

### Vocabulary of Terminology

***Audit Trail:*** a detailed description of the management and implementation of assistance from the Structural Funds and the Cohesion Fund at all levels encompassing the flow of information, documents, funds and control;

***Central Coordination Authority for Operational Programmes under the NSRF:*** the primary authority responsible for efficient management and use of the Structural Funds and the Cohesion Fund, to the end of ensuring coordination of management processes of the Structural Funds and the Cohesion Fund in the Slovak Republic. In Slovakia, the role of the central coordination authority until the 30.6.2010 was performed by the Ministry of Construction and Regional Development of the Slovak Republic. Between 1.7. 2010 and 31.12.2010 this role was delegated to the Government office of the Slovak republic. As of 1.1.2011 the role of the central coordination authority is performed by the Ministry of Transport, Construction and Regional Development of the Slovak Republic.

***Certification:*** the confirmation of the correctness, eligibility and legality of expenditures and of the efficiency of management and control systems of the Structural Funds and the Cohesion Fund;

***Certifying Authority:*** national, regional or local public authority or entity appointed by a Member State to the end of certifying expenditure reports and payment requests before their submission to the European Commission (EC). In the Slovak Republic, the certifying authority is also responsible for the preparation of payment requests, receipt of payments from the European Commission and disbursements. The role of the certifying authority is played by the Ministry of Finance of the Slovak Republic. With regard to the State Treasury, the certifying authority acts on behalf of the Ministry of Finance of the Slovak Republic as a customer of the State Treasury.

***Convergence Objective:*** objective of the EC enabling assistance from the Structural Funds and the Cohesion Fund to backward regions whose per capita GDP measured in purchasing power parities and calculated from EC data as the average for the period of 2000-2002 is less than 75% of the EU-25 average.

***Regional Competitiveness and Employment Objective:*** objective of the EC enabling support from the European Regional Development Fund and the European Social Fund to regions, with the exception of the least developed regions.

***European Territorial Cooperation Objective:*** objective of the EC enabling support from the European Social Fund targeted at cross-border, supra-national and inter-regional cooperation.

***Disparity (Disparities):*** are the main barriers that need to be overcome in order to attain a strategy objective. They are a result of synthesis of the weaknesses and threats identified in the SWOT analysis.

***European Regional Development Fund (ERDF):*** one of the main tools of EC structural and regional policy, whose aim is to contribute to the development of the least developed regions of the European Union and territorial cooperation.

**European Social Fund (ESF):** one of the main tools of EC structural and regional policy helping to attain the objectives particularly in the field of active employment policy and free movement of labour force in combating unemployment and discrimination of various groups of persons on the labour market.

**Development Factors:** are the main drivers of development used to mitigate the identified disparities. Development factors may be existing or future drivers.

**Implementation Regulation:** Commission Regulation setting out rules for the implementation of Council Regulation (EC) No. 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No. 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund.

**IT Monitoring System (ITMS):** information system administered and developed by the Central Coordination Authority in cooperation with the managing authorities, the certifying authority and the audit body, used to register the data relating to the NSRF, all operational programs, projects, certifications, controls and audits to the end of efficient and transparent monitoring of all processes related to the implementation of the Structural Funds and the Cohesion Fund. It ensures communication with SFC2007 EC database, monitoring systems of the neighbouring countries and the beneficiaries. It provides for connection to the Information System of Funds Accounting (ISUF).

**Cohesion Fund (CF):** a financial tool of the EC intended for those Member States, whose per capita GDP measured in purchasing power parities and calculated from EC data as the average for the last three calendar years is less than 9 % of the EU 25 average. It supports transport infrastructure and environmental projects.

**Convergence:** approximation or levelling out the levels. The overall convergence consists of three partial convergence areas: nominal convergence, real convergence and structural convergence.

**Lisbon Strategy:** EU strategy adopted by the heads of states and governments of the Union Member States in Lisbon in March 2000. according to which Europe should, by 2010, become the most dynamic and competitive knowledge-oriented economy, which will be capable of sustainable growth with more jobs and with higher social cohesion. The Slovak Government declared to follow the Lisbon process.

