

**Services of General Economic Interest: guidance for report to be submitted  
following the 2012 SGEI Decision and the 2012 SGEI framework for the  
period 1.1.2014–31.12.2015**

**The reporting obligations** are set out in the Article 9 of the 2012 SGEI Decision:

*Each Member State shall submit a report on the implementation of this Decision to the Commission every 2 years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:*

- (a) a description of the application of this Decision to the services falling within its scope, including in-house activities;*
- (b) the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;*
- (c) an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and*
- (d) any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.*

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

**Ministry of Health of the Slovak Republic**

- **aid financed from the Slovak national budget**

**1. EXPENDITURE OVERVIEW**

Please complete the following table:

<b>General SGEI government expenditure by functions (millions EUR)</b>		
	2014	2015
<b><i>Compensation for Services of General Economic Interest (1+2)</i></b>	0.1	11.89
(1) Compensation granted on the basis of the SGEI Decision	0.1	11.89
(2) Compensation granted on the basis of the SGEI Framework	0	0

**Non-compulsory:** If your Member State has not granted State aid for the provision of SGEI in certain sectors on the basis of the SGEI Decision or the SGEI Framework, information regarding other instruments to ensure the provision of those services would be very useful. If available, please provide a brief description of these instruments (e.g. direct aid to users, compensation complying with all four Altmark criteria, SGEI *de minimis* aid ...) and the sectors in which they are used. If you consider that for the sectors listed below your Member State only grants public financing to activities that are non-economic in nature and hence would not be in scope of State aid rules we invite you to also inform us about this (by describing why the subsidised activity is non-economic).

## 2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

### Hospitals (Art. 2(1)(b))

#### **Clear and comprehensive description of how the respective services are organized in your Member State<sup>1</sup>**

Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the **contents of the services entrusted as SGEI** as clearly as possible.

Health care.

Health care is defined as a service of general economic interest by Act No 576/2004 on health care and health care-related services and amending certain acts. Section 4(1) lays down that: 'Health care in a health care facility for out-patient care and in a health care facility for in-patient care is a service of general economic interest.' However, State aid provided in the form of compensation for a service of general economic interest under the State budget is not granted for the actual provision of health care.

Explanation of the (typical) **forms of entrustment**. If standardised templates for entrustments are used for a certain sector, please attach them.

The provision of services of general economic interest is entrusted to a health care provider on the basis of a decision licensing the operation of a health care facility pursuant to Sections 11-26 of Act No 578/2004 on health care providers, health workers and professional organisations in the health care field and amending several acts. The decision issued for the purposes of assessing compliance with the Decision includes in particular specifications of the type of health care facility for which the operating licence is being issued.

The beneficiary is entrusted to carry out an investment either by a grant agreement or by a

<sup>1</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

notice of granting a capital transfer from the State budget. Specifications of the investment project covered by the entrustment are annexed to the grant agreement or to the notice.
<b>Average duration of the entrustment (in years)</b> and the proportion of entrustments that are <b>longer than 10 years</b> (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?
The commitment begins when the decision licensing the operation of a health care facility enters into force and takes effect and, except for the operation of out-patient departments, is issued for an indefinite period (Section 15 of the Act). The public service obligation ends with the suspension, revocation or termination of the licence (Section 18, 19 and 20 of the Act).
Explanation whether (typically) <b>exclusive or special rights</b> are assigned to the undertakings.
<p>The decision licensing the operation of a health care facility specifies the facility for which the licence is issued and its place(s) of operation.</p> <p>All rights relating to the type of health care facility are laid down in the licensing decision, setting out the specific departments which the facility may operate under the terms of the licence.</p> <p>For the investment in infrastructure, all rights and duties on the part of the beneficiary are set out in the grant agreement or a notice of granting a capital transfer from the budget of the Ministry of Health of the Slovak Republic.</p>
Which <b>aid instruments</b> have been used (direct subsidies, guarantees, etc.)?
Grants and contributions from the State budget
Typical <b>compensation mechanism</b> as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>The compensation mechanism is in the form of a grant and a contribution within the meaning of Act No 523/2004 on the budgetary rules of public administration and Act No 525/2010 on the provision of grants by the Ministry of Health. In the case of grants, the rules for the provision of State aid are defined in the relevant call for the submission of grant applications. The rules are then included in the agreement providing a grant from the budget of the Ministry of Health of the Slovak Republic.</p> <p>For the granting of such funding, no methodology based on cost allocation or the net avoided cost methodology is used.</p>
Typical <b>arrangements for avoiding and repaying any overcompensation.</b>
<p>The Ministry of Health verifies the amount of compensation granted to the applicant.</p> <p>If overcompensation is found, the Ministry of Health reduces the amount of the grant</p>

