schemes in the EU supported.
0002.02	Labour Market Indicators	500,000.00	499,650.00	499,650.00	<ul style="list-style-type: none"> • EU comparable system of labour market indicators developed; • Information system set up; • Training of staff initiated; • Outputs of the project were intended to support an improved follow-up of the labour market situation and a smooth implementation of the National Employment Action Plan.
0006	Access Programme	350,000.00	341,675.86	341,675.86	<ul style="list-style-type: none"> • Institutional capacity of NGOs and NPOs in Slovenia strengthened also in order to encourage them to co-operate through networks; • Activities related to the adoption and implementation of the <i>acquis communautaire</i> supported.
0104.04	Enhancement and Development of Social Dialogue	490,000.00	463,429.68	463,429.68	<ul style="list-style-type: none"> • Social partner organisations supported in the preparation of the Economic and Social Council Act; • Seminars on social dialogue and skill training delivered, • Communication network for social partner organisations developed; • Social partner organisations supported to set up a monitoring system for collective agreement.

Source for financial data: Perseus; figures in €; for projects finally disbursed, final commitment and final disbursement figures are identical, since the PERSEUS financial reporting system automatically de-commits any undisbursed commitment by the end of the disbursement; discrepancies between final commitment and final disbursement indicate projects with still on-going disbursements.

Source for results: project final reports.

Annex 6. Good practice - Example of a monitoring sheet of the ECO Fund

THE ENVIRONMENTAL CREDIT SCHEME II (ECS II) CALL FOR PROPOSALS – OFFICIAL GAZETTE No. 63-64 dated July 14, 2000 ELIGIBILITY OF BORROWER COMPLIANCE WITH THE ECS CONDITIONS			
ECS Reference No.:	12	Approval Date: 29.11.2000	20IN00A
Applicant/Investor			
Applicant Name (Legal Name):	ISKRA industrija kondenzatorjev in opreme d.d. (industry of capacitors and equipment)		
Contact Name - Project/ Contract	N.N.	N.N.	
Address:	Vrtača 1, 8333 SEMIČ		
Telephone No./ Fax No.:	07 306 77 09	07 306 71 10	
Project			
Project Title:	Modernisation of motor capacitor production		
Eligible Borrower	Private company		
Targeted Project Type:	Waste minimisation		
Sector Focus:	Waste Management and Minimisation (country and EU Accession priority No. 2)		
Short-term priority:	Protection of Air Quality (country and EU Accession priority No. 4)		
Proposed Actions:	<p>The company will replace the part of an existing production system and substitute the present capacitor washing procedure which applies tri-chlorethylene with a new closed production system, which prevents emissions and improves operating and working conditions. Environmentally less detrimental detergents will be employed for washing. The investment includes: procurement of a closed system for purifying castor oil, equipment for contained dosage of filling components, capacitor filling and washing equipment.</p>		
Qualitative Env. Impact:	<p>The new production line will introduce a closed system for filling capacitors, which will proceed in vacuum conditions, at stable temperatures and under constant supervision. Mixing components (isocyanate and castor oil) will not be stored at the same premises where production is performed. Ambient air will be purified in an already existing ventilating system. In this production line Tri chlorethylene will be completely replaced with an environmentally less harmful detergent. The new line will replace approximately one third of the total production capacity.</p>		
Quantitative Env. Impact:	<p>The quantity of waste chlorethylene will be reduced by 30%. The quantity of waste castor oil will decrease from 470 kg to 100 kg/year.</p>		
EU Legislation:	Waste directive CD 75/442/EEC		
National Reference:	<p>Regulation on waste management (O.J. RS 84/98) Regulation amending regulation on waste management (O.J. RS 45/00)</p>		
Total Investment Cost (SIT):	64,918,786		
Loan (SIT):	35,235,000		
Maturity of Loan (years):	5		
Grace period (years)	1		

