

Ministry of Labour, Social Affairs and Family of the Slovak Republic
Managing Authority for the Operational Programme Human Resources

**Evaluation Report – Review of Efficiency, Effectiveness and Impact of the
Joint Support from ESF and Special Allocation for the Youth Employment
Initiative**

(the second Evaluation Report on implementing the 2018 Youth Employment
Initiative (hereinafter the YEI) - Summary



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OPERAČNÝ PROGRAM
ĽUDSKÉ ZDROJE

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1. Purpose of Evaluation

Evaluation Report – Review of Efficiency, Effectiveness and Impact of the Joint Support from ESF and Special Allocation for the Youth Employment Initiative (hereinafter the “Evaluation Report”) is submitted in line with Art. 19, clause 6 of Regulation (Eu) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006. In the Slovak Republic the Evaluation Report is the second compulsory evaluation to review efficiency, effectiveness and impact of the joint support from ESF and Special Allocation for the YEI, and also from the implementation of the Youth Guarantee. The first evaluation was carried out for 2014 in 2015. In the Slovak Republic the funds for YEI are specially allocated in priority axis (PA) 2 OP HR, which was approved by the European Commission by Implementing Decision No. CCI 2014SK05M0OP001 of 9 December 2014 under the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the specific budget funds allocated to the Youth Employment Initiative under the Investment to Growth and Employment Objective in Slovakia. The Ministry of Labour, Social Affairs and Family of the Slovak Republic is the Managing Authority for the Implementation of ESF Projects to support employment growth and the Youth Employment Initiative.

2. Objective of Evaluation

The evaluation was intended to review the progress in implementing the YEI. In particular, the financial and physical progress of YEI was reviewed, which forms a separate priority axis 2 of the Operational Programme Human Resources (hereinafter the “OPHR”) 2014-2020 aimed to evaluate the effectiveness and efficiency of the interventions implemented. The aim of the evaluation is to provide the most accurate and up-to-date information on the financial and physical progress of each project.

3. Period Relevant to Evaluation

For the purpose of processing the relevant Evaluation Report, the data on the achieved physical and financial progress as at 5 December 2018 were processed.

In order to carry out the evaluation within the set timeframe, the following sources of data were used:

- Operational Programme OP HR,
- Report on Implementation of OP HR 2016, 2017
- Report on Implementation of Youth Employment Initiative 2014-2015
- Calls to submit Applications for Non-Repayable Financial Contribution,
- Data on the physical and financial implementation of the program from ITMS 2014+,
- Codebooks of measurable indicators (if relevant)
- Management documentation, internal manuals (if relevant)
- Database of the Statistical Office SR

4. Methodology Summary

In line with the Guidelines for the Evaluation of the Youth Employment Initiative, the emphasis was put on answering the evaluation questions on the implementation of the YEI strategy, efficiency of the implemented interventions, effectiveness and overall impact of the interventions implemented in the target group. In particular, data from ITMS 2014+ and from the project participant card were used, as well as data from the Offices of Labour, Social Affairs and Family. Data were processed and evaluated with respect to the nature of the evaluation questions.

Due to insufficient number of completed projects and lack of time to perform the evaluation, no counterfactual impact assessment of the intervention has been carried out for the Youth Employment Initiative. No surveys and structured interviews have been performed that would contribute to assessing the justification of the set employment strategy in particular on the structure of measures to support the employment of young people up to the age of 29.

Evaluation does not assess the quality of the job offers submitted to the participants involved in the Youth Employment Initiative, as the Employment Policy and Active Labour Market Measures in the Slovak Republic place particular emphasis on implementing a sufficient number of services for disadvantaged jobseekers in the form of Youth Guarantees, which are implemented through Offices of Labour, Social Affairs and Family as well as non-governmental employment services.

