



The structure and procedure of complying budget based on program method, commitments on result

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PURPOSE



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- A structural measure in the crisis (the state starts with itself, it only takes longer ...)
 - Public finance reform (the three E's: economy, efficiency, effectiveness)
 - Public sector reform (a modern, output-oriented and dependent public administration – a citizen- and company-oriented administration ...)

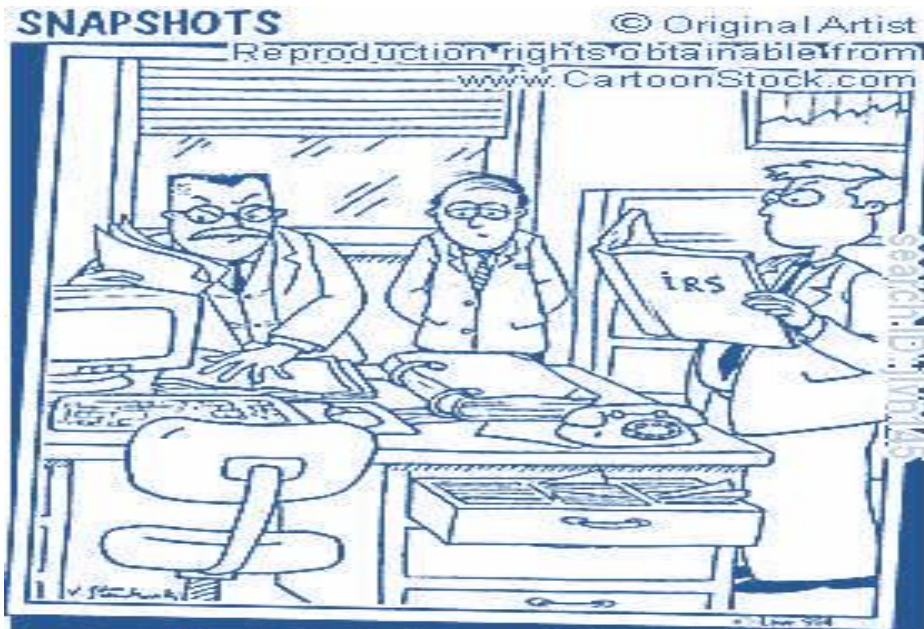
- Addressing the burdens; inter-generational solidarity – do we see a light at the end of the tunnel?:
 - Increased obligations relating to the consequences of the economic and financial crisis: deficit, debt.
 - Ageing of the population: pensions, health care.
 - Only sound and transparent public finance will facilitate a more effective use of funds.
 - Quality of public finance for both long-term sustainability of public finance and economic growth.

HOW?



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- Introduction of the entrepreneurial principles of work
- Transfer of competences and responsibilities to lower levels
- Enhanced flexibility
- Changes in the present governance, aimed at creating target- and output-oriented governance
- Redirection to inputs and procedures, outputs and outcome
- Target- and output-oriented financial plans
- Budget users reporting on their results





Do we know where we want to? What do we want?

National
reform
programme
(EU2020)

Community
Strategic
Guidelines for
Cohesion,
Cohesion
Regulations

Monitoring
Committee,
Public tenders and
procurement

- **Slovenia's Development Strategy till 2013**

- **National Development Programme of the Republic of Slovenia 2007-2013 and**
- **RESOLUTION ON NATIONAL DEVELOPMENT PROJECTS**
- **NATIONAL AND STRATEGIC REFERENCE FRAMEWORK**
 - OP for strengthening *regional* development *potentials*
 - OP for human resources development
 - OP of environmental and transport infrastructure

- PARTNERSHIP, AREA AND SECTOR PROGRAMMES
- REGIONAL DEVELOPMENT PROGRAMMES

Budget as a tool for achieving social development goals



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- Definition – the Government's commitment as to which development goals contribute to increasing the well-being of the people.
- Budget as a growth promoter – a long-term impact on the economic growth, long-term financial sustainability.
- The industrialized countries' practices show that government spending accounting for 30% of PF

in GDP is an adequate goal on average (Tanzi, Schucknecht, 2000):

- Subsidies for state-owned companies vs. privatisation, avoiding monopolies;
- Education vs. voucher system, universities – privatisation, improving competitiveness through outsourcing;
- Health care vs. no model is clear in terms of controls, quality;
- Pensions vs. pay-as-you-go scheme, increasing the retirement age, a multi-pillar system;
- Unemployment vs. mandatory system with a minimum cover, promoting early activation, liberalisation of the labour market, more flexible wage determination.

IRS

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Changed frame of mind – content rather than process

"Your refund? — Oh, we spent
that money MONTHS ago!"



Sound combination of the output-oriented budget and modernisation of the public sector

Drawing up the budget

- The budget is used in order to provide a lasting social progress, well-being.
- Economy, efficiency and effectiveness of public spending must be enhanced.
- Responsibility for operation and implementation of programmes must be increased.

Implementing the budget

- Output-oriented.
- Process of allocating budget funds to target programmes.
- Objectives set by consensus, measured by anticipated indicators.
- Costs defined per unit, comparability between years, transparency.
- CCs are defined by programme – close monitoring of activities, costs.
- Responsibility is defined by determining the point of responsibility – point of decision-making.

Budget performance introduction



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Where we are:

(top down)

Medium-term budget framework

- Fiscal rule (nominal value – maximum level of expenditures for 2010 and 2011)

(bottom up)

- Logical frameworks on the level of development sub-programme (expenditures are structured according to the measures and not by ministries)
- Measures, results, goals on the level of sub-programmes are linked to the level of programmes and after to the policy levels (on the pictures below are expenditures in % BDP on this two levels)
- Established new process of the preparation (working groups, multilateral negotiations, prioritising of the measures on the level of programmes and policies)

Medium-term programme framework



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A structured, regulated process: a combination from the policy-related aspect and from the technical aspect

Technical aspect

Quality estimates

Macroeconomic estimates

Policy-related aspect

Forecasts vs. targets

Income, debt, expenditure

Fiscal estimates/envelope

Fiscal policy, debt management, public expenditure policy

Expenditure trend, review of spending, assessment of policies

Expenditure limits on the policy level

Key amendments to policies

Assessment and evaluation of policies and programmes, investment planning

Sectoral requirements

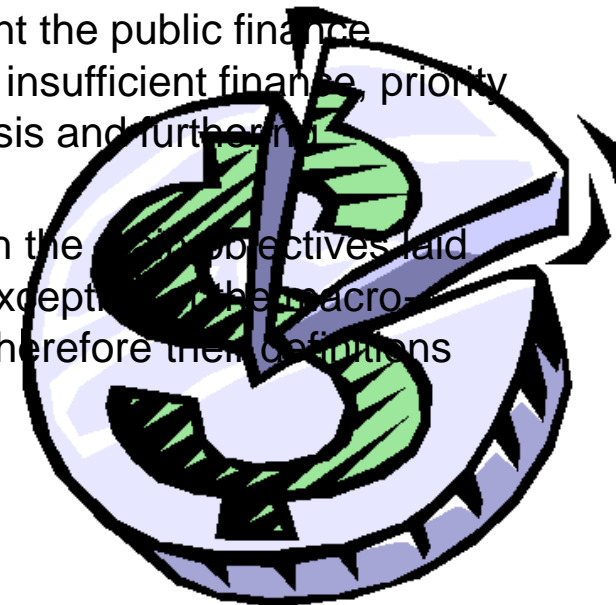
Sectoral strategies, investment policy

Source: Bill Dorotinsky, April 2009, ppt in Vienna



Why 11 development policies and 3 state-making policies?

- Transparency of the policies is becoming, due to limited general government resources and their various impacts on development, increasingly important. In order for the measures to be consistent, they have to be (Murn, 2009):
 - (1) coordinated both within the government and with the NGOs and other stakeholders; (2) their implementation must be monitored and efficiency measured, and (3) amended and supplemented where appropriate.
- In order to implement the national and trans-national measures and the plan for overcoming global recession, the following is necessary:
 - development policies must be coordinated, taking into account the public finance capacities, which must be allocated so as to allow, in case of insufficient finance, priority implementation of the policies mitigating the impact of the crisis and further development.
 - Choosing the number of the policies is closely connected with the objectives laid down in the strategic documents. The policies are, with the exception of the macro-economic policy, partial and overlapping to a certain extent, therefore their definitions vary considerably.





Planning the Budget

TRANSITION to new “development POLICIES” classification working in GROUPS

1. Encouraging Entrepreneurship and Competitiveness
2. Higher Education, Science, Technology and the Information Society
3. Labour Market
4. Education and Sport
5. Culture
6. Transport and Transport Infrastructure
7. Energy
8. Agriculture, Forestry, Fishing and Food
9. Environmental and Spatial Planning Policy
10. Social Security
11. Health Protection
12. Institutions of the Political System
13. National Security, Defence and Foreign Affairs
14. Management of Systems of Public Administration
15. Strengthening Institutions governed by the Rule of Law, Freedom and Security
16. Servicing the Public Debt and Payments to the European Union Budget, Reserves