THE ENVIRONMENTAL CREDIT SCHEME II (ECS II) CALL FOR PROPOSALS – OFFICIAL GAZETTE No. 63-64 dated July 14, 2000 ELIGIBILITY OF BORROWER COMPLIANCE WITH THE ECS CONDITIONS					
ECS Reference No.: 12		Approval Date: 29.11.2000		20IN00A	
Applicant/Investor					
Applicant Name (Legal Name):		ISKRA industrija kondenzatorjev in opreme d.d.			
Conditions					
1. Environmental Impact:		Submitted			
2. Company Credentials and Financial Status:		Bank credit rating A, Dolenjska banka d.d. Enota Črnomelj			
3. Project Licenses:		Submitted			
4. Project Documentation:		Submitted			
5. Loan Guarantee:		Bank guarantee of Dolenjska banka d.d. Novo mesto			
6. Application Evaluation Costs Payment:		Paid			
Conditions fulfilled					
1	2	3	4	5	6
Application Approved:				YES	NO
Contract No.: 20IN00A-07/00		Date of Contract Signature: 15.03.2001			
Actual Expenditure: 100 %		Construction Start Date: January 2000			
Status of project: Completed		Date of completion: February 2001			
Monitoring results:					
<p>The company has to submit to the EcoFund:</p> <ul style="list-style-type: none"> • a report on initial wastewater measurements performed in accordance with the Regulation concerning initial wastewater measurements, operational monitoring and conditions for the performance of these measurements (O.J. RS no 35/96) • a copy of the record concerning appropriate waste disposal in accordance with the Waste regulation (O.J. RS no. 84/98) • measurements of environmental working conditions (ambient air imissions) at the new line. <p>Eco Fund received the investment Completion Report in June 2001.</p> <p>The new production line of motor capacitors has been operating since February 2001. The investor provided Eco Fund with the Report on environmental effects after the first year of its operating.</p> <p>The Institute of Health Protection Novo Mesto carried out the first measurements in accordance with The Decree on the Emission of Substances into the Atmosphere from Stationary Sources of Pollution (O.J.RS no.73/94). The report was provided in February 2002.</p> <p>Results of the emission measurements on the new production line show that none of investigated parameters (MDI, dust tot., Pb, Sn) exceeded legislative values.</p> <p>The investor already provided Eco Fund with data concerning waste disposal in accordance with the Waste Regulation (O.J.RS no. 84/98) for waste chlorethylene and waste castor oil:</p> <ul style="list-style-type: none"> - the waste chlorethylene was reduced completely - the waste castor oil was reduced from 470 kg per year to 100 kg per year (in the second year of the new line operation) <p>An authorised undertaker Kemis carries out the waste oil manipulation.</p>					

Annex 7. List of Documents

Originator	Date	Title of Document
<i>OVERALL DOCUMENTS</i>		
EC	2003	Comprehensive Monitoring Report on Slovenia's preparation for Membership
EC	2002	2002 Regular Report on Slovenia's Progress towards Accession
EC	2001	2001 Regular Report on Slovenia's Progress towards Accession
EC	2000	2000 Regular Report on Slovenia's Progress towards Accession
EC and GOEA	23/12/1999	Slovenia National Programme 1999, Financing Memorandum, Programme Number SL 9905 to SL 9908
EC and GOEA	11/12/2000	2000 National Programme for Slovenia, Financing Memorandum, Programme Number SI0002 to SI0005
EC and GOEA	18/07/2001	2001 National Programme for Slovenia, Financing Memorandum, Programme Number SI0101 to SI0105
MoF, CFCU	03/01/2006	Perseus for all programmes under evaluation: National 1999, National 2000, National 2001, CBC 9912, Consensus 9913, CBC 0008, CBC 0108
School for Public Administration, University of Ljubljana,	2004	Public Administration Education in Slovenia' (2004); European Group of Public Administration – Conference papers 2004 on Slovenia; 'E-Government in Central Europe – Rethinking Public Administration' (The Economist Intelligence Unit, 2005); 'Introducing Quality in State Administration of Slovenia (School of Public Administration, University of Ljubljana, 2002).
School for Public Administration, University of Ljubljana,	2004	'Public Administration Education in Slovenia'
School for Public Administration, University of Ljubljana,	2002	'Introducing Quality in State Administration of Slovenia'
European Group of Public Administration	2004	Conference Papers on Slovenia
The Economist Intelligence Unit	2005	'E-Government in Central Europe – Rethinking Public Administration'
<i>INTERIM EVALUATION REPORTS</i>		
MWH	02/05/2005 31/03/2005 21/04/2005 09/05/2005 22/02/2005 08/07/2005 22/07/2005	Interim Evaluation Reports (electronic versions) SI/IER/JHA/05.02 SI/IER/AGR/05.03 SI/IER/EFI/05.04 SI/IER/IM/05.05 SR/IER/TREN/05.01 SI/IER/ESC/05.06 SI Country Summary
EMS		Interim Evaluation Reports (electronic versions) R/SI/AGR/02.129 Agriculture

