



REPUBLIC OF SLOVENIA
MINISTRY OF THE ECONOMY

HOW TO ABSORB EU FUNDS?



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6th Bulgarian International Tourism Conference
January 10, 2007

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European financial instruments

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)
- European Agricultural Fund for Rural Development
- European Fisheries Fund (EFF)
- Community Initiative Programs
- Cohesion Fund

European Regional Development Fund

- One of the focal financial instruments of the EU regional policy, which contributes to:
 - Diminishing of EU intra-regional economic and social differences
 - Stimulates the balanced and sustainable regional development
 - Additional source for project financing
- Focal financial instrument for drawing on EU funds for tourism in Slovenia!

Tourism in programming period 2004 – 2006 in Slovenia

- Effectiveness of drawing on EU funds: 100%
(100% commitment of allocated funds; 65% absorption of committed funds)
- Measure: Promotion of tourism destinations development
 - Available funds: 45 mil EUR (3 public tenders)
 - Number of supported projects:
 - Tourism infrastructure: 28
 - Tourism destination management: 8
 - Joint value of supported projects: 210 mil EUR
 - Expected results:
 - Number of new job vacancies: 754
 - Number of new lodging capacities: 3.325
 - Number of overnight stays: 707.300
 - Number of completed projects: 18

Implementation (1)

National budget:

- Special budget item
- Funds split ratio: 75% EU, 25% SLO
- Non-transferability of funds to next year
 - difficulties in planning of actual expenditure
- Basis for the payment:
 - final recipient claim
 - original bills and evidence of actual payment of bills, contracts
- Closing date for the issue of payment claim (not later than 15.9. or 15.10.)

Implementation (2)

Repayment

- Reimbursement amount: 75% of payment from the national budget
- Basis for the reimbursement is the payment claim
 - Based on actual payment from the national budget
 - Supporting documents: obligatory “on-the-spot” control before the final payment claim
 - Repayment to national budget after the authorisation of the claim by the paying authority and the European Commission

Implementation (3)

Public tender

- Procedure until contract signing:
 - publication of public tender
 - opening of applications
 - evaluation
 - conclusion of the Programme council
 - issue of individual decisions
 - projects approval by the government
 - signing of contracts
- Approximate time from applications opening until contract signing: minimum 3 – 4 months

Implementation (4)

Project implementation

- Signing of contract
- Issue of payment claim by the beneficiary in accordance with the time schedule
- Reimbursement from the national budget
 - based upon the payment claim and obligatory supporting documents
 - contract manager and control unit control the situation
 - payment within 30 days
- Issue of the reimbursement claim by the final beneficiary (within 30 days after the payment from the national budget)

Experiences and suggestions

Preparation of public tenders

- division of tenders on large and small scale projects (easier formulation of selection criteria),
- timely announcement of tenders – only “Ready to go” investments are eligible (building permit...)
- organization of informative meetings for potential applicants
- some applicants, especially smaller companies shall be advised by the advisory institutions with the preparation of application

Experiences and suggestions

Implementation of projects

- after the project approval give a beneficiary a precise explanation (organize a meeting) concerning the further procedures: method of reporting, separate recording of project costs, visibility of EU funding
- on-the-spot control
- open communication with investment stakeholder to prevent from problem rising
- smaller companies lack the qualified staff therefore suggest them the help from the advisory institutions



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THANK YOU FOR YOUR ATTENTION!