PRIORITIES OF THE SLOVAK REPUBLIC IN THE CONTEXT OF THE MULTIANNUAL FINANCIAL FRAMEWORK 2021-2027

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Abstract: The long-term budget of the European Union - The Multiannual Financial Framework is a time-limited period of seven years as a rule and, in line with European legislation, is intended to ensure that European Union spending on individual policies is spent systematically and within its own resources, which the annual budget of the European Union must respect, thus laying the cornerstone of the European Union's financial discipline. For the Slovak Republic, the most important chapter in the Multiannual Financial Framework is the cohesion policy, as it is possible to draw European Union funds under the Structural Funds and the Cohesion Fund, which represents a significant part of public expenditure for the Slovak Republic. For this reason, this paper will focus on the priorities and objectives set by the Slovak Republic in preparation for the programming period 2021-2027 under the European Union Cohesion Policy. The main objective of this paper is to analyze the priorities and the form of the Multiannual Financial Framework for 2021-2027 in the context of the priorities of the Slovak Republic for this period.
Key words: Multiannual financial framework, EU budget, Cohesion policy, programming period 2021-2027

Introduction

The European Union (EU) is an integration community of 27 countries which, by joining the Community, have committed themselves to the same rights and obligations in implementing a unified foreign and internal policy of sovereign Member States. At the same time, the EU is an economic and political grouping whose main objective is a Europe with sustainable economic growth, a competitive economy and improving environmental quality. An important element of the EU is the common policies for each area. Policy-making is under the umbrella of the EU institutions, in which all Member States are represented and are subsequently obliged to follow these policies within the framework of their national legislation in accordance with EU legislation.

Three main institutions are involved in the legislative process: the European Parliament, which represents the citizens of the Union and is directly elected by them; The Council of the European Union, representing the Member States. The Presidency of the Council shall rotate between

Member States on a rotating basis; The European Commission (Commission), which represents the interests of the EU as a whole. This 'institutional triangle' creates the policies and legislation that apply throughout the EU through the ordinary legislative procedure (formerly known as the co-decision procedure). In principle, the Commission proposes new legislation, but it is adopted by Parliament and the Council. The Commission and the Member States then apply them and at the same time ensure that the legislation is properly applied and implemented (European Union, 2019).

One common feature of the EU is the common budget. The EU budget is intended to finance EU policy, the administrative expenditure of the European institutions and for other purposes. Budget revenues are predominantly levies based on Member States' GDP (73.0%), followed by customs duties and agricultural import levies (11.5%) and share in value added tax (VAT) of Member States (14.4%). Budget expenditure consists of expenditure on agriculture (42.9%), Structural and Cohesion Funds (35.6%), internal policy (7.4%), foreign activities (4.3%), administration (5.2%), reserves (0.4%), pre-accession aid (2.9%) and others (European Union, 2020).

The EU Treaty and the Treaty on the Functioning of the EU (European Union, 2012) define the concept of the EU's long-term budget as a Multiannual Financial Framework (MFF), established for a period of at least five years, to ensure that EU spending is spent systematically and within its own resources; it sets out the provisions that the EU annual budget must respect, thus laying the cornerstone of financial discipline (European Parliament, 2019). The MFF have been five so far. The Lisbon Treaty has transformed the MFF from an inter-institutional agreement to a legally binding act (European Union, 2007). The MFF for the years 2021-2027 is currently being negotiated in the EU, with legislative budget proposals being presented by the Commission as early as 2018.

For the Slovak Republic, the most important chapter in the MFF is cohesion policy, as this chapter can draw EU funds under the Structural Funds and the Cohesion Fund, which represents a significant part of public expenditure for the Slovak Republic. For this reason, this paper will focus on the priorities and objectives set by the Slovak Republic in preparation for the programming period 2021-2027 under the EU Cohesion Policy. The main aim of this paper is to analyse the form of the MFF for the years 2021-2027 in the context of the priorities of the Slovak Republic for this period. In this paper we used methods of analysis, synthesis, induction and deduction to achieve the set goals. Another key method that was used was descriptive statistics and we used a graphical representation of the identified values for better visualization.