	22/07/2002 30/09/2002 14/10/2002 28/10/2002 13/01/2003 11/12/2003 04/02/2003 24/04/2002 25/09/2002 10/04/2002 20/03/2003 20/12/2002 16/10/2003	R/SI/AGR/02.131 Agriculture R/SI/STA/02.133 Statistics R/SI/FIN/02.134 Public Finance R/SI/REG/02.136 Regional Development R/SI/REG/03.052 Regional Development R/SI/SOC/02.137 Employment and Social Affairs R/SI/EUR/02.128 Internal Market R/SI/EUR/02.132 Internal Market R/SI/JHA/02.001 Justice and Home Affairs R/SI/JHA/02.138 Justice and Home Affairs/Access R/SI/ENV-TRA/02.135 Environment and Transport R/SI/CPER/03.113 Country Phare Evaluation Review Slovenia
OMAS	30/04/2001	Country Assessment Review of Phare Assistance up to the Year 2001
<i>AGRICULTURE</i>		
Twinning partner Twinning partner		9905.01.02.1 Strengthening of Veterinary Control (twinning) <ul style="list-style-type: none"> • Twinning Covenant (electronic and paper versions) • Final Report
MoAFF Twinning partner Twinning partner Twinning partner	28/05/2003	0101.03 Implementation of the Acquis in the Phytosanitary Sector (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (paper version) • Fourth Quarterly Report (paper version) • Final Report (paper version)
MoAFF Twinning partner Twinning partner MoAFF, GoS	15/06/99 06/04/2000 04/07/2002	9905.01.01.1 Market Intervention Agency (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning covenant (paper version) • Final Report (paper version) • Act on Accreditation (paper version)
MoAFF Twinning partner Twinning partner MoAFF, GoS	15/06/99	9905.01.01.2 Farm Registry (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (paper version) • Final Report (paper version) • Act on Accreditation (paper version)
MoAFF MoAFF MoAFF/contractor Contractor MoAFF/GoS	05/12/2005	0101.01 Accounting System of Reporting and System of Securities Management for EAGGF Guarantee Fund (TA) <ul style="list-style-type: none"> • Project Fiche (paper version) • Terms of Reference (paper version) • Framework Contract (paper version) • Final Report (paper version) • Act on Accreditation (paper version) • Report on audit mission carried out by the Directorate General for Agriculture and Rural Development between 20 to 24 June 2005 (paper version)
<i>FINANCIAL AND ECONOMIC ISSUES</i>		
MoF		9905.03.02 Public Finance and Control-2 (development of external audit), (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (electronic version)

Twinning partner Twinning partner Twinning partner Twinning partner Twinning partner		<ul style="list-style-type: none"> • First Quarterly Report (electronic version) • Second Quarterly Report (electronic version) • Third Quarterly Report (electronic version) • Fourth Quarterly Report (electronic version)
MoF		0104.01 Public Finance Internal Control Methods and Techniques Public Finance Internal Control Methods and Techniques <ul style="list-style-type: none"> • Project Fiche (paper version) • Final Report (electronic version)
SORS SORS Contractor		0002.03 Alignment of Slovene Statistics with the Acquis Communautaire (TA) <ul style="list-style-type: none"> • Project Fiche (paper version) • Terms of Reference (electronic version) • Final Report (electronic version)
<i>ECONOMIC AND SOCIAL COHESION</i>		
NARD		0004.01 Business Incubators Network in Pomurje (works, GS and twinning) <ul style="list-style-type: none"> • Project Fiche (electronic and paper versions) • Financing Agreement (electronic version) • List of recipients under GS (electronic version) • Twinning Covenant (electronic version) • Final Report for twinning project (electronic version)
		0004.02 Activating Employment Potentials at the Local Level (GS) <ul style="list-style-type: none"> • Standard Summary Project Fiche (paper version) • Tender Documentation - guidelines for applicants, application form (paper version) • List of grant beneficiaries (electronic version)
		9913 Consensus III (free movement of workers) (twinning) <ul style="list-style-type: none"> • Financing Memorandum (paper version) • Twinning Covenant (electronic version) • Final Report (electronic version)
		0002.02 Labour Market Indicators (TA) <ul style="list-style-type: none"> • Project Fiche (paper version) • Terms of Reference (electronic version) • Final Report (electronic version)
		0104.04 Enhancement and Development of Social Dialogue (TA) <ul style="list-style-type: none"> • Project Fiche (paper version) • Terms of References (electronic version) • Final Report (electronic version)
		9912.01 Biomass District Heating Systems (CBC SI-AU) (supply) <ul style="list-style-type: none"> • Financing Memorandum (paper version) • Project Fiche (paper version)
		0008.01 Joint Nature Park Development (CBC SI-HU), works and TA <ul style="list-style-type: none"> • Financing Memorandum (paper version) • Standard Summary Project Fiche (paper version) • Terms of References (electronic version)