before the grant agreement is signed or before the notice of granting a capital transfer from the State budget is delivered. If overcompensation is found after the grant agreement is signed (dual financing or misleading information provided by the applicant during verification of the amount of compensation in the assessment and selection process), in line with the Guideline of the Ministry of Finance of the Slovak Republic regarding the accounting of financial transfers from the State budget, the grant agreement defines a mechanism for refunds.

After project implementation, the purpose of administrative and on-the-spot checks is to verify the eligibility of expenditure and its conformity with the approved investment project under the rules in the grant agreement or the notice of granting a capital transfer from the State budget.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

*No aid exceeding EUR 15 million was granted.*

#### **Amount of aid granted**

**Total amount of aid granted (in millions EUR)<sup>2</sup>.** This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

<b>2014</b>	<b>2015</b>
<b>0.1</b>	<b>11.89</b>

**A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>3</sup>**

<b>2014</b>	<b>2015</b>
<b>0.1</b>	<b>11.89</b>

**B: Total amount of aid granted (in millions EUR) paid by regional authorities<sup>4</sup>**

<b>2014</b>	<b>2015</b>

<sup>2</sup> As stipulated in Article 9 b) of the 2012 SGEI Decision.

<sup>3</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

<sup>4</sup> See footnote 3.

<b>C: Total amount of aid granted (in millions EUR) paid by local authorities<sup>5</sup></b>	
<b>2014</b>	<b>2015</b>
<b>Share of expenditure per aid instrument</b> (direct subsidy, guarantees etc.) (if available)	
<b>2014</b>	<b>2015</b>
<b>Additional quantitative information</b> (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) <sup>6</sup>	
<b>2014</b>	<b>2015</b>
number of beneficiaries <b>5</b>	number of beneficiaries <b>26</b>
average aid amount: <b>21 000 €</b>	average aid amount: <b>457 000 €</b>
maximum annual total compensation for services of general economic interest: <b>50 000 €</b>	maximum annual total compensation for services of general economic interest: <b>2 939 456 €</b>

## Ministry of Health of the Slovak Republic

- aid co-financed by EU funds

### 1. EXPENDITURE OVERVIEW

Please complete the following table:

<b>General SGEI government expenditure by functions (millions EUR)</b>		
	<b>2014</b>	<b>2015</b>
<b><i>Compensation for Services of General Economic Interest (1+2)</i></b>	<b>17.47</b>	<b>6.75</b>
(1) Compensation granted on the basis of the SGEI Decision	17.47	6.75
(2) Compensation granted on the basis of the SGEI Framework	0	0

### 2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

<sup>5</sup> See footnote 3.

<sup>6</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

## Hospitals (Art. 2(1)(b))

<b>Clear and comprehensive description of how the respective services are organized in your Member State<sup>7</sup></b>
Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the <b>contents of the services entrusted as SGEI</b> as clearly as possible.
<p>Health care</p> <p>Health care is defined as a service of general economic interest by Act No 576/2004 on health care and health care-related services and amending certain acts. Section 4(1) lays down that: 'Health care in a health care facility for out-patient care and in a health care facility for in-patient care is a service of general economic interest'. However, the State aid provided in the form of compensation for a service of general economic interest under the Health Care Operational Programme is not granted for the actual provision of health care. In line with Article 5(3)(d) of the Decision, the aid under the Health Care Operational Programme is linked with investments concerning infrastructure in which out-patient or in-patient care is demonstrated to be provided.</p> <p>.</p>
Explanation of the (typical) <b>forms of entrustment</b> . If standardised templates for entrustments are used for a certain sector, please attach them.
<p>The operation of the service of general economic interest is entrusted to the undertaking concerned within Article 4 of the Decision by way of several acts at two levels:</p> <ul style="list-style-type: none"> <li>a) level of acts covering the provision of health care;</li> <li>b) level of acts covering investment in the infrastructure in which the health care is provided.</li> </ul> <p>The provision of services of general economic interest is entrusted to a health care provider on the basis of a decision licensing the operation of a health care facility pursuant to Sections 11-26 of Act No 578/2004 on health care providers, health workers and professional organisations in the health care field and amending several acts. The decision issued for the purpose of assessing compliance with the</p>