1. European Union Cohesion Policy

Cohesion policy is one of the main EU policies in terms of importance or financial scope (Kováčik, 2021). Cohesion policy is a strategy of the European Union (EU) to help and promote the overall harmonious development of Member States and regions. At the same time, cohesion policy is the main source of investment in Europe. The EU Cohesion Policy, enshrined in the TFEU, aims to strengthen economic and social cohesion by reducing disparities in the degree of development between regions. This policy focuses on key areas that will help the EU to meet the current challenges of the 21st century and remain competitive globally.

During the period of its implementation, the attributes of cohesion policy have changed significantly and evolved. In particular, it concerns its objectives and instruments as well as the structure of financial security. This was mainly due to the need to respond flexibly to the dynamic changes that Europe has undergone in recent years.

These changes can be most effectively observed through the adoption of EU strategic documents such as the Lisbon Strategy or the Europe 2020 Strategy (European Commission, 2010).

Based on the defined priorities in these documents, as well as the definition of measures, we can see that the objectives of cohesion policy were no longer defined solely to reduce regional disparities between regions, but under the influence of events such as the global economic and financial crisis have focused on a much wider range of interventions. European structural and regional policy also referred to as EU cohesion policy, resp. it is currently closely linked to the Europe 2020 objectives. The main role of structural policy is to strengthen economic, social and territorial solidarity, referred to as cohesion in the various EU Member States. It pays particular attention to promoting growth and jobs in regions where regional development is lagging behind. These regions are named as structurally weak regions. Cohesion and structural policy is therefore an expression of EU solidarity with its less developed Member States and their regions (Dobrík, Rýsová, 2014). Despite the implementation of regional policy in Slovakia, it is necessary to realize that the current economic development is followed by a constant increase in the differences between regions (Čajka - Ondria, 2015).

Theoretic-methodological anchoring and general issues of regional policy functioning as such dealt in e.g. Gorzelak, Kukliński 1992, Maier, Todtling 1998, Armstrong, Taylor 2000, or Wokoun et al. 2008, in terms of home provenance, e.g. Samson et al. 2001, Rajčáková 2005, Ivanička, Ivaničková 2007 or Buček, Rehák, Tvrdoň 2010. Some of the aforementioned works also examined regional policy developments over a longer period of time (e.g. Samson et al. 2001, Rajčáková 2005, Bachtler, 2018). By assessing the impact of EU regional policy, based on the use of Structural Funds and examining convergence and divergent processes in the regional structure of the EU Flores 2008 or Busillo et al. The functioning of regional policy in the 1990s in Slovakia, i.e. in the first years of its existence, examined e.g. Búšik, 1998. Fiala, Krutílek, Pitrová 2018 discuss regional and structural EU policy in the context of financing individual EU policies. EU Cohesion Policy reforms, analysis of the policy formulation process and its impact on the multiannual financial framework are addressed by Bachtler, Mendez and Wishlade (2013). With the issue of setting up EU cohesion policy after 2020 deals also e.g. Begg (2018), according to which cohesion will increasingly be associated with wider economic governance within the European Semester, country-specific recommendations and disciplinary mechanisms on fiscal policy and macroeconomic imbalances.

2. Main elements of post-2020 cohesion policy

In its proposal for a general regulation COM (2018) 375 final, published in May 2018, the Commission proposes to modernize cohesion policy under the new programming period 2021-2027 (European Commission, 2019). The aim is to increase economic and social convergence, while helping regions to take full advantage of globalization and to provide them with the right tools for strong and lasting growth. All regions in Europe still based on the following three categories: less developed, transition and more developed regions, remain eligible for cohesion policy funding (European Commission, 2018). The Commission proposal for a modernized cohesion policy has the main elements:

A. Focus on key investment priorities.
B. Cohesion policy for all regions and a more individualized approach to regional development.
C. Less numerous, clearer and concise rules.
D. Stronger links with the European Semester to improve investment

A. Focusing on key investment priorities where the EU has much to offer:

The vast majority of investments from the European Regional Development Fund and the Cohesion Fund will go to innovation, support for SMEs, digital technologies and the modernization of industry. They also address the transition to a low-carbon, circular economy and the fight against climate change and the implementation of the Paris Agreement.