		<ul style="list-style-type: none"> • Final Report (electronic version)
		0108.01 Eco Adria (CBC SI-IT), (works) <ul style="list-style-type: none"> • Summary Project Fiche (paper version) • List of applicants (electronic version)
<i>INTERNAL MARKET</i>		
		9906.01.01.1/3 Chemical Safety (twinning and Supply) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (electronic version) • Final Report (electronic version)
		0003.01 Alignment and Implementation of Technical Legislation for Industrial Products on Company Level (TA) <ul style="list-style-type: none"> • Project Fiche (paper version) • Terms of Reference (paper version) • Final Report (electronic version)
		0002.01 Liberalisation and Regulation of Energy Market (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (electronic version) • Final Report (CD) • Some points on the performance of the project
<i>JUSTICE AND HOME AFFAIRS</i>		
Ministry of Justice	2005	9908.02 Organisation and functioning of justice administration (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning covenant in Slovene language (electronic version) • Twinning covenant in English language (paper version) • First Amendment to the twinning covenant (paper version) • Second amendment to the twinning covenant (paper version) • Final Report (paper version) • Court Statistics for the first half of 2005 (in Slovene language)
	28/05/2002	9908.01 Prevention and Repression of Organised Crime (twinning) <ul style="list-style-type: none"> • Project Fiche (paper version) • Twinning Covenant (paper version) • Final Report (paper version)
		0107.01 State Border Control on the Future External Border of the EU (works) <ul style="list-style-type: none"> • Project Fiche (paper version)
	21/05/2002 07/11/2003	0006 Access Programme (GS) <ul style="list-style-type: none"> • Financing Memorandum (paper version) • Request for Derogation from Implementation arrangements (paper version) • Approval of the request for Derogation from Implementation arrangements (paper version) • Tender Dossier (paper version) • Final Report (paper version) • Evaluation of wider impacts for the executed projects (paper version)
<i>TRANSPORT, ENERGY AND ENVIRONMENT</i>		
		0007 Construction of Sewage System and Waste Water Treatment Plant Slovenska Bistrica (Works) <ul style="list-style-type: none"> • Financing Memorandum (paper version)

		<ul style="list-style-type: none"> • Standard Summary Project Fiche (paper version)
	July 2005	<p>9907.01 Support to Investment in Environment (Investment Support A) – Environmental Credit Scheme II</p> <ul style="list-style-type: none"> • Project Fiche (paper version) • Progress Report (electronic version) • Monitoring Reports on individual projects
	01/12/2002	<p>0104.03 Support to Slovenia Railway Organisation (TL)</p> <ul style="list-style-type: none"> • Standard Summary Project Fiche (electronic version) • Terms of Reference (electronic version) • Final Report (paper version)