5. Summary of Findings, Conclusions and Recommendations

The assessment was focused on evaluating the physical progress in achieving the target value of the output indicator *“People up to 29 years old”*, which is defined at the level of the priority axis 2 OPHR in version 3.0 OPHR. According to the current project data the anticipated target value of the output indicator of 82,255 was fulfilled at 83.552% (i.e. 68,726 persons) as at 5 December 2018. In the case the contracted projects are duly and properly terminated, the estimated fulfilment of the indicator should grow to the level of 166.52% (i.e. 136,978 people) at the end of the programme period. From the viewpoint of the progress made with regard to fulfilling the indicators of priority axis 2 OPHR, the set target values will be significantly exceeded (achieved values from 117.88% to 401.51%).

5.1. Efficiency

Efficiency of the interventions was monitored for the individuals in the three-month intervals. Their oscillation between the labour market and unemployment records were monitored. The analysis shows that short-term efficiency is high and reaches up to 63%. As mentioned before, the analysis was carried out on all implemented projects, but no project was completed during the monitored period and therefore the inputs used to calculate the efficiency are less representative. From the mid-term viewpoint, the efficiency of the implemented measures is at the level of 60.48%. After nine months, the

efficiency of the implemented measures reaches 50.59%. 12 months after the intervention activities were completed, in the monitored period there were approximately 50,000 participants and the efficiency was at 37.12%. Despite the declining trend in the values, the rate of returning among the unemployed is growing at a slower pace. It can therefore be concluded that the implemented interventions are effective and justified.

5.2. Effectiveness

Assessment of effectiveness and economy of the realised projects was the further objective of this evaluation. Financial allocation, which can be used as NFC within priority axis 2 OP HR, represent the amount of 228 275 422,00 EUR (EU and SR sources) in version 3.0 of the OP HR.

As at 5 December 2018 the total contracted NFC was in amount of 253 088 781,70 EUR and the total payable NFC was in amount of 81 156 943,11 EUR.

Initial costs to support one participant was in amount of 2 230 EUR, the cost as per one participant are currently about 3 680 EUR i.e. 1 450 EUR higher as predicted.

For the future i.e. end of the programming period there is an assumption much more participants should be supported and so the unit costs as per participant should decrease.

Generally we can say, the cost effectiveness is nowadays increased by the indicators with zero to minimum value so they have a negative impact on cumulative values.

Indicators with zero to minimum value are CR07, CR08, CR09 a CR10. These indicators related to target groups (non registered unemployed) within no realised projects. The call for this target group is under preparation by the Managing Authority.

5.3. Recommendations

There was identified several recommendations during our evaluation we recommend to performed regarding implementation improvement within priority axis 2, but also improve the quality of YEI services (Youth Employment Initiative).

Recommendations in area of measurable indicators:

1. Available/disposable allocation of priority axis is contracted for 110%. So there is no assumption to realised further projects. If Managing Authority assumed some value of priority axis indicators will be not matched, should be performed analyses based on which will be identified the real expected target value of indicator by existing financial allocation. The Managing Authority will not increase the financial allocation of priority axis 2 YEI to achieve declared target value of indicator.
2. Based on ITMS2014+ the most projects within priority axis 2 is out of initial time schedule in delay. Managing Authority should precisely monitoring the implementation of those contracted projects which contribute and influence the indicators within priority axis 2 of the Operational Programme Human Resources and which didn't matched the target values yet.
3. The Managing Authority should precisely focused on proper and actual data evidence within ITMS2014+ and also ensure data penetration between the several information systems used for project implementation.
4. Recommendations in area of qualitative analyse:

There is a several topics which have to be answered during this evaluation by using evaluation questions. The objectives reasons we didn't applied this approach is lack of time, only few amount of completed projects available and insufficient data. In this respect we recommend to performed impact evaluation/valuation for YEI during next year. But sufficient data must be available to fulfil this recommendation. The main negative was, that we couldn't realised counterfactual impact evaluation to access the quality and efficiency of realised interventions in general. Counterfactual evaluation is the method which required long term period (6 months and more) of preparation especially for Managing Authority (data collection, evaluation, sampling, comparing, etc.). We recommend to Managing Authority to create the expert team to collect proper and relevant data to performed contra factual evaluation.