Encouraging entrepreneurship and competitiveness



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Objectives / strategies

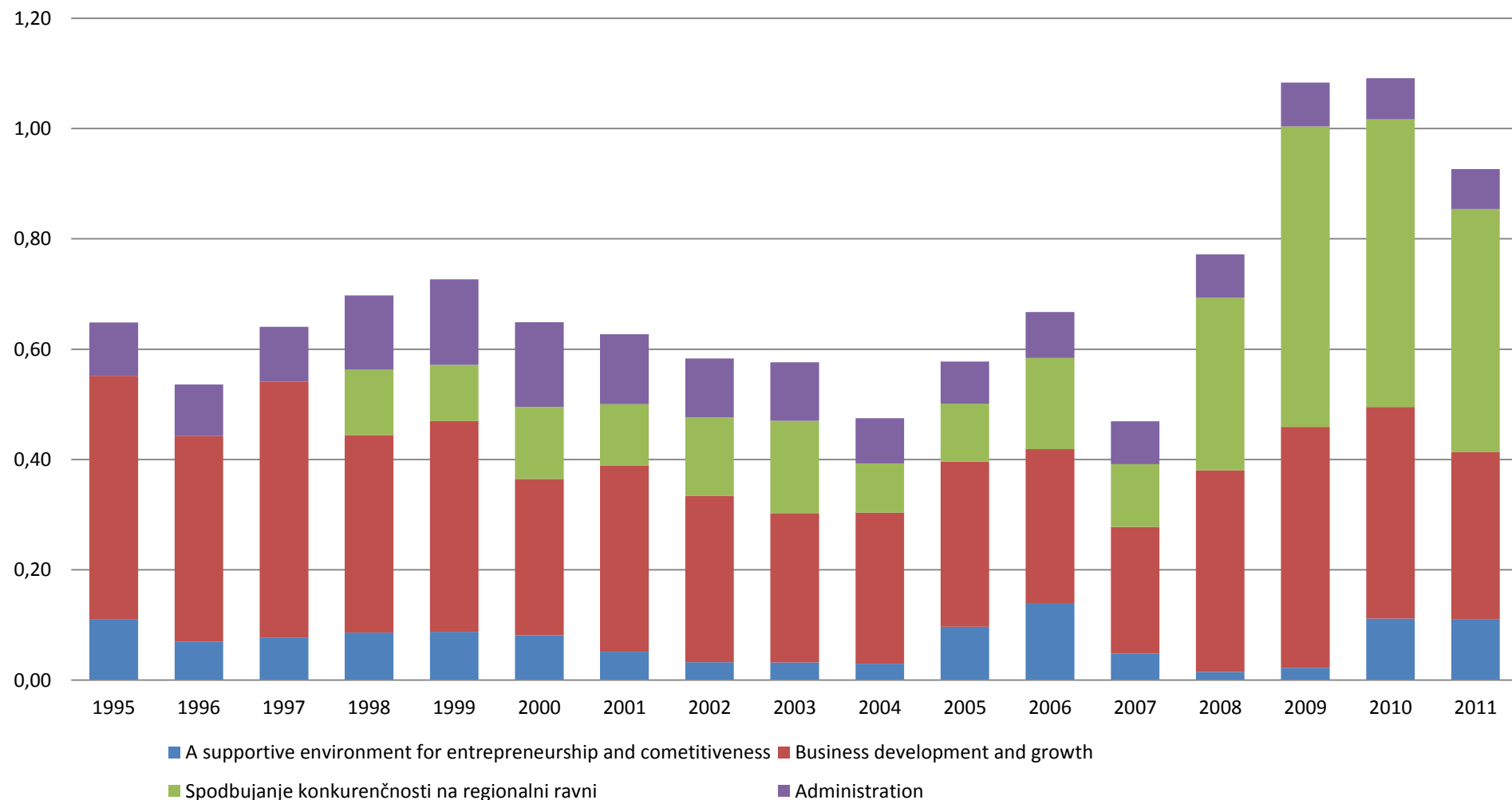
- Programme of Measures for Encouraging Entrepreneurship and Competitiveness for the Period 2007-2013,
- Resolution on the National Research and Development Programme 2006-2010,
- Programme of the Government of the Republic of Slovenia for promoting internationalization for the period 2005-2009,
- Programme of the Government of the Republic of Slovenia for promoting foreign direct investment for the period 2005-2009,
- Development Plan and Policies of Slovene Tourism 2007-2011,
- National E-administration Strategy for the Period 2006 to 2010,
- Programme for Selling the Assets of the Republic of Slovenia,

Current situation

- In global terms, Slovenia ranks approx. 36th according to the global competitiveness index (WEF) or approx. 32th according to the business competitiveness index.
- According to IMD, Slovenia ranks approx. 38th in terms of the global competitiveness index.
- According to the 2007 data of the AJPES Agency, value added per employee in micro and small companies slightly exceeded EUR 28,000, in medium companies stood somewhat below EUR 32,000 and in large companies somewhat below EUR 40,000.



Encouraging entrepreneurship and competitiveness in % BDP



Higher education, science, technology and the information society



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Objectives / strategies

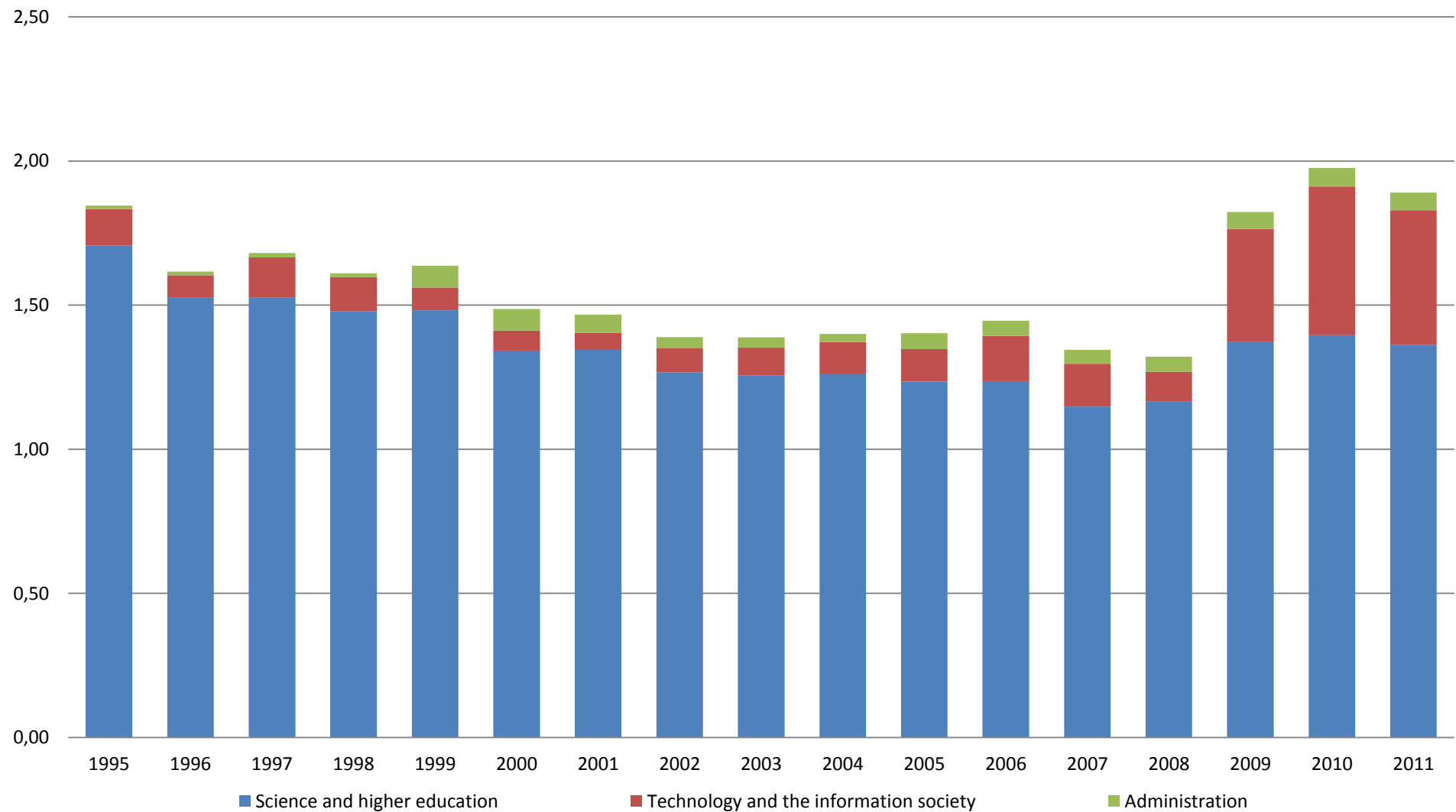
- Resolution on the National Research and Development Programme 2006-2010,
- Programme for Encouraging Technology Development and the Information Society for the Period 2007-2012,
- Broadband Network Development Strategy in the Republic of Slovenia,
- Strategy of the Republic of Slovenia for the Switchover from Analogue to Digital Broadcasting,
- Strategy of the Republic of Slovenia for Introducing fixed wireless systems FWS in the frequency range 3410 MHz to 3600 MHz in the territory of the Republic of Slovenia,
- Strategy for Development of the Information Society in the Republic of Slovenia (si2010),
- E-health, Strategy for Computerisation of the Slovenian Health System 2005-2010 and E-Justice, Strategy for Computerisation of the Slovenian Justice System 2008-2013,
- Programme of work of the Slovenian Research Agency and the Slovenian Technology Agency, ...
- Operational programmes

Current situation

- In 2007, gross domestic expenditure on R&D expressed as a percentage of GDP went down considerably (as a share in GDP, it fell by 0.11 p.p. to 1.45% GDP year on year).
- Slovenia is relatively successful in generating knowledge at universities and research institutions, less successful in transferring knowledge from research institutions to the economy, and rather unsuccessful in protecting intellectual property. In terms of the latter, Slovenia only accounts for 25 to 30 percent of the European average.
- The basic criterion for habilitation is publishing of specialist articles rather than applying for patents. This does not, of course, encourage researchers to work for the industry. If the external environment is not improved, we will not even come close to the set objective of 200 new high-technology companies until 2010.



Higher education, science, technology and the information society in % BDP



Labour market



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Objectives / strategies

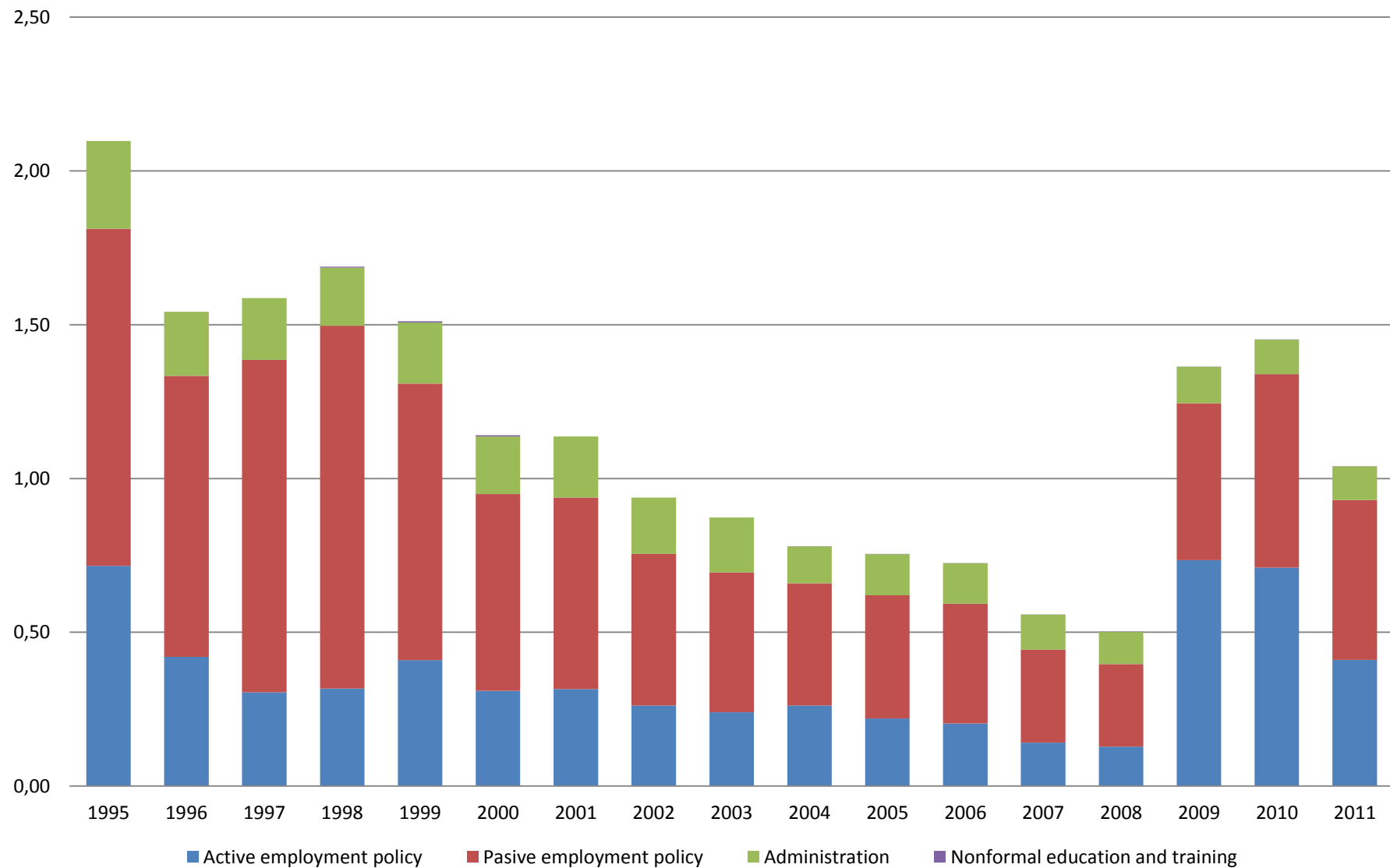
- Programme of the active employment policy measures for the Period 2007-2013,
- Operational Programme for Development of Human Resources for the Period 2007-2013,
- Public Works Programme 2009 and 2010,
- Programme of Educational Activities for the Unemployed for the 2008/2009 School Year,
- Programme of Work of the Employment Service of Slovenia,
- Programme of Work of the Slovene Human Resources Development and Scholarship Fund,
- Scholarship Act,
- National Professional Qualifications Act,
- Action Plan for People with Disabilities 2007-2013,
- Vocational Rehabilitation and Employment of Disabled Persons Act,
- Business and Financial Plans of the Republic of Slovenia Fund for Promotion of Employment for Disabled Persons,
- Resolution on the migration policy of the Republic of Slovenia,