B. Cohesion policy for all regions and a more individualized approach to regional development:

- Investing in all regions: Regions that are still lagging behind in terms of growth or income - particularly those in Southern and Eastern Europe that will continue to receive important EU support. Cohesion policy will continue to invest in all regions, as many across Europe face difficulties in achieving industrial transformation, combating unemployment and maintaining a position in a globalized economy, including wealthier Member States.
- A more personalized approach: Cohesion policy recognizes three categories of regions: less developed, transition and more developed regions. In order to reduce disparities and help regions with low incomes and low growth to catch up with others, GDP per capita remains the predominant criterion for allocating funds. New criteria aim to better reflect reality in the field - youth unemployment, low education, climate change and the reception and integration of migrants.
- Local governance: Cohesion policy 2021-2027 represents a Europe that shifts responsibilities to regions by supporting local-led development strategies. Local, urban and territorial authorities will be more involved in the management of EU funds, while increasing the co-financing rate in regions and cities will improve accountability for EU-funded projects.

C. Less numerous, clearer, concise rules and a more flexible framework:

- Simplifying access to finance: Commission proposes to simplify rules, less bureaucracy and less control procedures for businesses and entrepreneurs benefiting from EU support in the next long-term EU budget.
- Single set of rules: One set of rules now includes the seven EU funds implemented in partnership with Member States ('shared management'), which will make life easier for program fund managers. It will also create better scope for synergies, for example between cohesion policy funds and the Asylum and Migration Fund, in developing local strategies for the integration of migrants. The framework also allows for a more efficient link with other funding from the EU Budget Toolbox. For example, Member States may decide to transfer some sources of cohesion policy to the InvestEU program.
- Adapting to needs: The new framework also combines the stability needed for long-term investment planning with an adequate level of flexibility to deal with unforeseen

events. The mid-term review will show whether changes to the programs for the last two years of the funding period are needed and there will be limited transfers of resources under programs supported by EU funds.

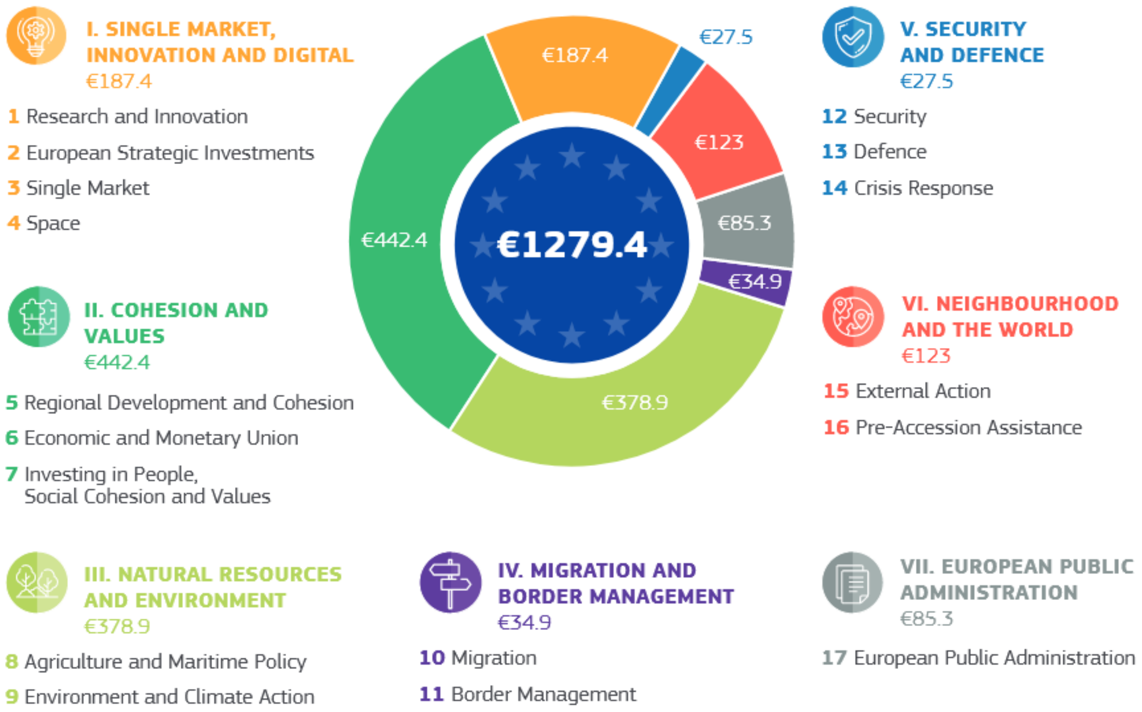
D. Stronger links with the European Semester to improve the investment environment in Europe:

The Commission proposes to strengthen the link between cohesion policy and the European Semester in order to create a favourable environment for growth and entrepreneurship in Europe in order to fully realize the investment potential at EU and Member State level. Such stronger support for structural reforms under cohesion policy will ensure full complementarity and coordination with the new, expanded reform support program (European Commission, 2018).

3. Draft Multiannual Financial Framework 2021-2027

On 2 May 2018, the Commission presented the long awaited draft budget - the MFF for 2021-2027. The Commission's proposals will fully align the EU budget with the EU's post-2020 program. The new MFF responds to new challenges such as terrorism, security threats, climate change and migration. In the context of the future long-term budget for 2021-2027, the Commission proposes to modernize cohesion policy, as this modernization is focused on the main investment policy of the EU (Kováčik - Imrovič, 2020). At the same time, however, it should have sufficient resources allocated to traditional instruments such as cohesion policy and the common agricultural policy, which help to strengthen internal cohesion and convergence in the EU. Building on the newly defined EU policy priorities, the new proposal is designed to meet the challenges identified and take advantage of opportunities, to be simpler and more flexible and to improve the transparency of budgetary spending. Future EU policy goals have been defined as a secure Europe, a prosperous and sustainable Europe, a social Europe and Europe as a stronger global player. For the first time ever, this is a budget of EUR 1 279 billion at current prices for the EU27 (after Brexit). In compiling it, the Commission has focused mainly on the 5 principles on which the proposal is based: 1) in line with political priorities, 2) clear and simple, 3) more flexible, 4) realistic and pragmatic, 5) fair and balanced (Office of the Deputy Prime Minister of the Slovak Republic for Investments and Informatisation, 2018). The proposed budget combines new instruments with modernized programs in order to effectively meet the Union's priorities and meet new challenges, bringing about increased transparency, reduced programs and reduced bureaucracy for final beneficiaries, increased flexibility and greater links with the European Semester.

Figure 1: Draft Multiannual Financial Framework for 2021-2027



Source: European Parliament, 2019

In the coming period, the MFF proposal for 2021-2027 will be the subject of discussions between EU Member States and complex negotiations in the Council of the EU, where it is adopted unanimously and will subsequently be the subject of a trialogue between the Commission, the Council and the European Parliament.

As part of its next long-term budget for 2021-2027, the Commission proposes to modernize cohesion policy, the EU's main investment policy and one of its most concrete expressions of solidarity. The EU economy is recovering, but additional investment efforts are needed to address the persistent disparities between Member States. With a budget of EUR 373 billion in commitments for the years 2021-2027, the future cohesion policy has the investment potential to bridge these differences. Resources will continue to be directed to the regions which are most in need of catching up with the rest of the EU. At the same time, it remains a strong and direct link between the EU and its regions.