Annex 8. List of Interviews

INSTITUTION	INTERVIEWEE	DATE
European Commission DG Enlargement Financial Assistance and Follow Up Unit Rue de La Loi 130 B-Brussels	Ms. Annarita Castello Programme Manager Slovenia	18/01/2006
European Commission DG External Relations Rue de La Loi 130 B-Brussels	Ms. Bettina Kotzinger Previous Head of Phare Section, European Commission Delegation in Slovenia	18/01/2006
European Commission DG Regional Policy Av. De Tervuren 41 B-Brussels	Mr. Hugh Baker Previous Phare Country Co-ordinator Slovenia	19/01/2006
Environmental Fund of the Republic of Slovenia Tivolska cesta 30 SI-1000 Ljubljana	Mr. Marko Slokar President of the Management Board	15/12/2005
Environmental Fund of the Republic of Slovenia Monitoring of project implementation sector Tivolska cesta 30 SI-1000 Ljubljana	Ms. Vesna Vidič Assistant to the Management Board	15/12/2005
Ministry of Finance Budget Supervision Office – Public Internal Financial Control Sector Glinška 3 SI-1000 Ljubljana	Ms. Štefanija Lukič Zlobec Head of Sector	19/12/2005
Ministry of Agriculture, Forestry and Food Phytosanitary Administration Einspielerjeva 6 SI-1000 Ljubljana	Ms. Milena Koprivnikar	19/12/2005
Ministry of Agriculture, Forestry and Food Phytosanitary Administration Einspielerjeva 6 SI-1000 Ljubljana	Ms. Vlasta Knapic	19/12/2005
Ministry of Agriculture, Forestry and Food Phytosanitary Administration Einspielerjeva 6 SI-1000 Ljubljana	Mr. Joze Ilersic	19/12/2005
Ministry of Agriculture, Forestry and Food Unit for International Co-operation Dunajska 58 SI-1000 Ljubljana	Mr. Marko Verbič Head of Unit	19/12/2005
National Agency for Regional Development Kotnikova 28 SI-1000 Ljubljana	Ms. Regina Košir Head of ESC Sector	19/12/2005
Government Office for European Affairs Šubičeva 11 SI-1000 Ljubljana	Ms. Nataša Rumpret Undersecretary	19/12/2005
Ministry of Labour, Family and Social Affairs Kotnikova 5 SI-1000 Ljubljana	Ms. Tanja Česen Undersecretary	20/12/2005
Ministry of Labour, Family and Social Affairs Kotnikova 5 SI-1000 Ljubljana	Mr. Jernej Ladinik Advisor II	20/12/2005

Ministry of Labour, Family and Social Affairs Kotnikova 5 SI-1000 Ljubljana	Ms. Metka Štoka Debevc Secretary	20/12/2005
Ministry of Labour, Family and Social Affairs Kotnikova 5 SI-1000 Ljubljana	Ms. Veronika Sorko Undersecretary	20/12/2005
Government Office for European Affairs Šubičeva 11 SI-1000 Ljubljana	Dr. Rado Genorio Secretary Head of Unit	20/12/2005
Ministry of Health National Chemicals Bureau Mali trg 6 SI-1000 Ljubljana	Ms. Darja Boštjančič Undersecretary	20/12/2005
Ministry of Health National Chemicals Bureau Mali trg 6 SI-1000 Ljubljana	Mr. Andreas Littkopf Residential Twinning Advisor	20/12/2005
Agency of the Republic of Slovenia for Agricultural Markets and Rural Development Dunajska cesta 160 SI-1000 Ljubljana	Mr. Franc Muhič, M.Sc. Head of Agricultural Markets Section	21/12/2005
Ministry of Environment and Spatial Planning Einspielerjeva 6 SI-1000 Ljubljana	Ms. Irena Brcko Kogoj Undersecretary	21/12/2005
Ministry of Finance Budget Directorate – Department for Management of EU Funds Beethovnova 11 SI-1001 Ljubljana	Mr. Peter Škofič Head of CFCU	21/12/2005
Ministry of Agriculture, Forestry and Food Veterinary Administration Parmova 53 SI-1000 Ljubljana	Ms. Barbara Logar Head of International Affairs Sector	22/12/2005
Ministry of Agriculture, Forestry and Food Veterinary Administration Parmova 53 SI-1000 Ljubljana	Mr. Peter Bozic Head of Public Health Sector	22/12/2005
Ministry of Interior Criminal Police Directorate Štefanova ulica 2 SI-1501 Ljubljana	Mr. Anton Vozelj Criminal Police Superintendent Assistant Director	22/12/2005
Ministry of Interior Criminal Police Directorate Štefanova ulica 2 SI-1501 Ljubljana	Mr. Tomo Hasovič Head of Organised Crime Section	22/12/2005
Ministry of Justice Župančičeva 3 SI-1000 Ljubljana	Ms. Andreja Lang Undersecretary	22/12/2005
Ministry of Justice Župančičeva 3 SI-1000 Ljubljana	Ms. Biserka Javoršek Secretary General Director	22/12/2005
Ministry of Justice Župančičeva 3 SI-1000 Ljubljana	Ms. Erika Ponikvar Dečman Undersecretary	22/12/2005
National Agency for Regional Development Kotnikova 28 SI-1000 Ljubljana	Mr. Bojan Suvorov Director	23/12/2005