Current situation

- Average labour productivity (in 2007, the average labour productivity in Slovenia reached EUR 35,811 of GDP per person in employment which, in terms of the current prices, is at the level of 65.0% (in 2006: 62.6%), in terms of purchasing power at the level of 84.6% of the EU average (77% of the average of the euro area).
- The employment rates of both older and young workers are on the upward trend, with the employment rate of the older workers still being critically low and one of the lowest in the EU, and that of young workers in 2007 exceeding the average rate in the EU.



Labour market in % BDP



Education, culture and sport



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Objectives / strategies

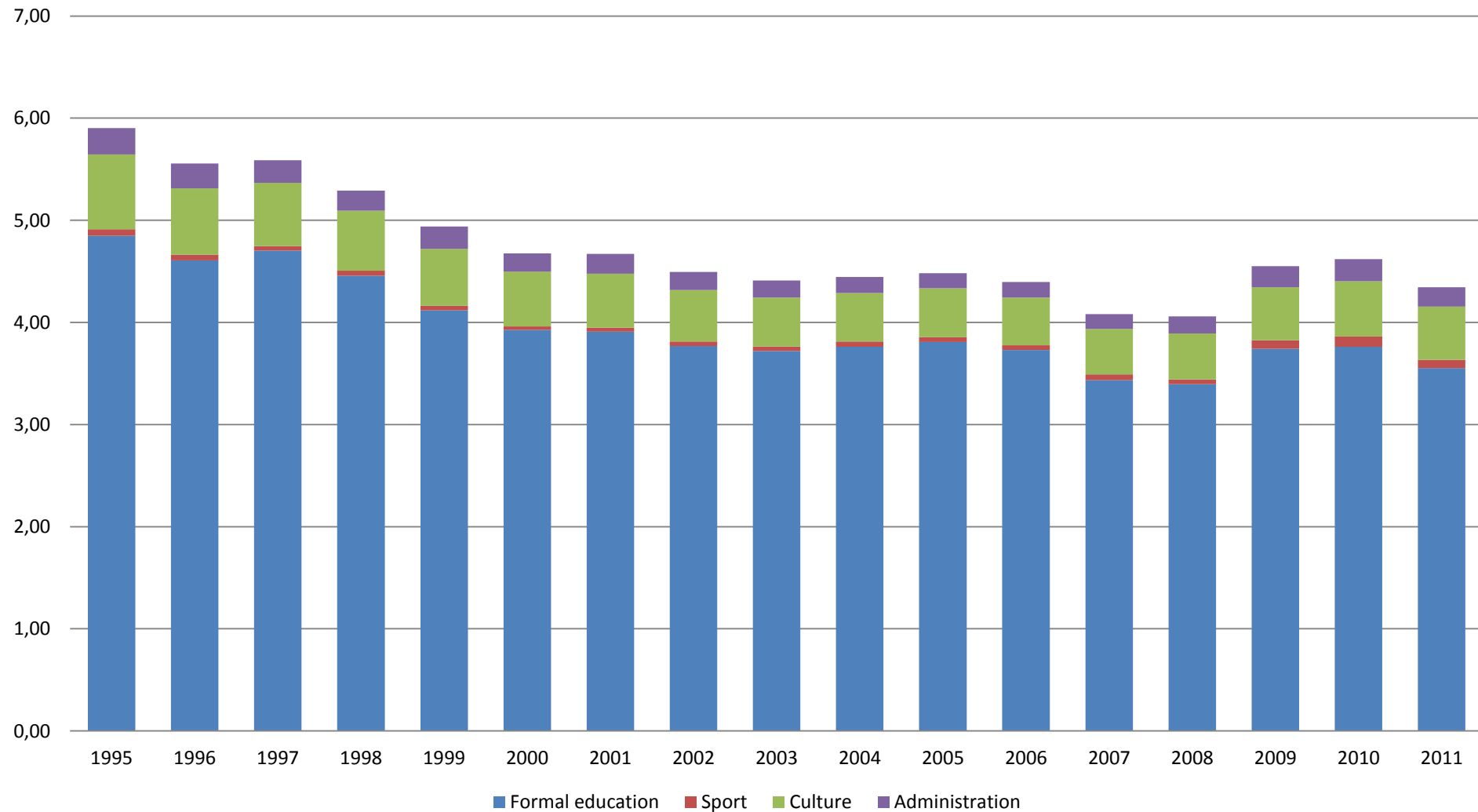
- Resolution on the Master Plan for Adult Education in the Republic of Slovenia until 2010,
- Strategy for Lifelong Learning in Slovenia,
- Children and Youth Programme 2006-2016,
- Annual Sports Programme for the Republic of Slovenia,
- National Sports Programme,
- Resolution on National Programme of Higher Education in the Republic of Slovenia 2006-2010,
- Operational Programme for Development of Human Resources for the Period 2007-2013,
- Resolution on National Development Projects for the Period 2007-2023,
- Resolution on the National Cultural Programme 2008 – 2011,
- War Graves Protection Programme

Current situation

- Expenditure for education supporting the second development priority SDS stands at approx. 6% of GDP, ranking the second highest.
- The share of population with tertiary education included in non-formal training was 19.8%, as regards persons with secondary education 7.5%, as regards those with lower education only 2.7%.
- Transition from school to labour market (young persons are very late in entering the labour market).
- Expenditure for recreation, culture and religion stands at approx. 1.1% of GDP, thereby being on the EU-25 level.



Education, culture and sport in % BDP



Transport, transport infrastructure and telecommunications



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Objectives / strategies

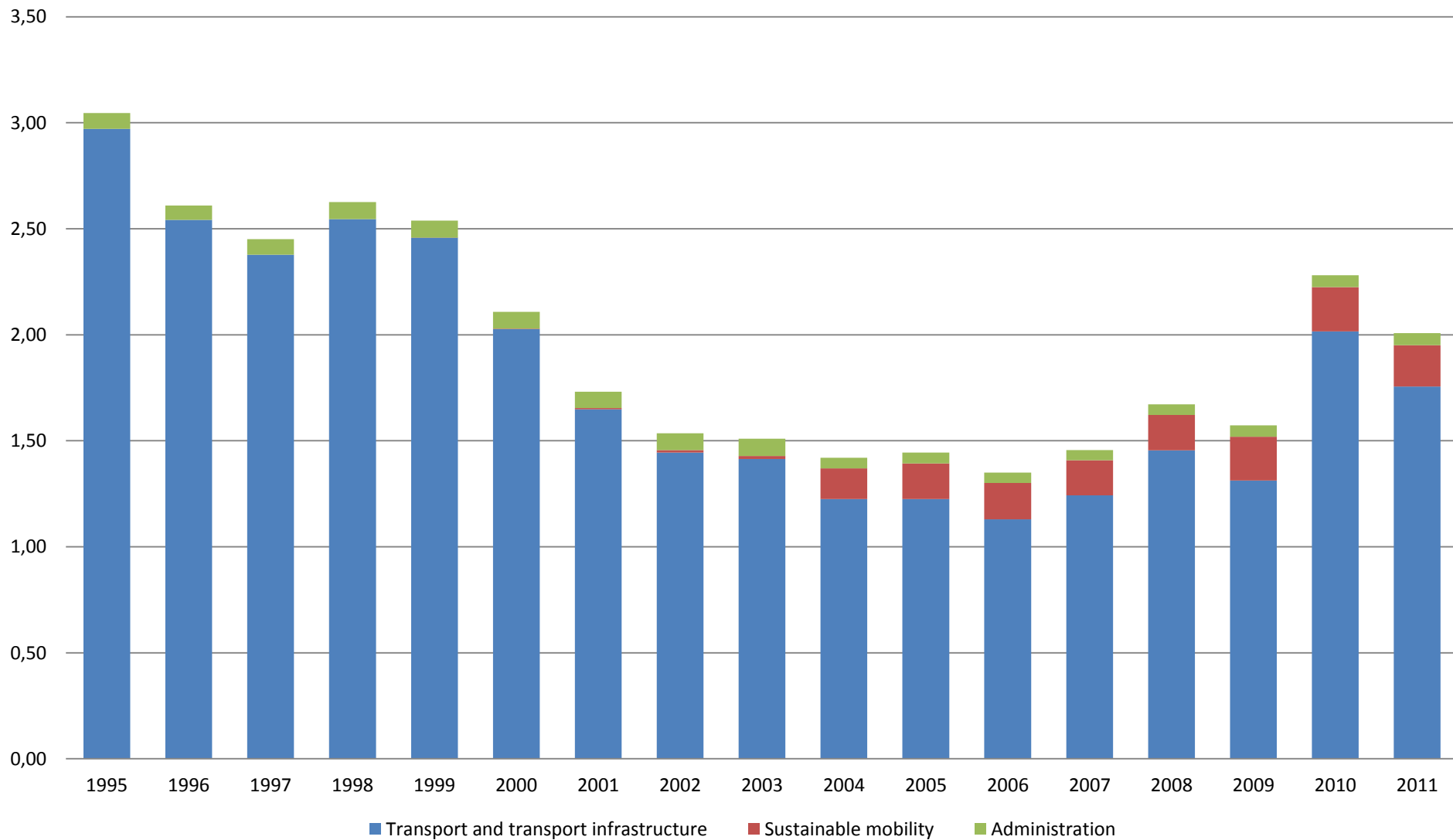
- Resolution on the Transport Policy,
- Resolution on the National Motorway Construction Programme in the Republic of Slovenia,
- Resolution on National Development Projects for the Period 2007-2023,
- Operational Programme of Environmental and Transport Infrastructure for the Period 2007-2013,
- Operational Programme of Ambient Air Protection against Pollution with PM₁₀ (is being prepared),
- Operational Programme for Limiting Greenhouse Gas Emissions until 2012 (is being revised on the basis of the report on the implementation of the OPGGE),
- National Programme of the Slovenian Railway Infrastructure Development,
- Resolution on the Maritime Guidelines of the Republic of Slovenia,
- National Programme of the Slovenian civil aviation development,
- Resolution on National Programme on Road Traffic Safety for the Period 2007-2011 ...