The Commission's proposal is EUR 1 134 583 million EUR (at 2018 prices) in commitment appropriations, representing 1.11% of EU-27 GNI.

The budget is foreseen, inter alia, for border control, defence, migration, internal and external security, development cooperation and research; cuts are also envisaged in cohesion and agricultural policy. The overall structure needs to be simplified and the seven new headings will comprise a total of 17 political clusters. The number of individual expenditure programs is to be reduced from the current 58 to 37 for the years 2021-2027. In addition, the Commission proposes a set of specific budgetary instruments outside the MFF ceilings to improve flexibility in establishing the EU budget, such as Flexibility Instrument (EUR 1 billion per year) for emergency aid (EUR 600 million per year), European Union Solidarity Fund (EUR 600 million per year), European Globalization Adjustment Fund (EUR 200 million per year), European Peace Facility and European Investment Stabilization Facility (loans of up to EUR 30 billion during MFF period). The European Development Fund (EDF) is to be incorporated into the MFF. In addition, the Commission proposes to modernize the revenue side, including the introduction of several new categories of own resources based on revenues from the EU Emissions Trading Scheme, Member States' contribution by plastic waste and share in the common consolidated corporate tax base (European Parliament, 2019). Subsequently, on 29 May 2018, the Commission published a package of new EU Cohesion Policy legislation for 2021-2027, which lays down the rules for the use of EU funds in the post-2020 programming period, i.e. establishing criteria on the basis of which individual EU Member States will know the amount of the national envelope that they can count on in the new programming period 2021-2027.

The share of EU Cohesion Policy in the total MFF, including EDF, will fall from 33.21% to 29.14%, i.e. around 4%. Decrease in expenditures at 2018 prices represents 12.5%, after taking into account the UK's exit from the EU, this is a 9.9% decrease for the EU-27 and according to current Commission calculations, the decrease is 7%. Cohesion policy is integrated in the proposal 2021-2027 under the second heading, Cohesion and Values, which supports investment in: regional development and cohesion through instruments such as the European Regional Development Fund (ERDF), the Cohesion Fund (CF) and Community Support Turkish Cypriots; Economic and Monetary Union; people, social cohesion and values through the European Social Fund + (ESF +), Erasmus +, the European Solidarity Corps, the Creative Europe Program, Justice, Rights and Values and others.

4. Position of the SR on the MFF and priorities of the SR for the programming period 2021-2027

In January 2019, the Government of the Slovak Republic approved in the form of a government resolution the document "Framework Position of the Slovak Republic on the EU MFF after 2020", which responds to the draft MFF. According to this document, the position of the Slovak Republic should also include the requirement to maintain the current co-financing conditions for all categories of regions and to achieve a better balance in defining the general financial conditions. Slovakia's priority should also be to significantly simplify the rules for the implementation of projects co-financed from the EU budget and harmonize the horizontal rules across funds and instruments. According to the material, it is also important for Slovakia to maintain a strong position of cohesion policy and keep its percentage at the highest level on the total EU budget in the MFF after 2020. If the EU27 wants to continue, it will be necessary to increase investment in areas with innovation, digitization and environmental protection.

The common strategic objective of EU Member States after 2020 should be to ensure sustainable economic and social development, to balance economic, social and territorial disparities and to increase the competitiveness of the EU (Government Office, 2019).

An important element of the preparation of the new programming period is the indicated decline in the financial envelope for Slovakia for cohesion policy, as set out in the EU MFF proposal for 2021-2027. According to the published proposal, Slovakia should receive EUR 11.77 billion at constant prices. EUR 13.3 billion in current prices (Government Office, 2018). According to the Commission proposal, the allocation of the Slovak Republic for cohesion policy should decrease by 21.7% at constant prices in 2018. At current prices it should amount to EUR 13.2 billion. However, Slovakia should remain among the countries with the highest rate of aid per capita, EUR 310. Allocation for the EU Cohesion Fund for the period 2021 - 2027 was reduced by 38% compared to the current programming period 2014-2020. For the Slovak Republic, this is a reduction of the allocation for the EU Cohesion Fund from 68.7 billion euros. It is a fund only for those EU Member States that are less than 90% of the gross national income (GNI) of the European average at the level of development. In practice, this would mean a reduction in the overall allocation for transport and environment infrastructure in Slovakia from € 4.168 billion for 2014-2020 to € 2.173 billion for 2021-2027, a reduction of about 48%. The Slovak Republic, as an EU Member State, is obliged to ensure effective management and control systems for its operational programs, as well as tasks to ensure a strategic approach, ability to address synergies and complementarities in order to address specific challenges at sub-regional and local level (Office of the Deputy Prime Minister of the Slovak Republic for Investments and Informatisation, 2019).

