

RISKS OF DRAWING NEXT RESOURCES FROM THE EUROPEAN UNION

Analytical commentary, January 2022

Summary

- In the period from 2022 to 2029 the Slovak Republic can draw approximately 27 billion euros from several EU sources.
- The contracting in the programming period 2014 – 2020 reached 89.14% as of 30 November 2021, while 46.7% of the funds were spent.
- According to the EC data, the Slovak Republic is on the last place in the international comparison of the use of EU funds as of 30 June 2021.
- The main risks of drawing from the programming period 2014 – 2020 are related to the short remaining time of drawing funds in compliance with the n+3 rule.
- The Recovery and Resilience Plan will use a different mechanism for drawing funds, as they will mainly be about achieving the agreed results and milestones, on the basis of which the EC will gradually pay out the finances.
- The approval of the main management documents of the Slovak Republic is not expected until 2022, which is also the date from which the Slovak Republic can start drawing funds from the programming period 2021 - 2027.
- The new EU instruments represent the allocation of additional funds, which results in the concurrence of the implementation of new EU instruments with the drawing of funds for the 2014 – 2020 and the implementation of the programming period 2021 – 2027.
- The preparation of 2021 – 2027 programming period should also take into account the faults of previous programmes in order to avoid the same shortcomings and errors with an emphasis on the greatest possible simplification of the implementation system.
- Due to previous experience insufficient readiness for drawing EU funds has an impact on the shift and a significant increase in the intensity of drawing, especially in the last years of the period. This is then risky in terms of generating errors for new programming period that are already starting at that time.
- The SAO SR recommends officially monitor and report the overall status of successfully completed public procurements and concluded contracts with suppliers, so that data that are more realistic are available to start drawing funds from the EU. It is also necessary to ensure additional and high-quality human resources for the management and administrative drawing of EU funds and set up an implementation system at the beginning of 2021 – 2027 period. It is especially important to increase the horizontal coordination of the ministries and to correctly define their competencies, as in the new programming period seven so far separate operational programmes are merged into one.