The Regional Environmental Centre for Central and Eastern Europe Slovenska cesta 5 SI-1000 Ljubljana	Ms. Milena Marega Country Office Director	23/12/2005
The Regional Environmental Centre for Central and Eastern Europe Slovenska cesta 5 SI-1000 Ljubljana	Ms. Tatjana Studen Financial Officer	23/12/2005

Annex 9. Respondents to Questionnaires

INSTITUTION	RESPONDENT	DATE
Energy Agency Svetozarevska ulica 6, p.p.1579 SI-2000 Maribor	Mr. Marko Senčar Deputy Managing Director	12/12/2005
Pomurje Business Incubators Network Plese 9A SI-9000 Murska Sobota	Mr: Marko Močnik Director	16/12/2005
Public Agency for Rail Transport of Republic of Slovenia Kopitarjeva 5 SI-2000 Maribor	Mr. Benjamin Steinbacher-Pušenjok Office Administration for Network Programme	16/12/2005
Regional Development Agency Mura Lendavska 5A/ p.p. 241 SI-9000 Murska Sobota	Mr. Danilo Krapec Director	16/12/2005
Regional Development Agency Mura Lendavska 5A/ p.p. 241 SI-9000 Murska Sobota	Ms. Vesna Vitez Gomboši Manager of regional Guarantee scheme	16/12/2005
Municipality of Vipava Glavni trg 15 SI-5271 Vipava	Mr. Pavel Perhavec Secretary	17/12/2005
Municipality of Idrija Mestni trg 1 SI-5280 Idrija	Mr. Jože Močnik Head of Economic Public Utilities Services	19/12/2005
Vevis hiša d.o.o. Company at Pomurje Business Incubators Network Plese 9A SI-9000 Murska Sobota	Mr. Iztok Stolnik Director	20/12/2005
Topnet d.o.o. Company at Pomurje Business Incubators Network Plese 9A SI-9000 Murska Sobota	Mr. Zvonko Zorjan Director	20/12/2005
Ministry of Environment and Spatial Planning Dunajska cesta 48 SI-1001 Ljubljana	Ms. Alma Vičar Undersecretary	20/12/2005
Ministry of Environment and Spatial Planning Dunajska cesta 48 SI-1001 Ljubljana	Ms. Jana Kristanc Advisor II	20/12/2005
Ministry of Public Administration Gregorčičeva 27a SI-1000 Ljubljana	Ms. Tina Teržan Secretary	20/12/2005
Ministry of Public Administration Gregorčičeva 27a SI-1000 Ljubljana	Ms. Lucija Remec Undersecretary Head of the Sector	20/12/2005
Secondary Vocational School for Catering and Tourism Celje Kosovelova ulica 2 3000 Celje	Mr. Darja Štiherl German and English teacher Project Coordinator	21/12/2005
Government Office for European Affairs Šubičeva 11 SI-1000 Ljubljana	Ms. Hermina Golob Senior Advisor	21/12/2005
Government Office for European Affairs Šubičeva 11 SI-1000 Ljubljana	Ms. Mojca Mehikić Undersecretary	21/12/2005

Company at Pomurje Business Incubators Network Plese 9A SI-9000 Murska Sobota	Mr. Dejan Ščernjavič Art Director	21/12/2005
Ministry of the Economy Kotnikova 5 SI-1000 Ljubljana	Saša Prešern, Ph.D Secretary	22/12/2005
Ministry of Labour, Family and Social Affairs Kotnikova 5 SI-1000 Ljubljana	Ms. Jana Lovšin Head of the International and EU Affairs Department	22/12/2005
Statistical Office of the RS Vožarski pot 12 SI-1000 Ljubljana	Mr. Milan Katić Secretary	22/12/2005
National Agency for Regional Development Regional Office Štanjel 1a Štanjel SI-6222 Štanjel	Ms. Tatjana Rener Head of Regional Office Štanjel	22/12/2005
Court of Audit of the RS Slovenska cesta 50 SI-1000 Ljubljana	Ms. Nenka Krušič Adviser to First Deputy President	22/12/2005
Ministry of Agriculture, Forestry and Food Dunajska 58 SI-1000 Ljubljana	Mr. Marko Verbič Head of Unit for International Affairs & Development Assistance	22/12/2005