In order to be able to draw finances from the European Union (EU) funds in the Slovak Republic from 1 January 2021, from the start of eligibility of expenditure for the new programming period 2021-2027, the EU needs to adopt the budget and the relevant EU legislation in 2020. Member States are expected to adopt basic strategic and programming documents such as the Partnership Agreement and operational programs. In order to ensure timely implementation of the new programming period, it would be optimal for the first quarter of 2020 to submit the first draft of the Partnership Agreement of the Slovak Republic for the years 2021 - 2027 for consideration by the Commission. At the same time, the process of assessing the environmental impact of this strategy paper should start. In the second half of 2020, according to the optimum scenario, the Government's approval of the draft Partnership Agreement of the Slovak Republic and the operational programs should be discussed, and subsequently these documents submitted for approval to the Commission. At the same time, all relevant basic conditions at national level which are necessary for the use of future EU funds must be met by 31 December 2020 at the latest.

The main objective Slovakia as a member group of 17 countries within the EU so called 'Friends of cohesion' is to keep the level of budget expenditure earmarked for cohesion policy at least at the same level as in the current programming period in the MFF negotiations. Another very important position of the SR in the negotiations is to keep the n+3 rule regarding the timeline of the EU funds drawing, as the Commission proposal includes changing the rules to n+2 due to ambition to speed up the EU funds implementation in the Member states.

In October 2019, the Council of the Government of the Slovak Republic for Cohesion Policy 2021 - 2027 approved the Initial Draft Priorities of the Slovak Republic Cohesion Policy Priorities for the next programming period. The proposed range of priorities takes into account the breakdown by the five objectives of the EU Cohesion Policy: A Smarter Europe - Innovative and Intelligent Economic Transformation, A Greener, Low Carbon Europe, Interconnected Europe - ICT mobility and regional connectivity, A Social Europe - Implementing the European Pillar of Social Rights - sustainable and integrated development of urban, rural and coastal areas through local initiatives.

Table 1: Priorities of the Slovak Republic within the Cohesion Policy for 2021-2027