Current situation

- Growth in goods transport in Slovenia was 3.5 times higher than the economic growth. In EU, the respective difference was smaller (double).
- A significant difference can also be found in the fact that the growth in goods transport by road and that in goods transport by rail were much more parallel in the EU than in Slovenia (18.2% road, 4.5% rail).
- Thus, the main reason for growing GGE is the transport sector, which is the second largest source of GGE in Slovenia, with 4.8 Mt CO₂ ekv. in 2006 representing as much as 23.3% of total EGG.



Trasnport and transport infrastructure in % BDP





Objectives / strategies

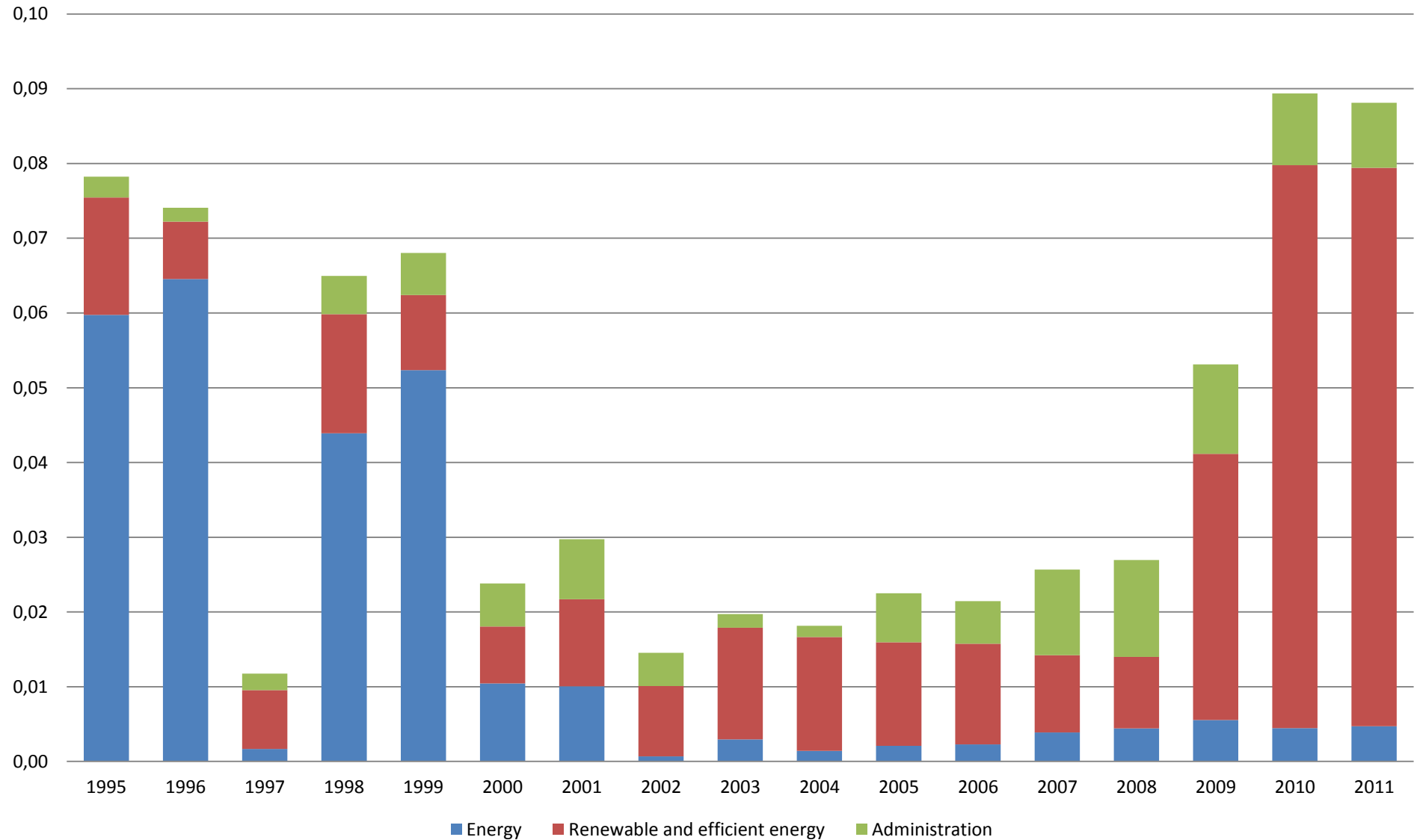
- The National Energy programme, involving the strategies for individual areas of electric power supply and other energy products,
- Resolution on National Development Projects for the Period 2007-2023,
- Operational Programme of Transport and Environmental Infrastructure,
- National Efficiency Energy Action Plan for the Period 2008-2016,
- Strategy of efficient energy use,
- Strategy of electric power supply,
- Strategy of coal supply,
- Operational Programme for Limiting Greenhouse Gas Emissions until 2012 (is being revised on the basis of the report on the implementation of the OPGGE),
- Strategy of Spatial Development of Slovenia.

Current situation

- The same product (€ 1 million GDP) was generated by the EU Member States by consuming, on average, one-third less energy than Slovenia.
- The share of RES in the primary energy consumption since 2000 (12.3%) is on a downward trend (2006, 10.5%). In the period 2000 - 2006, the share of RES went down by 18 p.p. In the last six years, energy consumption grew by 14.2%, whilst RES consumption even went down by 2.5%.
- The problem of the Efficiency Energy Action Plan, whose total value equals EUR 1,096,561, is insufficient financing. Approximately EUR 180 million of public funds are necessary in order to close the financial construction until 2016. After the 2009 supplementary budget has been adopted, the funds earmarked for this were reduced by one half.



Energy in % BDP



Agriculture, forestry, fishing and food



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Objectives / strategies

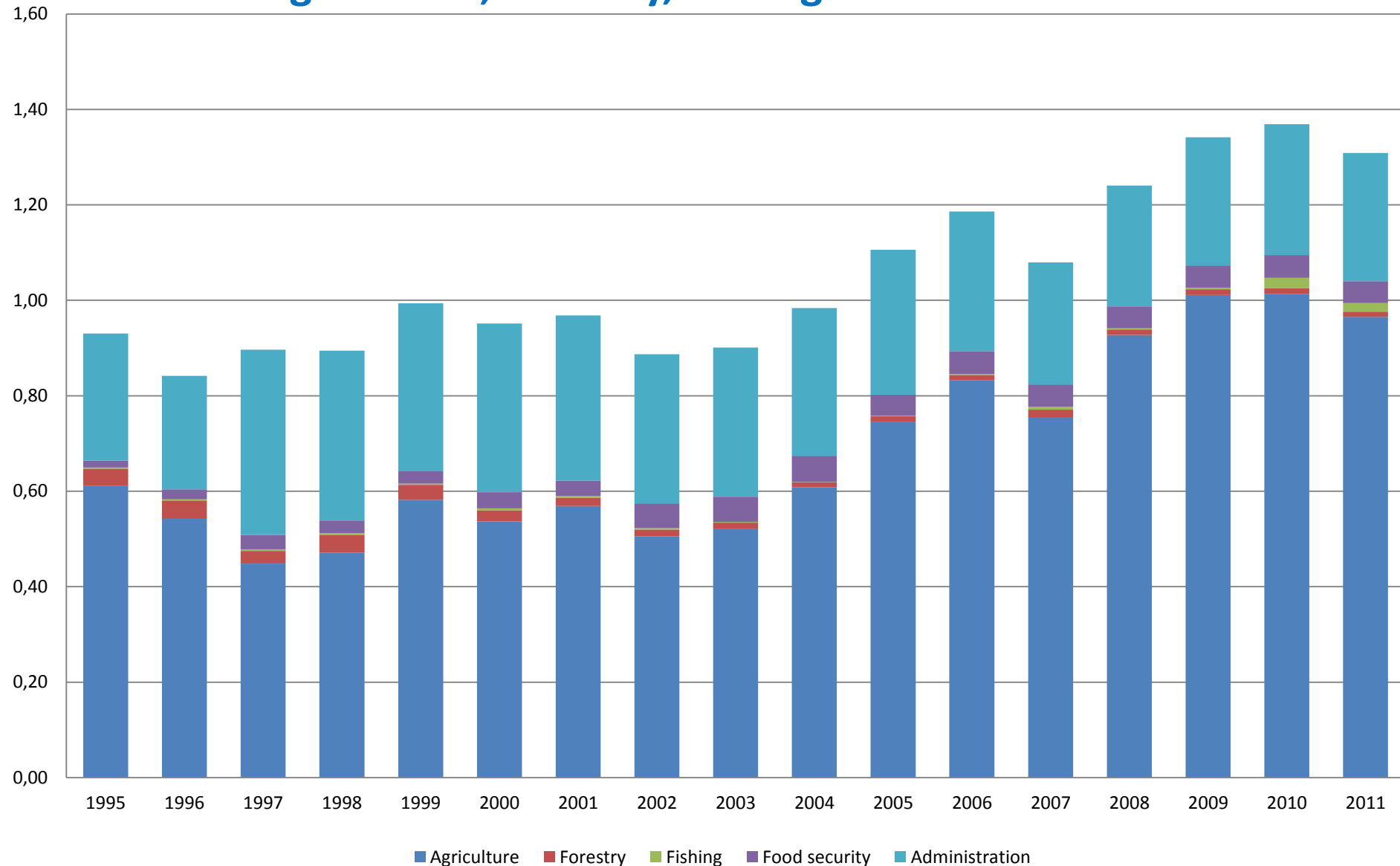
- National Strategic Plan of Rural Development in the Republic of Slovenia 2007-2013,
- National Strategic Plan of Fisheries Development in the Republic of Slovenia 2007-2013,
- Programme of Rural Development in the Republic of Slovenia 2007-2013,
- Programme of Fisheries Development in the Republic of Slovenia 2007-2013,
- Action Plan of Organic Agriculture and Organic Foods Development,
- Strategy for Conservation of Biodiversity,
- Operational Programme for the Protection of Water against Pollution Caused by Nitrates from Agricultural Production for 2004 - 2008,
- Operational Programme for Reducing the Pollution of Surface Waters with Priority and Other Hazardous Substances,
- Strategy of Spatial Development of Slovenia,
- Strategy of Safe Food, ...