**Monitoring Committee for Operational Programme:** a body established by the managing authority of an operational program after previous consultations with partners, responsible for monitoring progress in attaining the priorities and objectives set by the operational programme and for approving changes to the operational programme. The committee consists of representatives of the respective managing authority of the operational programme, of the certifying authority and of other stakeholders. In his/her own initiative or at a request of the monitoring committee, a monitoring committee meetings may be attended by an EC representative in the role of advisor. The committee meetings may be attended, in the role of advisor, also by representatives of the EIB and the European Investment Fund if those institutions provide financing of the operational programme. The committee is chaired by a representative of the managing authority of the operational programme concerned.

***Marginalised Roma Communities*** – concentrations of Roma suffering from a high level of social exclusion and deprivation.

***ESF Regulation:*** Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No. 1784/1999.

***National Monitoring Committee (NMC):*** a body established by the central coordination authority after previous consultation with partners, which is responsible for monitoring the progress in implementing the priorities and objectives laid down by the NSRF. It is composed of representatives of the individual managing authorities, the certifying authority and other stakeholders. The Committee is chaired by a representative of the central coordination authority.

***National Reform Programme:*** in line with the new coordination processes, the Lisbon strategies of the Member States are drafted in three-year programming cycles and are presented in *National Reform Programmes*. The focus and the content of these strategic documents are based on the new principles of EU economic policy, the so-called *Integrated Principles*, which present a synthesis of the past General Economic Policy Principles and Employment Guidelines. For the priority areas of the strategy, separate *action plans* were prepared, which were approved by the Government of the Slovak Republic in July 2005. The action plans define the specific main tasks in individual areas. For each of the tasks, there are clearly defined objectives, time sequence of steps, indicators for progress evaluation in the area concerned and responsibilities for task fulfilment. This strategy was also used as a basis and focal point for preparing the National Reform Programme for Slovakia.

***National Project:*** a special type of ESF-funded project, implemented by a selected beneficiary to the end of attaining objectives in the field of active employment policy and education. In the case of the ERDF, national project is understood as a special type of project implemented by a selected beneficiary to the end of supporting the development of a knowledge-based economy, with particular emphasis on strengthening of research and development activities of national importance or which are important for the development of the respective region.

***National Strategic Reference Framework (NSRF):*** programming document of a Member State containing an analysis of the situation in light of the objectives stated in the General Council Regulation No. 1083/2006 EC and the priority axes for attaining those objectives, including strategy, planned priority activities, their specific objectives and the related funding. It is the reference tool for preparing the programming of the Structural Funds and the Cohesion Fund for objectives 1 and 2 and may also, if a Member State so decides, apply to objective 3. In the Slovak Republic, the NSRF applies to objectives 1 and 2.

***Irregularity:*** any infringement of the law of the European Communities resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget.

***Measure:*** means used over a period of several years to implement a priority axis of an operational programme, consisting of groups of thematic-related activities and allowing the projects financing.

**Operation:** a project or group of projects selected by the managing authority of the operational programme concerned or under its responsibility according to criteria laid down by the monitoring committee and implemented by one or more beneficiaries allowing to attain the goals of the priority axis to which it relates.

**Operational Programme (OP):** a document submitted by a Member State and adopted by the Commission, setting out the development strategy by means of a uniform set of priority axes to be carried out with the aid of a Fund, or, in the case of the Convergence objective, with the aid of the Cohesion Fund and the ERDF.

**Eligible Expenditures:** expenditures actually incurred during the period set in the aid decision in the form of cost and expenses of the beneficiary, which were expended as a part of operations selected for intervention under the operational programmes in line with the selection criteria and restrictions defined by Council Regulation (EC) No. 1083/2006, Regulation (EC) No. 1080/2006 of the European Parliament and of the Council, Regulation (EC) No. 1081/2006 of the European Parliament and of the Council, and Council Regulation (EC) No. 1084/2006. Eligible expenditures for revenue-generating projects are regulated by Article 55 of Council Regulation (EC) No. 1083/2006. In the Slovak Republic, the body responsible for setting the minimum standards of eligibility of expenditures is borne by the Central Coordination Authority.

**Audit Body:** national, regional or local public authority or entity functionally independent from the managing authority and the certifying authority designated by a Member State for each operational programme and responsible for providing assurance of proper functioning of the management and control systems. In the Slovak Republic, the role of the audit body is played by the Ministry of Finance of the Slovak Republic.

**Persons with Special Educational Needs:** students or pupils with special upbringing and educational needs (i.e. pupils with mental, hearing, sight or physical disabilities, pupils with health impairment and sick pupils, pupils with communication difficulties, autistic pupils, pupils with learning or behavioural disorders, pupils with severe mental disabilities living in social care institutions, pupils with mental or social development disorders and intellectually gifted pupils) and members of the marginalised Roma communities.