1. A SMARTER EUROPE - an innovative and intelligent transformation of the economy 1.1 Expanding research and innovation capacities and using advanced technologies *1.1.1 Promoting cooperation between academia and businesses* *1.1.2 Supporting human resources development in research and development* *1.1.3 Supporting the building and modernization of central infrastructure for research and development* *1.1.4 Support of participation of Slovak entities in the European Research Area* 1.2 Taking advantage of digitalisation for citizens, businesses and governments *1.2.1 Promoting a digital economy based on data and modern technologies for digital transformation* *1.2.2 Supporting the building of smart cities and regions* *1.2.3 Supporting the development of artificial intelligence and cyber security* *1.2.4 Modernization of the provision of public services* 1.3 Strengthening the growth and competitiveness of SMEs, including productive investments *1.3.1 Support for small and medium-sized enterprises* *1.3.2 Internationalization of Small and Medium Enterprises* *1.3.3 Support for business networking* 1.4 Skills Development for Smart Specialization, Industrial Transformation and Entrepreneurship – Human Resources for Innovative Slovakia and the EU *1.4.1 Promoting the quality of labour market oriented tertiary education* *1.4.2 Support for continuing education in the context of the Industrial Revolution 4.0 and smart specialization* *1.4.3 Promoting vocational education and training in the context of the Industrial Revolution 4.0. and smart specialization* *1.4.4 Digital and business skills*
2. A MORE ENVIRONMENTALLY FRIENDLY LOW CARBON EUROPE - environmentally sustainable and low carbon Slovakia 2.1 Increasing energy efficiency, promoting RES and reducing greenhouse gas emissions *2.1.1 Increasing energy efficiency and renewable energy use in companies and reducing the energy performance of buildings* *2.1.2 Promotion of renewable energy sources and efficient district heating systems (CHS) in the areas of heat and cold supply and smart energy systems, energy storage* *2.1.3 Promoting sustainable mobility by increasing the share of alternative greener transport drives* 2.2 Adaptation to climate change, risk prevention and disaster resilience *2.2.1 Water management and retention capacity of landscape and settlement environment* *2.2.2 Preventive measures to protect against emergencies linked to climate change* *2.2.3 Reducing disaster risk by increasing capacity, preparedness and response* *2.2.4 Supporting the adaptation process through improving data availability, supporting the creation of strategic documents* 2.3 The transition to a circular economy, resource efficiency and improved air quality *2.3.1 A comprehensive approach to preventing the generation, re-use and recovery of waste* *2.3.2 Investing in improving air quality* *2.3.3 Promoting the transition to a circular economy and resource efficiency* *2.3.4 Promoting sustainable multimodal urban mobility* 2.4 Improving water quality and conservation status, biodiversity and landscape

2.4.1 Improving water quality and condition in water supply and waste water treatment *2.4.2 Investments in nature conservation, biodiversity and ecosystem quality and ecosystem services*
3. A MOST CONNECTED EUROPE - ICT mobility and regional connectivity 3.1. Developing a sustainable, smart, secure and intermodal climate-proof TEN-T network *3.1.1 Completion of the TEN-T motorway connections* *3.1.2 Construction of expressways* *3.1.3 Modernization of the TEN-T railway infrastructure, including nodes* *3.1.4 Modernization of water transport* 3.2 Developing and promoting sustainable, smart and intermodal climate-resilient national, regional and local mobility, including improved access to TEN-T and cross-border mobility *3.2.1 Modernization and construction of class I roads* *3.2.2 Support for regional rail transport* *3.2.3 Improving regional transport services, including infrastructure* *3.2.4 Development of cycle transport and its infrastructure* 3.3 Digital connectivity support
4. A SOCIAL EUROPE - Implementing the European pillar of social rights 4.1 Improving access to employment for all job-seekers, in particular young people and the long-term unemployed and disadvantaged groups in the labour market, as well as inactive persons, and promoting self-employment and the social economy 4.2 Modernizing labour market institutions and services to assess and anticipate skills needs and ensure timely and targeted assistance and support to align supply with labour market needs, as well as in transitions between employment and mobility 4.3 Promoting a better work-life balance, including access to care for children and dependents in relation to gender-balanced labour market participation 4.4 Improving the quality and effectiveness of education and training systems as well as their relevance to the labour market in order to promote the acquisition of key competences, in particular digital skills 4.5 Improving access to inclusive and quality education, training and lifelong learning services *10.5.1. Equal access to quality and inclusive education* *10.5.2. Promoting lifelong learning - adaptability of human resources for 21st century skills* 4.6 Promoting active inclusion to promote equal opportunities and active participation and improve employability 4.7 Promoting the socio-economic integration of marginalized Roma communities (MRC) 4.8 Ensuring equal access to healthcare, including primary care, by developing infrastructure 4.9 Promoting the social integration of people at risk of poverty or social exclusion, including the most deprived and children 4.10Solution of material deprivation