Current situation

- The use of NPK fertilisers per unit of utilised agricultural area (UAA), which is above the EU average, in 2006 grew slightly for the first time after 2000.
- In 2007, a growth in the share of agricultural land under ecologic control continued; in the future it will, given the strategic objectives, have to continue growing. In 2007, those Slovenian farms which are included in the system of control of organic and integrated agriculture, were already farming over 17% of the total UAA.
- The area of forest which accounts for over one-half of the territory of Slovenia is still growing despite the fact that this is not planned.



Agriculture, Forestry, Fishing and Food in % BDP



Environmental and spatial planning policy



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Objectives / strategies

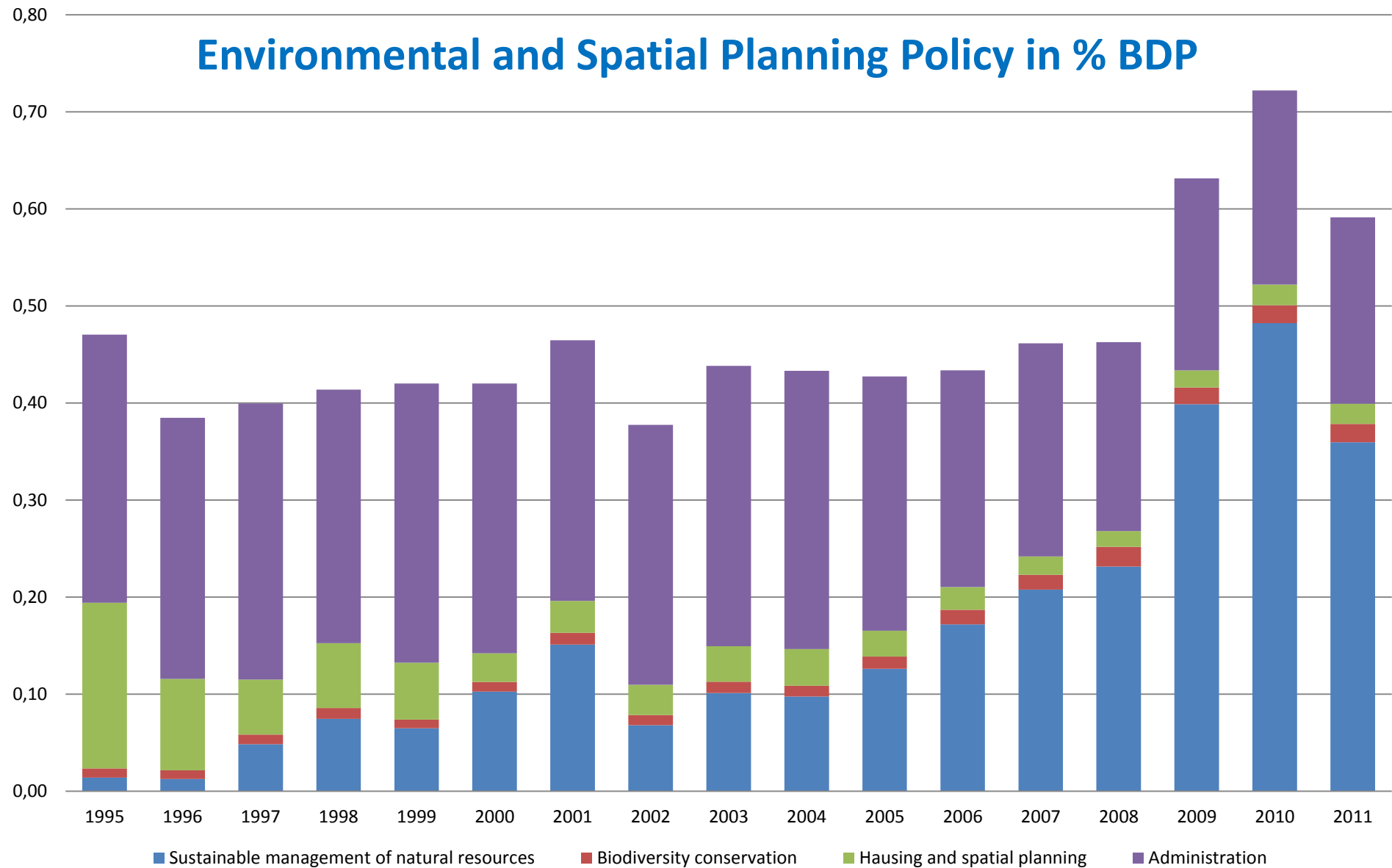
- Resolution on National Environmental Action Plan 2005-2012,
- Operational Programme – Natura 2000 Management Programme for the Period 2007-2012 – Action Plan for Conservation of Biodiversity with the Natura 2000 Management Programme,
- Operational Programme for the Prevention of Pollution of Water Environment Caused by Dangerous Chlorinated Hydrocarbons from Diffuse Pollution Sources,
- Action Plan for Water Supply,
- Operational Programme for Reducing the Pollution of Surface Waters with Priority and Other Hazardous Substances,
- Operational programmes ...

Current situation

- In the EU, the share of waste disposed has been on the downward trend for years, thus from 1996 to 2007 it dropped from 59.6% to 41.0%. The decrease was even more pronounced in the EU-15 (from 54.6% to 34.2%), with the reductions in the recent year being the most rapid in Germany, Sweden, Belgium and the Netherlands. In the said countries, the share of municipal waste disposed in 2007 did not exceed 5%. In Slovenia, as much as 77.5% of waste is still being disposed.
- In the period 1992 to 2007, material consumption per capita was doubled from 16.6 tons to 30.3 tons in 2007.



Environmental and Spatial Planning Policy in % BDP



Social security and health protection



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Objectives / strategies

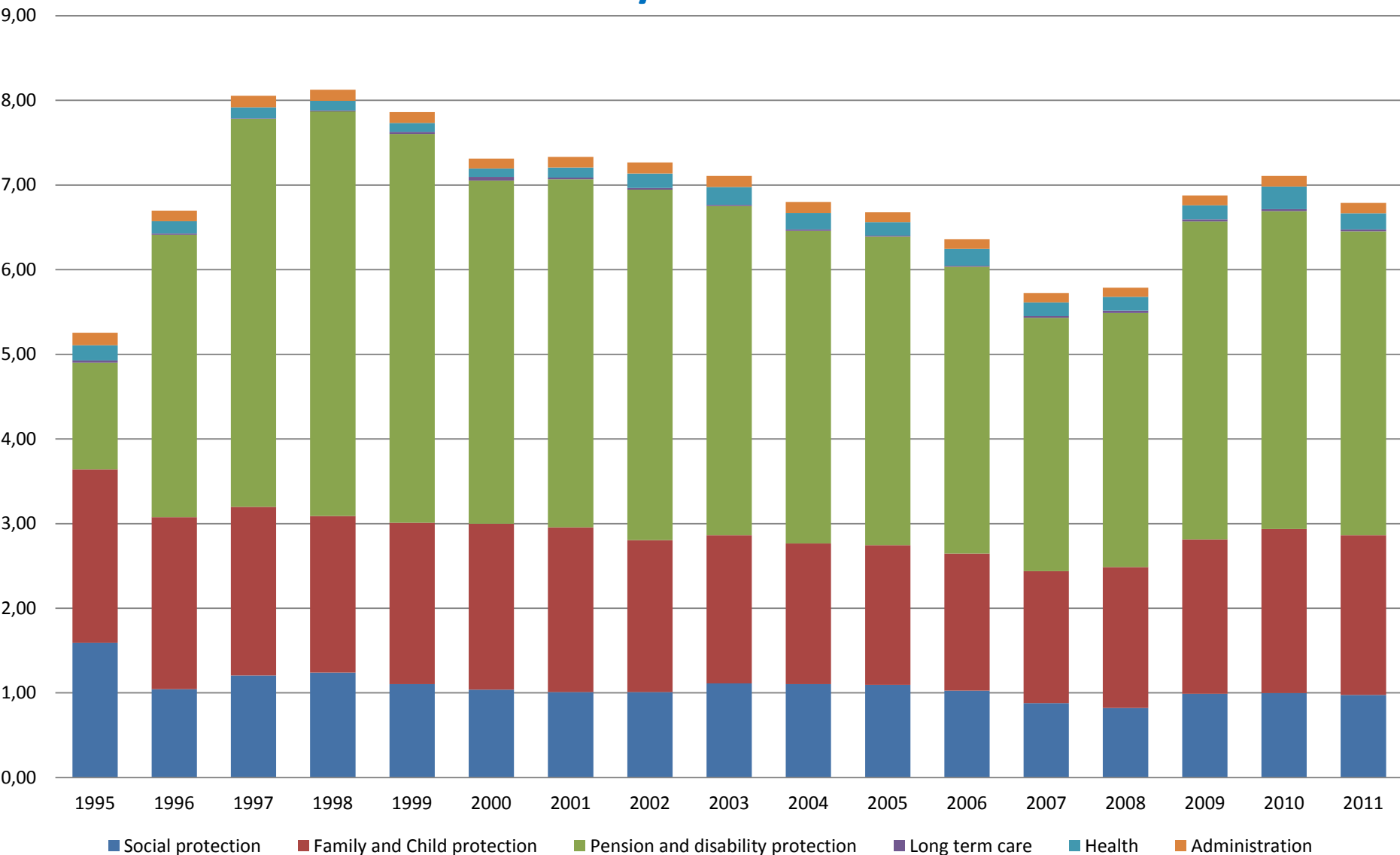
- Social Agreement for the Period 2007-2009,
- National Report on Strategies for Social Protection and Social Inclusion 2008-2011,
- Resolution on the National Social Assistance Programme 2006 - 2010,
- Strategy of Care for the Elderly till 2010,
- Resolution on National Plan of Health Care,
- Resolution on the National Nutritional Policy Programme 2005 – 2010,
- Resolution on National Programme for Safety and Health at Work,
- Strategy of the Government of the Republic of Slovenia in the field of health-enhancing physical activity from 2007 to 2012,
- Resolution on the Bases of Devising a Family Policy, Children and Youth Programme from 2006 to 2016,
- Vocational Rehabilitation and Employment of Disabled Persons Act,
- Act on the Use of Slovene Sign Language,
- Convention on the Rights of Persons with Disabilities,
- National Housing Programme, ...