**Paying Unit:** organisational unit of a central state administration authority or other legal entity responsible for the transfer of moneys from the Structural Funds and the Cohesion Fund and of co-financing from the national budget to a beneficiary, based on a preliminary financial control performed before a disbursement to the beneficiary. The paying unit shall be designated by the Government in line with a special regulation. In relation to the State Treasury, the paying unit acts on behalf of the ministry concerned as an internal organisational unit of the State Treasury customer.

**De Minimis Assistance:** assistance granted to an undertaking in line with the Community de minimis assistance regulation, in total not exceeding an equivalent of EUR 100,000 for three subsequent calendar years.

**Beneficiary:** an operator, organisation, legal entity, natural person or administrative unit, which receives moneys from the national budget for co-financing and from the Structural Funds or the Cohesion Fund in order to implement a project or operation.

**Priority Axis:** one of the strategy priorities in the operational programme, consisting of a

group of related operations (activities) with concrete, measurable objectives.

**Programming Manual:** a document prepared at the national level by the managing authority of each operational programme under objectives 1 and 2, used to implement the strategy and intervention priorities and containing detailed information at the level of measures.

**Managing Authority (MA):** national, regional or local public or private body designated by a Member State, which is responsible for the management of an operational programme. A managing authority is appointed for each operational programme. In the Slovak Republic, managing authorities are appointed by the Government of the Slovak Republic.

**State Aid Schemes and 'de minimis Schemes:** documents exactly specifying the rules and the conditions, under which providers may provide state aid and 'de minimis' aid to individual beneficiaries.

**Intermediary Body under the Managing Authority (IB/MA):** a public or private body or service, acting under the responsibility of a managing authority or carrying out duties on behalf of a managing authority. Defining the scope and the tasks of an intermediary body under the managing authority is the responsibility of the managing authority and makes part of the document by which powers are delegated.

**Community Strategic Guidelines on Cohesion (CSG):** a strategic EC level document adopted by the Council of the EU, which, taking into account the other relevant EC policies, defines the framework for the use of the Structural Funds and the Cohesion Fund for each of the objectives.

**System of Financial Management of the Structural Funds and the Cohesion Fund:** a body of interlinked and interrelated sub-systems and activities ensuring efficient financial planning, budgeting, accounting, reporting, payments to beneficiaries, monitoring of financial flows and verification in the implementation of interventions from the Structural Funds and the Cohesion Fund.

**State Treasury:** public administration authority established under Act No. 291/2002 Coll. on State Treasury and on the modification and amendment of certain acts, which is responsible for carrying out activities within the State Treasury system, including in particular centralised management of public finance, drawing from budgets of public administration authorities, maintaining and managing client accounts and carrying out payments to and by clients.

**State aid:** any assistance provided from the national budget or in any other form from the public sources to an undertaking, which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods and which may negatively influence trade between the Community Member States.

**Structural Funds (SF):** tools of the EC structural policy used to attain the objectives of this policy. The Structural Funds include the European Regional Development Fund and the European Social Fund.

**Statistical Territorial Unit NUTS:** standard for hierarchic classification of administrative areas of the Member States of the European Union for the purpose of regional statistics. The division does not necessarily have to correspond to the administrative division of the states. The system has been introduced by the Statistical Office of the European Commission

(EUROSTAT) in cooperation with the national statistical institutes (Statistical Office of the Slovak Republic in the case of the Slovak Republic).

***Sustainable Development:*** development that preserves the possibility for current and future generations of satisfying their basic needs, while at the same time not reducing the diversity of the nature and preserving the natural functions of eco-systems. Sustainable development comprises the following components: economic, social and environmental.

***General Regulation:*** Council Regulation (EC) No. 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No. 1260/1999.

***Grant Contract:*** a detailed contract specifying the support to a project financed from the Structural Funds or the Cohesion Fund and the national budget concluded between the managing authority/intermediate body under the managing authority and the beneficiary and stipulating the conditions for granting the contribution and the rights and obligations of the parties.

***Payment Request:*** a document consisting of an application form and the mandatory annexes, based on which the beneficiary receives moneys from the Structural Funds/Cohesion Fund and co-financing from the national budget, in the appropriate proportion.