<sup>7</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>Decision includes in particular specifications of the type of health care facility for which the operating licence is being issued.</p> <p>The licence to carry out the investment in infrastructure in which health care is provided in line with the rules for the use of funding from the Structural Funds is entrusted to the beneficiary in the form of an Agreement on the provision of a non-repayable financial contribution (grant agreement). Specifications of the investment project covered by the entrustment are annexed to the grant agreement.</p>
<p><b>Average duration of the entrustment (in years)</b> and the proportion of entrustments that are <b>longer than 10 years</b> (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?</p>
<p>The commitment begins when the decision licensing the operation of a health care facility enters into force and takes effect and, except for the operation of out-patient departments, is issued for an indefinite period (Section 15 of the Act). The public service obligation ends with the suspension, revocation or termination of the licence (Section 18, 19 and 20 of the Act).</p> <p>For investment in infrastructure, the duration of the commitment (implementation of the investment project and its sustainability) is specified in the Grant agreement, namely in Article 7 Implementation of project activities, point 1 of the General terms and conditions to the Grant agreement with reference to Article 2 Subject-matter and purpose of agreement, point 2.4 of the Grant agreement; a detailed description of the duration of the activities is given in Annex 2 to the Grant agreement – Subject-matter of the Grant agreement, in particular in part 7. Timetable for the implementation of the project and the project activities and part 7a Timetable for the implementation of the main and supporting project activities, as well as the sustainability of the project given in Article 1 General obligations, point 4, and Article 3 Obligation to submit information and monitoring reports, point 4 of the General terms and conditions to the Grant agreement.</p> <p>With regard to the duration of implementation of the projects that received aid and the subsequent five-year sustainability period, no project supported under the Health Care Operational Programme exceeded the duration of ten years.</p>
<p>Explanation whether (typically) <b>exclusive or special rights</b> are assigned to the undertakings.</p>
<p>The decision licensing the operation of a health care facility specifies the facility for which the licence is issued and its place(s) of operation.</p> <p>All rights relating to the type of health care facility are laid down in the licensing decision, setting out the specific departments which the facility may operate under the terms of the licence.</p> <p>In the case of investment in infrastructure, all rights and duties on the part of the beneficiary are set out in the grant agreement. The place at issue is specified in Article 2 Subject-matter and purpose of the agreement, point 2.1 of the Grant agreement, giving the details of where the project is to be implemented. The basic</p>

special right is to obtain funding for the implementation the approved investment in the infrastructure in which health care is provided.
Which <b>aid instruments</b> have been used (direct subsidies, guarantees, etc.)?
A grant from the Structural Funds and from the State budget under the Health Care Operational Programme.
Typical <b>compensation mechanism</b> as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>In applying the decision to provide aid from the Structural Funds and the State budget from the Health Care Operational Programme, when State aid is provided for modernising the infrastructure required for providing public services, the provisions of Article 4(d) and (e) of the Decision do not form part of the decision licensing the operation of a health care facility, but are laid down by the rules governing aid from Structural Fund resources, defined in the relevant call for grant applications. The rules are then included in the agreement on the provision of a grant, namely in Article 16 Payments of the General terms and conditions for the provision of the grant; Article 5 Specific terms and conditions, point 5.1, specifies the type of financing that will be used for the project at issue based on the legal form of the beneficiary.</p> <p>The parameters for calculating and assessing compensation in connection with health facility infrastructure investments are included in the relevant call for grant applications as a separate annex: <i>Methodology for calculating the compensation granted from EU funding and from the budget of the Slovak Republic in line with Commission Decision No 2012/21/EU on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest</i> ('Methodology'). The Methodology sets out the procedure for the calculation of the compensation and the form to be used by the beneficiary for the calculation (Annex 1 to the Methodology), as well as for the verification of the calculation by the aid provider - Ministry of Health of the Slovak Republic (Annex 2 to the methodology). The verification of the compensation calculation is carried out as part of a formal correctness test (administrative verification) during a preliminary financial check. The outcome of the verification of the compensation calculation is recorded in the form 'verification of the compensation calculation' (Annex 2 to the Methodology). This form is part of the check-list used for preliminary financial checks. During the evaluation (expert evaluation), expert evaluators verify whether the overcompensation and subsequently the grant was calculated correctly when assessing compliance with criterion 3.1 Sources of co-financing and budget. The call under which the project was submitted is indicated in Article 2 Subject-matter and purpose of the agreement, point 2.2.</p> <p>The method applied is based on Article 5(1) and (2) of the Commission Decision on the application of Article 106(2) of the Treaty on the Functioning of the European Union to state aid in the form of public service compensation granted to</p>