Current situation

- The difference in the shares of GDP allocated to social protection is increasing if compared to the EU average. In 2006, an average of 27.0% of GDP was spent on social protection in EU-25 (in Slovenia 22.8%), and in 2000 26.5% (in Slovenia 24.2%).
- In Slovenia, the major source of funds for social protection is accounted for by contributions of those insured, whilst in the EU contributions of employers. In Slovenia, 67.9% of social protection programmes is financed from social contributions, of this contributions of insured persons 40.8% (which is almost twice the respective figure in the EU), contributions of employers 27.1% (in the EU 38.2%).
- The share of GDP allocated to health care in Slovenia is approximately the same as the EU average, Slovenia is also approaching the EU average as regards the amount of expenditure per capita.

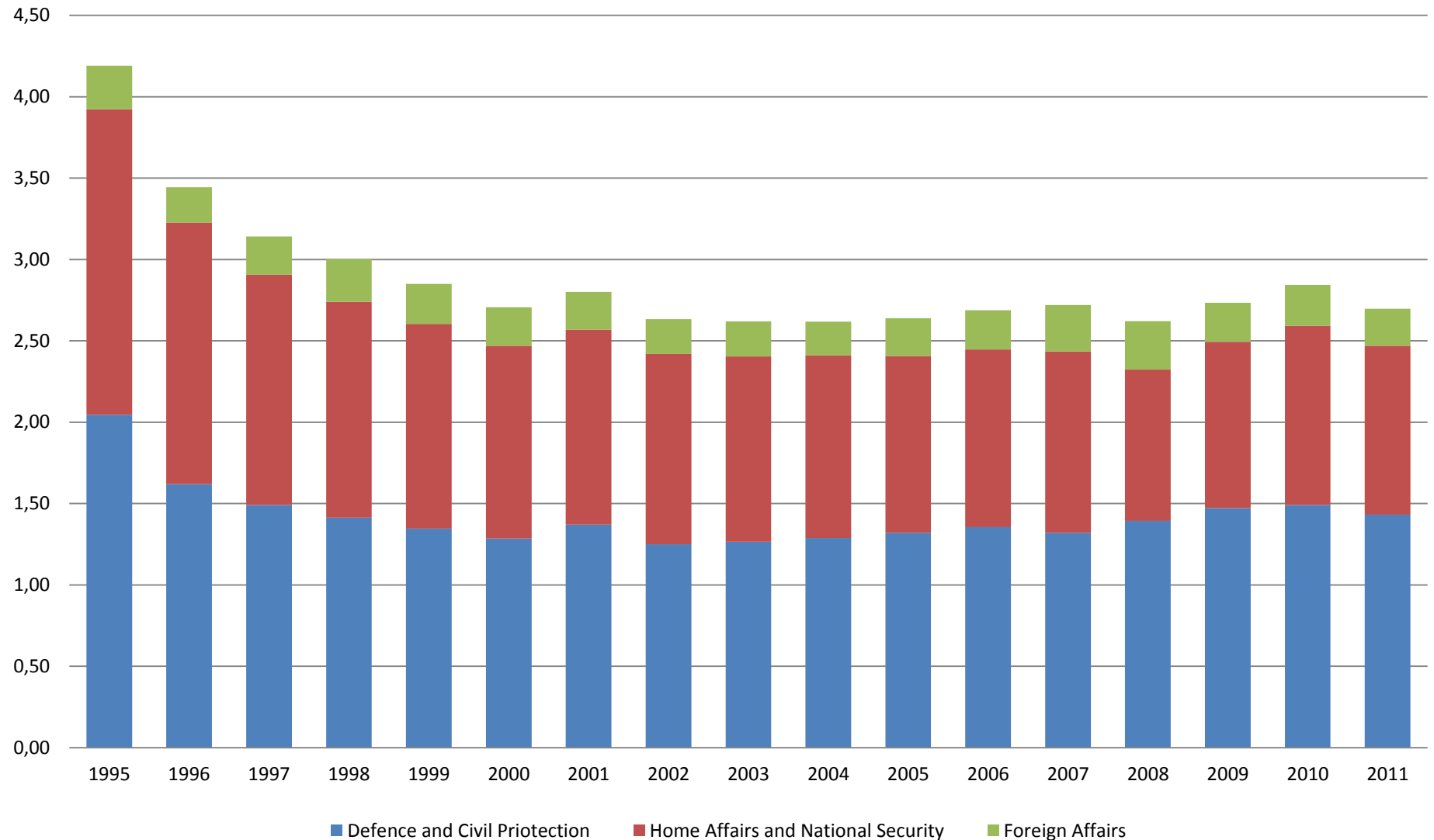


Social Security and Health Protection in % BDP





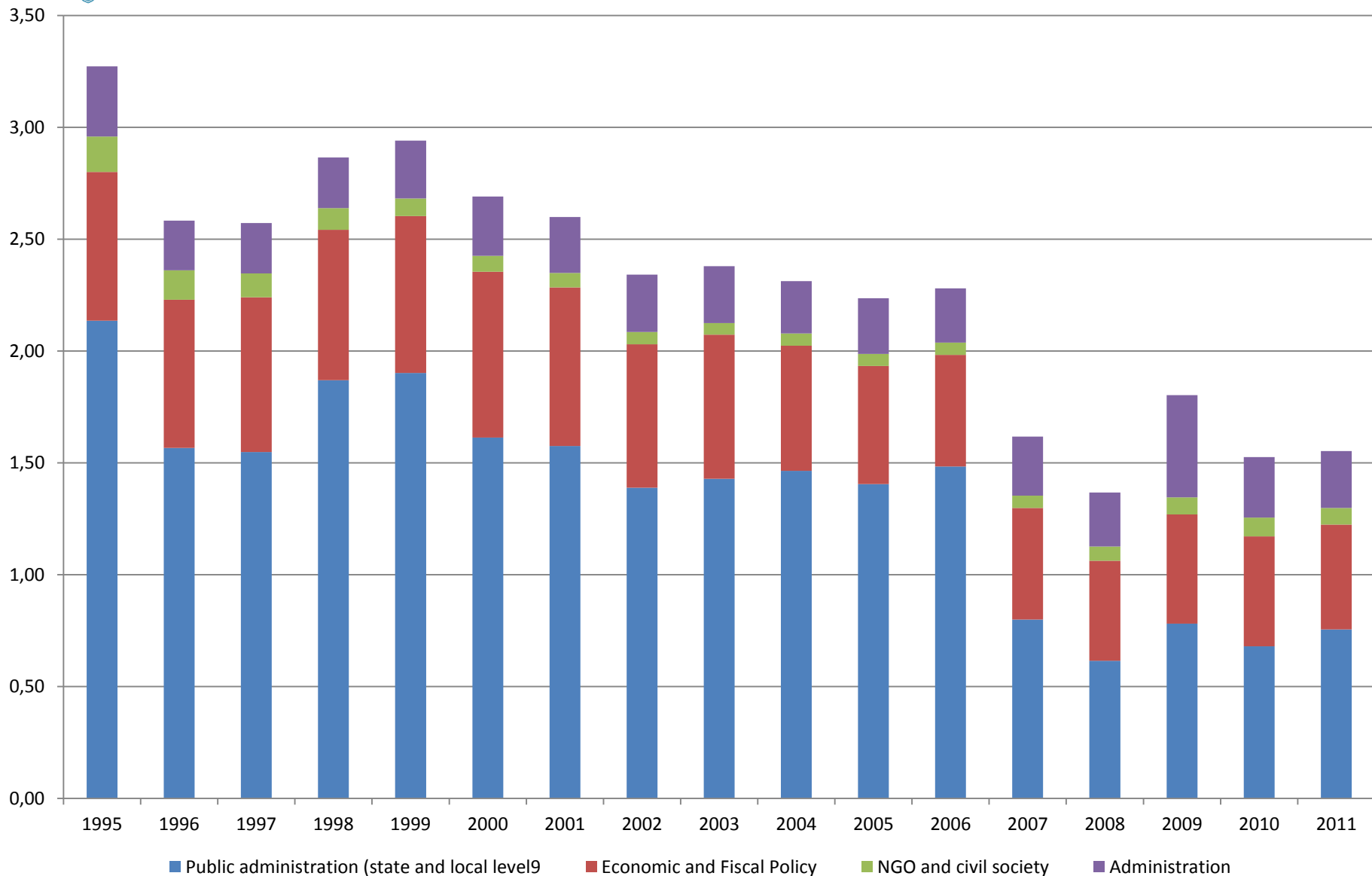
National Security, Defence and Foreign Affairs in % BDP



Management of System of Public Administration in % BDP



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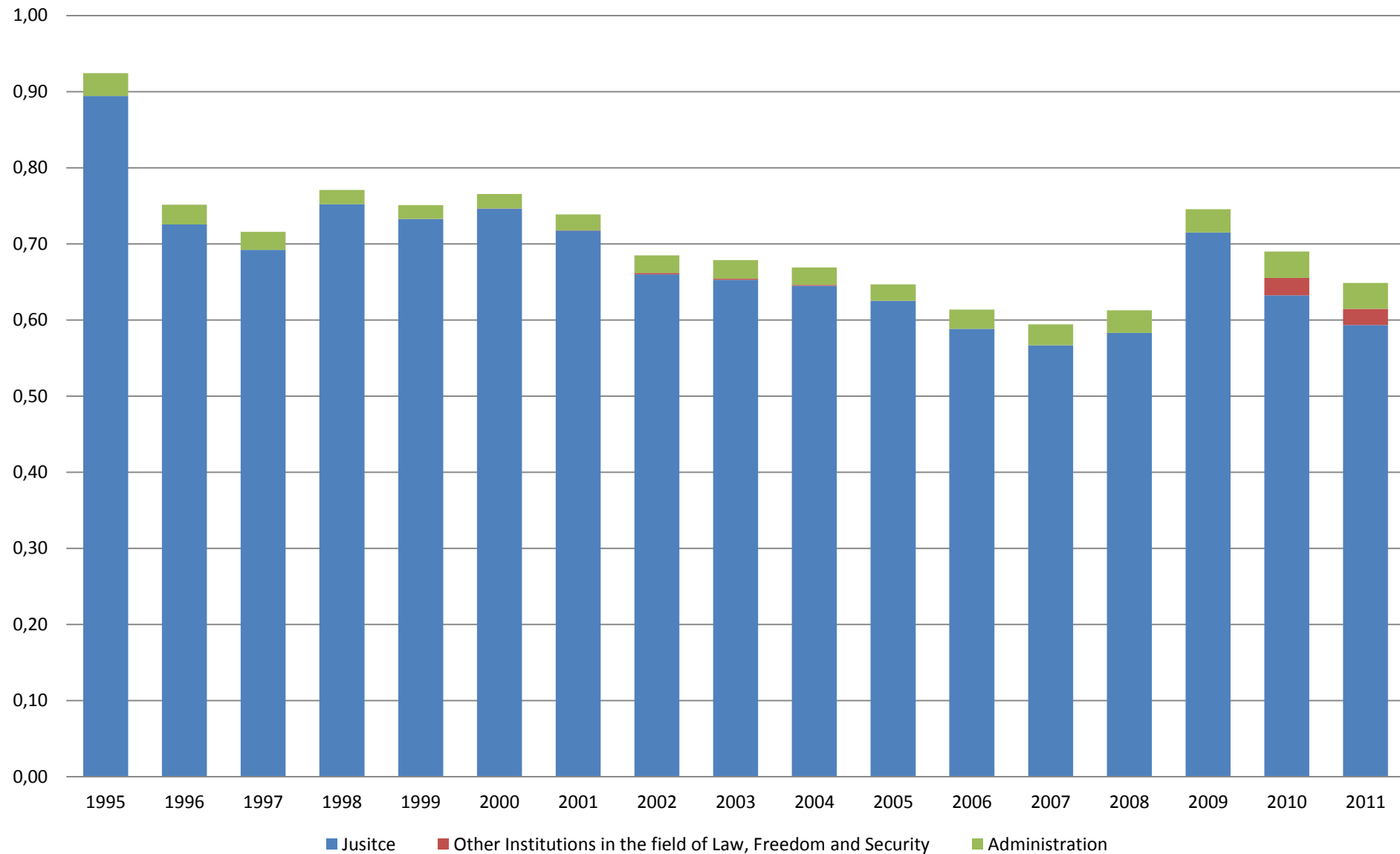