5. EUROPE CLOSER TO CITIZENS - Sustainable and integrated development of urban, rural and coastal areas through local initiatives 5.1 Regional development, local development and security *5.1.1 Building administrative and analytical-strategic capacities of local and regional authorities* *5.1.2 Supporting partnerships of local and regional actors and intergenerational and interregional cooperation* *5.1.3 Increasing the security of citizens and better securing public services* *5.1.4 Integrated community development of the population* 5.2 Complex support of development of all forms of tourism based on support of development of specificities and endogenous potential of regions of Slovakia *5.2.1 Management and services supporting sustainable tourism* *5.2.2 Protection and restoration of national cultural monuments and monuments* *5.2.3 Renewal and development of cultural infrastructure* *5.2.4 Natural heritage* 5.3 Regions with specific needs *5.3.1 Supporting the development of lagging regions*

Source: Own elaboration on the basis of the document "Initial proposal of priorities of the Slovak Republic for cohesion policy for the next programming period", Office of the Deputy Prime Minister of the Slovak Republic for Investments and Informatisation, 2019.

Conclusion

Slovakia belongs to a group of 17 countries within the EU, so called 'Friends of cohesion'. The main aim of this group is to keep the expenditure earmarked through the long-term cohesion budget to remain high, at least to date. Strong cooperation between these countries has proven itself in the past in the negotiations on the EU's MFF for 2014-2020 The situation in the EU with regard to the preparation of the new programming period 2021-2027 under cohesion policy is currently very complicated. Negotiations were entered by several new factors that cause friction areas and make it difficult to negotiate on the final form of the MFF, in particular its size and the breakdown by policy. So far, the most important issue remains the very size of the budget, which will be the basis for other discussions on the budget chapters. An essential new element in the creation of the MFF is also the fact that many new policies have been added in the EU which is seeking a significant share of the resources from the new budget. These are in particular areas related to migration, border protection, security and the creation of new tools such as: European Stability Fund or Reform Support Program. The departure of the United Kingdom from the Community in 2020 - Brexit caused a significant loss of resources as it was the second largest net beneficiary (in 7 years it was around EUR 84 billion). The Commission proposes to compensate this lack of resources in part by channelling Member States more than hitherto into the common budget. Among other measures, the Commission also proposes reducing some of the traditional European policies, such as: the common agricultural or cohesion policy. This reduction would consequently mean that some countries will have fewer resources for cohesion policy than in the current programming period, which is also the case of Slovakia under the 2018 MFF proposal. The amount of the chapter on cohesion policy under the MFF as well as the amount of the EU contribution to the SR from the Structural Funds and the Cohesion Fund will be crucial in achieving the set objectives within the individual priorities. If this position does not change and the Slovak representatives fail to negotiate more financial resources, this will mean a crucial turning point for the area of priorities for financing from the next programming period, when we will have to considerably reduce the number of priority areas that will subsequently through individual operational programs. This prioritization, related to the need to reduce areas of support, should be carried out in the optimum scenario on the basis of thorough expert analyses and, if possible, not only on the basis of political decisions. These analyses should take into account the results of the implementation of the last two programming periods, as some of the supported areas have proved to be ineffective, resp. projects funded by them cannot be considered to be value added, sustainable and sometimes meaningful, not to mention many cases of overpricing.

The way of professional and meaningful prioritization of areas that will be financed under the Cohesion Policy in Slovakia seems to be the only possible ambition to achieve higher added value, support of the economy and competitiveness and sustainability through the implementation of these funds. At the same time, it is necessary to realize in this context that, together with the gradually rising standard of living in the Slovak Republic, we are getting closer to the position of net payers within the framework of the creation of the EU common budget, i.e. we will be paying more money to the EU budget than we will be able to draw from it through various mechanisms.

It cannot be ruled out that the programming period 2021-2027 will be the last for the SR, where the SR will be in the positive balance in terms of the balance of income and payments to the EU common budget. This is one of the reasons why we can consider the resources that we will draw under the MFF 2021-2027 unique and unrepeatable, which at the same time puts some pressure on all institutions in Slovakia responsible for their implementation to ensure responsible and meaningful priority prioritization as well as effective, transparent and cost-effective absorption of EU funds in 2021-2027.

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