certain undertakings entrusted with the operation of services of general economic interest - net costs are calculated as the difference between costs, as defined in paragraph 3, and revenue, as defined in paragraph 4.

**Typical arrangements for avoiding and repaying any overcompensation.**

An arrangement for avoiding overcompensation might be the obligation of an applicant for a grant laid down in points 8 (Terms and conditions for the granting of state aid) and 9 (Form of aid) of the call for the submission of applications for grants.

Overcompensation is avoided ex-ante by verification of the calculation of the compensation by the beneficiary based on the methodology. If overcompensation is found, the Ministry of Health reduces the amount of the grant before the grant agreement is signed. If overcompensation is found after the grant agreement is signed (dual financing or misleading information provided by the applicant during verification of the amount of compensation in the assessment and selection process), Article 10 ‘Settlement of financial obligations and contractual penalties’ of the General terms and conditions to the Grant agreement, defines a mechanism for refunds.

During project implementation, the purpose of administrative and on-the-spot checks is to verify the eligibility of expenditure and its conformity with the approved investment project under the rules in the grant agreement. Once projects are completed, subsequent monitoring focuses on the sustainability of the project, whether the project shows evidence of ineligible revenue and whether all the conditions for granting aid are met , as well as whether the purpose of the project has been maintained, i.e. whether health care is still being provided in the modernised infrastructure. This is settled by means of an administrative check (of output from the accounts) as well as an on-the-spot check.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

<i>No aid exceeding EUR 15 million was granted.</i>	
<b>Amount of aid granted</b>	
<b>Total amount of aid granted (in millions EUR)<sup>8</sup>.</b> This includes all aid granted in your territory, including aid granted by regional and local authorities. <b>(A+B+C)</b>	
<b>2014</b>	<b>2015</b>
<b>17.47</b> (EU funding + SK funding)	<b>6.75</b> (EU funding + SK funding)
<b>A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>9</sup></b>	
<b>2014</b>	<b>2015</b>
<b>17.47</b>	<b>6.75</b>
<b>B: Total amount of aid granted (in millions EUR) paid by regional authorities<sup>10</sup></b>	
<b>2014</b>	<b>2015</b>
<b>C: Total amount of aid granted (in millions EUR) paid by local authorities<sup>11</sup></b>	
<b>2014</b>	<b>2015</b>
<b>Share of expenditure per aid instrument</b> (direct subsidy, guarantees etc.) (if available)	
<b>2014</b>	<b>2015</b>
<b>Additional quantitative information</b> (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) <sup>12</sup>	
<b>2014</b>	<b>2015</b>
number of beneficiaries <b>3</b>	number of beneficiaries <b>4</b>
average aid amount: <b>5 824 713.17 €</b>	average aid amount: <b>1 687 884.60 €</b>
maximum annual total compensation for services of general economic interest:	maximum annual total compensation for services of general economic interest:

<sup>8</sup> As stipulated in Article 9 b) of the 2012 SGEI Decision.

<sup>9</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

<sup>10</sup> See footnote 3.

<sup>11</sup> See footnote 3.