Strengthening Institutions governed by the Rule of Law, Freedom and Security in % BDP

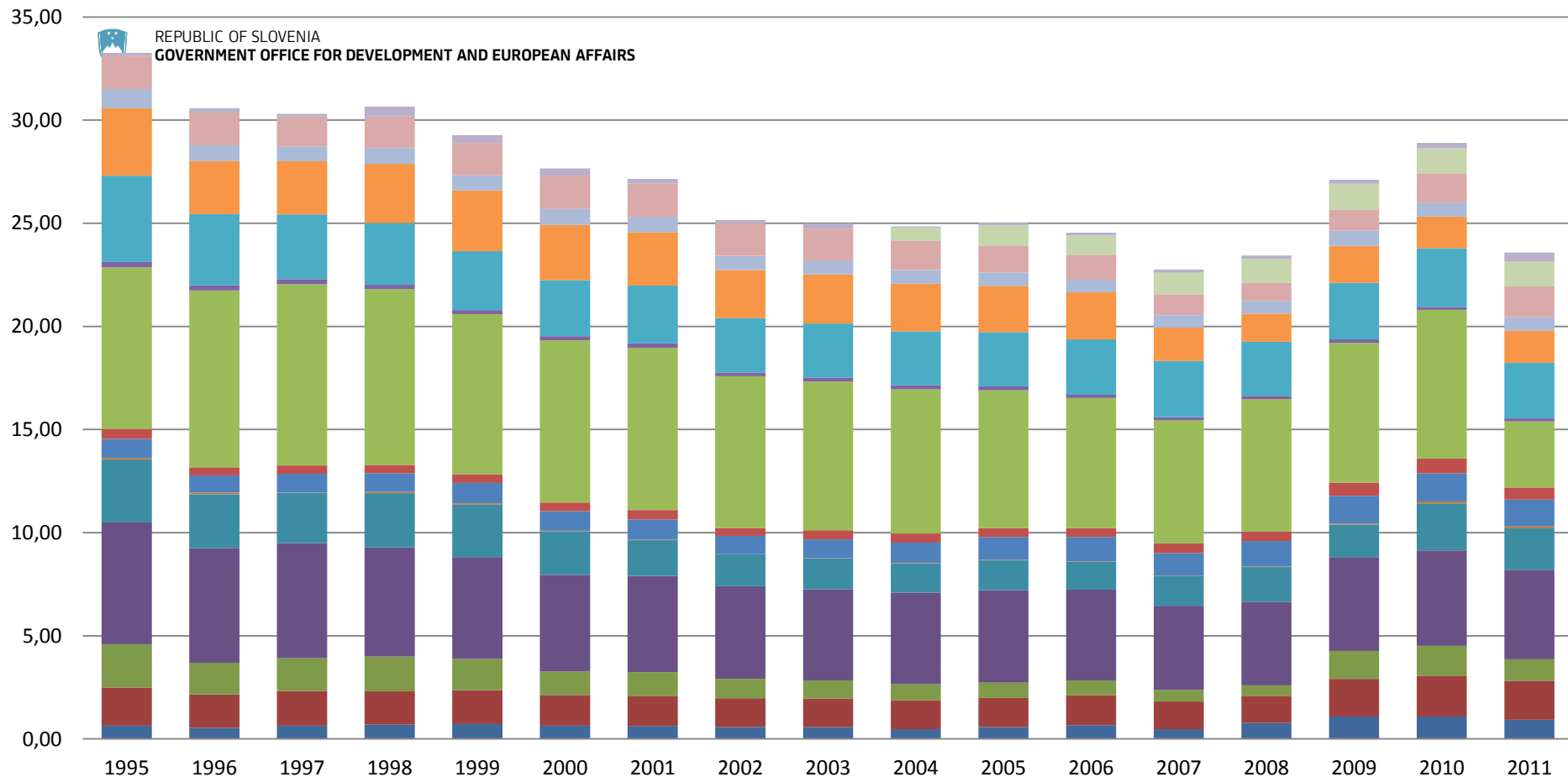


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Freedom and Security in % BDP



Public expenditure in % BDP – whole policies



- Reserves
- Servicing the Public Debt
- Management of Systems of Public Administration
- Institutions of the Political System
- Environmental and Spatial Planning Policy
- Energy
- Education, Culture and Sport
- Higher Education, Science, Technology and the Information Society
- Payments to the European Union Budget
- Strengthening Institutions governed by the Rule of Law, Freedom and Security
- National Security, Defence and Foreign Affairs
- Social Security and Health Protection
- Agriculture, Forestry, Fishing and Food
- Transport and Transport Infrastructure
- Labour Market
- Encouraging Entrepreneurship and Competitiveness



“Working method” in groups - Logical framework:

- Why? – it is designed to improve project planning and evaluation possibilities:
 - Plans with no clear goals and target values
 - Inexact definition of responsibilities
 - Have we made any evaluation at all?

- What does it represent – it is both an analytical process and a planning and management tool



Logical framework and activities: Logical framework – funds and costs:


- Activities in our case are related to the main instruments or the measures to be implemented (budgetary items joined together)
- The sequence of activities and the causal-consecutive relations between them must be identified
- The launching, duration and finishing of a measure, instrument, project must be assessed
- Finally, the timeline for the entire sub-programme must be identified
- Defining the milestones
- Task allocation
- Allocating the funds
- The funds necessary for each activity must be identified (ideally, when the funds are allocated to cost centres)
- The extent of the input required and the costs per unit must be identified
- Various sources (Other sources from public enterprises – energy, the EU sources, municipalities ...) must also be identified





Logical framework:

ANALYSIS	PLANNING
↓ »Stakeholder« analysis, SWOT analysis,...	↓ Developing the logical framework (general goals, specific goals or a purpose, anticipated outputs and activities)
↓ Problem analysis (particularly the causal-consecutive relation)	↓ Activity planning
↓ Objective analysis (envisaged situation in the future, hierarchy of goals,..)	↓ Planning the funds
↓ Strategy analysis (do we cover all the goals, what are the alternatives – positive, which combination of goals will bring the best outputs,..)	

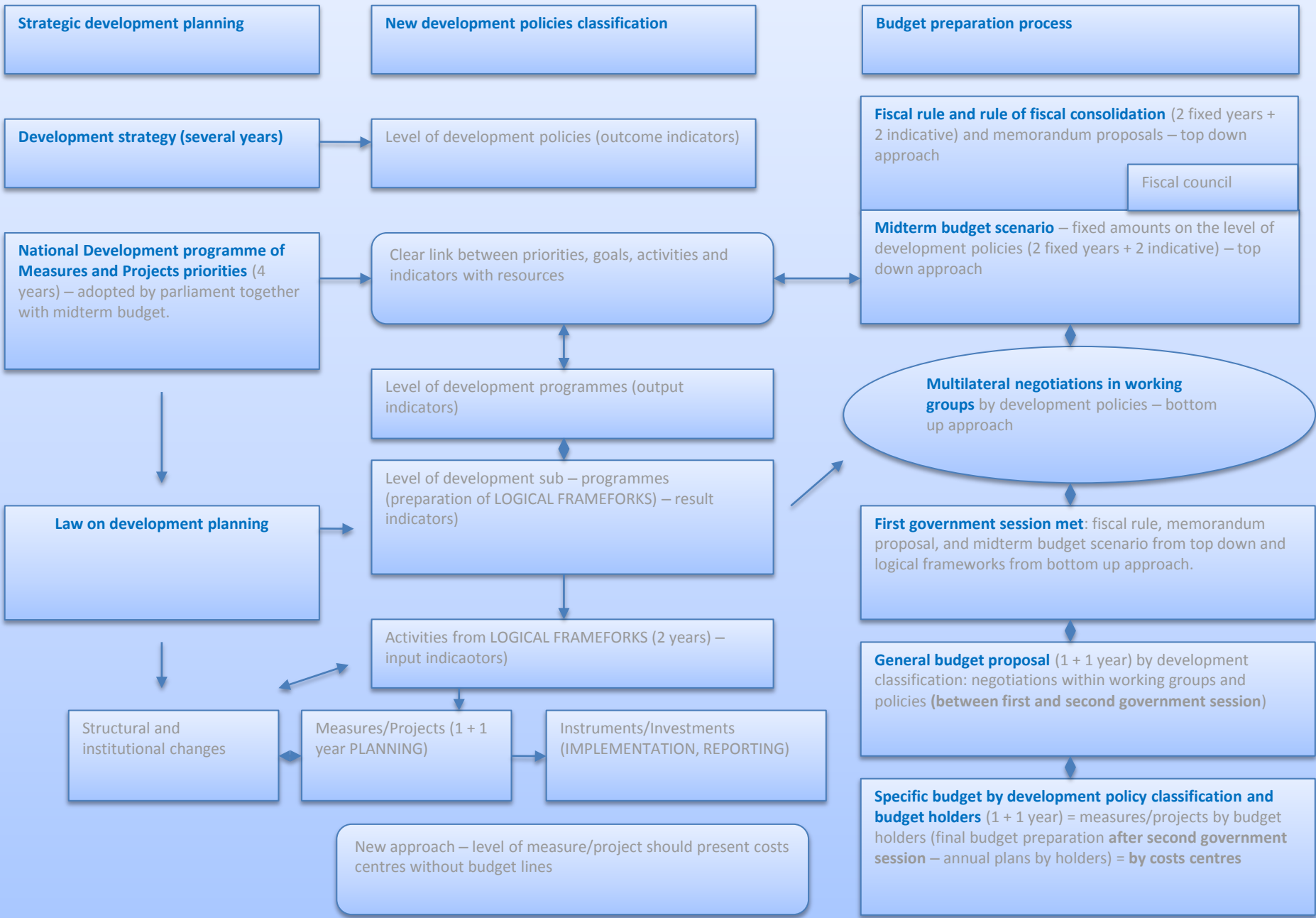
Framework matrix

	<p>LOGIC FOR SUGGESTION</p>	<p>INDICATORS</p>	<p>SOURCES OF INFORMATION AND THE MEANS OF VERIFICATION</p>	<p>ASSUMPTIONS - FORECASTS</p>
<p>General goal</p>	<p>What are the goals of the project?</p>	<p>The key indicators relating to the general goal.</p>	<p>A certain source of information and methodology.</p>	<p>//</p>
<p>Specific goals</p>	<p>Which is the specific goal to be attained?</p>	<p>Which indicators show clearly that the goal has been attained?</p>		<p>The issue of the specific goal's relation to the general goal: Which factors and conditions must be generated in order for the goal to be realised? The risk – uncertainty factors must also be identified?</p>
<p>Anticipate d outputs</p>	<p>Please list the anticipated outputs.</p>	<p>Indicators relating to the result, output, ...</p>		<p>Relation of the outputs to the goals of the project: Which are the factors (general) facilitating the realisation of the outputs under the plan?</p>
<p> Activities</p>	<p>What are the key activities which must be carried out and in what order for the outputs to be attained - activities should be classified by output.</p>	<p>Please classify indicators by activity (input indicators?)</p>		<p>Activities and outputs: Here they should be identified prior to the conditions for launching the project!</p>

Programme: Active employment policy				
Sub-programme: <i>Training incentives</i>				
	REPUBLIC OF SLOVENIA GOVERNMENT OFFICE FOR DEVELOPMENT AND EUROPEAN AFFAIRS LOGIC FOR SUGGESTION	INDICATORS	SOURCES OF INFORMATION AND THE MEANS OF VERIFICATION	ASSUMPTIONS - FORECASTS
General goals	<ul style="list-style-type: none"> Improved employability and qualifications of individuals 	<ul style="list-style-type: none"> Increase in employment (rate of employment)? The number of those employed mainly as a result of the knowledge obtained in the programmes Amount of wage prior to and after the training 	<ul style="list-style-type: none"> Opinion poll Implementing institutions Companies Individuals 	<ul style="list-style-type: none"> Employment rate is a contextual indicator which cannot be influenced by those programmes only. It will therefore not show the efficiency of the programmes. It would be more appropriate to use this indicator at the overall programme level and assess, by using the »models«, a contribution of each individual policy towards attainment of this goal.
Specific goal	<ul style="list-style-type: none"> Improving employability and qualifications in the elderly (55 - ..) Reducing the obstacles for transition from school (or other statuses) to labour market Efficient operation of the »education and training market« 	<ul style="list-style-type: none"> Outflow from unemployment to employment as a result of inclusion in the programmes after six months (the number of employments following six months after conclusion of the programmes) The number of the included, successfully completed and employed elderly persons The number of the included, successfully completed and employed young persons 	<ul style="list-style-type: none"> Implementing institutions 	<ul style="list-style-type: none"> Cooperation among institutions

<p>Anticipated outputs</p>  <p>REPUBLIC OF SLOVENIA GOVERNMENT OFFICE FOR DEVELOPMENT AND EUROPEAN AFFAIRS</p>	<ul style="list-style-type: none"> • More (how much?) of those included in education and training • More successfully completed training courses • More employments after completion of the programmes • More cooperation with employers (networking, personnel departments, requirements, development, ...) • A system for identifying the requirements is in place 	<ul style="list-style-type: none"> • Number of those included/Number of planned inclusions • Number of successfully completed programmes/Total number of those included • Number of those employed immediately after conclusion of the programmes • Number of the companies cooperating with the fund • Requirements forecast 	<ul style="list-style-type: none"> • Implementing institutions • Companies 	<ul style="list-style-type: none"> • Measures announced in a timely and appropriate manner • Adequate assistance to applicants • What is successful completion of education and training? • Synergy among the measures (a package of measures)
<p>Activities</p>	<ul style="list-style-type: none"> • Providing education and training (including support to crisis interventions) to employees • Providing functional training and shorter training courses • Providing formal education and training • Providing and approving national occupational qualifications • On-the-job training • Job rotation • Training of individuals • Efficient operation of the Slovene Human Resources Development and Scholarship Fund, • Setting up the system for identifying requirements • Encouraging the human resources function in companies 	<ul style="list-style-type: none"> • X financial funds • Estimate of potential and planned inclusions in individual measures • Estimate of potential number of companies • Expert evaluation made for requirement identification 	<ul style="list-style-type: none"> • Ministry • Fund • Employment Service of Slovenia 	<ul style="list-style-type: none"> • Requirements of employers • Individual responsibility • System operation (administrative competence of the fund, measures drawn up in a timely manner,...) • Agreements made between institutions (MLFSA – MES) • Cooperation (operation) of the career consultancy contact centre and the fund

Policies required for development	Programme	Sub-programme	PP - ID	PP_NAME	Expenditure ...	PPR_ID	PPR_NAME
Labour market	Active employment policy	Training programmes	5512	Network of occupational information centres			
			8663	Lifelong learning		19052601	Adult education
			7023	Preparation of the unemployed for employment		10032605	Increasing employability
			4282	Training and education for employment		10032605	Increasing employability
			3559	ESS - EU funds for measure 2.1.			
			3558	Own funding - Measure 2.1. ESS			
			4368	Structural funds EPD 2.3 - education of the unemployed - own funding			
			5780	Education of the unemployed		10033301	Education and training of the unemployed
			6247	Project learning for young adults			
			7486	Slovene Human Resources Development and Scholarship Fund		19062602	Scholarships
			4367	Structural funds EPD 2.3 - education of the unemployed - EU funds			
			6935	Competitiveness and employability - 07-13 - EU		10032607	Creating new jobs and increasing company adaptability
			9405	Competitiveness and employability ESS - 07-13 - Slovenian funding		10032607	Creating new jobs and increasing company adaptability
			3594	Education and training of employees			
			3647	Own funding - Measure 2.4.ESS		10032607	Creating new jobs and increasing company adaptability



Reports on the efficiency of the policies and evaluations

Budget performance reports



Challenges:

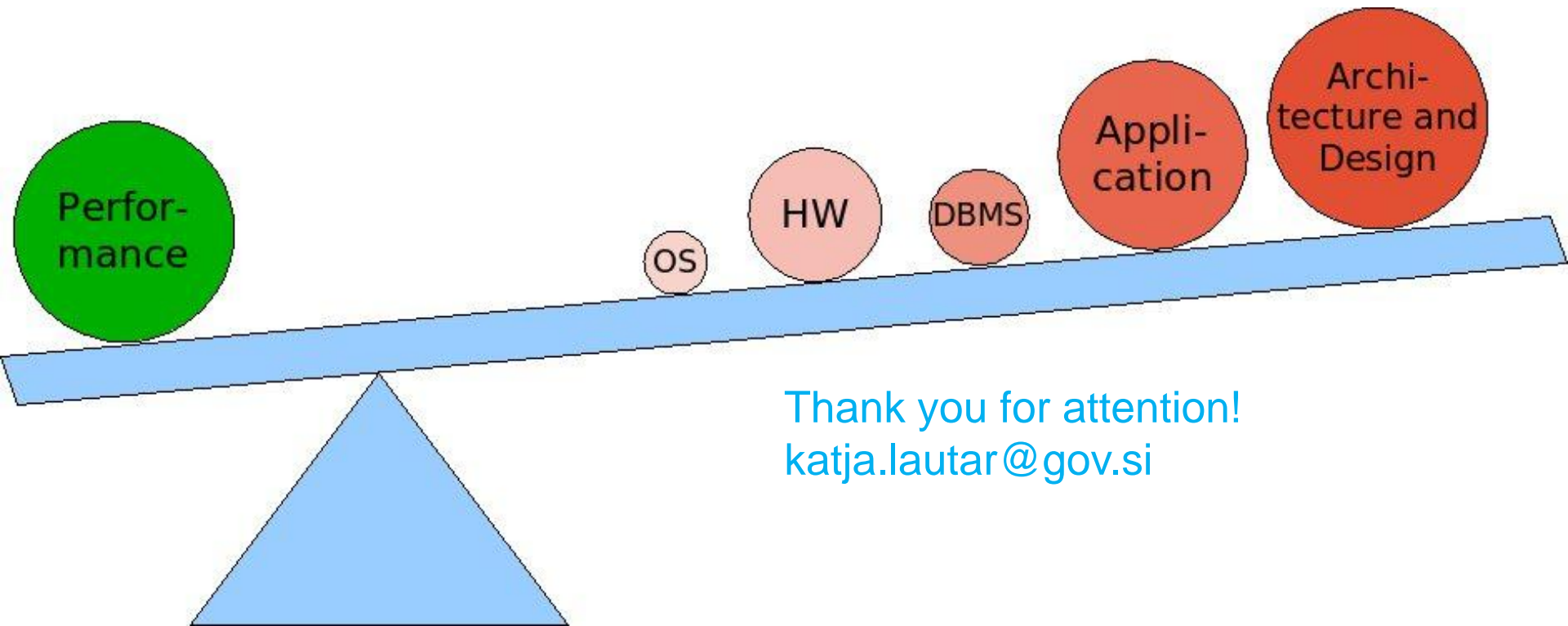
- **Policy evaluation:**
 - Development of programme indicators (rethinking of the LFA: connection of activities – results and outputs – with the indicators, rethinking of the causalities between goals and activities and indicators,...)
 - Establishing of the monitoring system (data base of all strategic programmes, linkage of expenditures and physical indicators,...) - under way
 - Creation of the reporting system - under way
 - Development of evaluation models
- **Further development of performance-oriented budget:**
 - complete elaboration of a performance budget – introduction of cost centres
 - Cash flow principle to Accrual Method Accounting
- **Modernisation of public sector**



Fundamental and radical reforms will be needed if the objective of substantially reducing public spending, while making it more efficient, is to be achieved.

(Tanzi and Schuknecht, 1997)

THIS OBJECTIVE SHOULD BE SEEN AS ACHIEVABLE AND NOT JUST A MIRAGE.



Thank you for attention!
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