<sup>12</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

9 320 278.40 €	3 306 899.73 €
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## Ministry of Health of the Slovak Republic

- aid co-financed by EU funds

SGEI compensation not exceeding EUR 15 million (Art. 2(1)(a))

vii) Other sectors:

### Polyclinics and health care facilities (Priority Axis 2 of the Health Care Operational Programme)

<b>Clear and comprehensive description of how the respective services are organized in your Member State<sup>13</sup></b>
Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the <b>contents of the services entrusted as SGEI</b> as clearly as possible.
<p>Health care</p> <p>Health care is defined as a service of general economic interest by Act No 576/2004 on health care and health care-related services and amending certain acts. Section 4(1) refers to: 'Health care in a health care facility for out-patient care and in a health care facility for in-patient care shall be a service of general economic interest'. However, the State aid provided in the form of compensation for a service of general economic interest under the Health Care Operational Programme is not granted for the actual provision of health care. In line with Article 5(3)(d) of the Decision, the aid under the Health Care Operational Programme is linked with investments concerning infrastructure in which out-patient or in-patient care is manifestly provided.</p>
Explanation of the (typical) <b>forms of entrustment</b> . If standardized templates for entrustments are used for a certain sector, please attach them.
<p>The operation of the service of general economic interest is entrusted to the undertaking concerned within Article 4 of the Decision by way of several acts at two levels:</p> <p>a) level of acts covering the provision of health care;</p>

<sup>13</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

b) level of acts covering investment in the infrastructure in which the health care is provided.

The provision of services of general economic interest is entrusted to a health care provider on the basis of a decision licensing the operation of a health care facility pursuant to Sections 11-26 of Act No 578/2004 on health care providers, health workers and professional organisations in the health care field and amending several acts. The decision issued for the purposes of assessing compliance with the Decision includes in particular specifications of the type of health care facility for which the operating licence is being issued.

The licence to carry out the investment in infrastructure, in which health care is provided in line with the rules for the use of funding from the Structural Funds is entrusted to the beneficiary in the form of an Agreement on the provision of a non-repayable financial contribution (grant agreement). Specifications of the investment project covered by the entrustment are annexed to the grant agreement.

**Average duration of the entrustment (in years)** and the proportion of entrustments that are **longer than 10 years** (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?

The commitment begins when the decision licensing the operation of a health care facility enters into force and takes effect and, except for the operation of out-patient departments, is issued for an indefinite period (Section 15 of the Act). The public service obligation ends with the suspension, revocation or termination of the licence (Section 18, 19 and 20 of the Act).

For investment in infrastructure, the duration of the commitment (implementation of the investment project and its sustainability) is specified in the Grant agreement, namely in Article 7 Implementation of project activities, point 1 of the General terms and conditions to the Grant agreement with reference to Article 2 Subject-matter and purpose of agreement, point 2.4 of the Grant agreement; a detailed description of the duration of the activities is given in Annex 2 to the Grant agreement – Subject-matter of the Grant agreement, in particular in part 7. Timetable for the implementation of the project and the project activities and part 7a Timetable for the implementation of the main and supporting project activities, as well as the sustainability of the project given in Article 1 General obligations, point 4, and Article 3 Obligation to submit information and monitoring reports, point 4 of the General terms and conditions to the Grant agreement.

With regard to the duration of implementation of the projects that received aid and the subsequent five-year sustainability period, no project supported under the Health Care Operational Programme exceeded the duration of ten years.

Explanation whether (typically) **exclusive or special rights** are assigned to the

undertakings.
<p>The decision licensing the operation of a health care facility specifies the facility for which the licence is issued and its place(s) of operation.</p> <p>All rights relating to the type of health care facility are laid down in the licensing decision, setting out the specific departments which the facility may operate under the terms of the licence.</p> <p>In the case of investment in infrastructure, all rights and duties on the part of the beneficiary are set out in the grant agreement. The place at issue is specified in Article 2 Subject-matter and purpose of the agreement, point 2.1 of the Grant agreement, giving the details of where the project is to be implemented. The basic special right is to obtain funding for the implementation the approved investment in the infrastructure in which health care is provided.</p>
Which <b>aid instruments</b> have been used (direct subsidies, guarantees, etc.)?
A grant from the Structural Funds and from the State budget under the Health Care Operational Programme.
Typical <b>compensation mechanism</b> as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>In applying the decision to provide aid from the Structural Funds and the State budget from the Health Care Operational Programme, when State aid is provided for modernising the infrastructure required for providing public services the provisions of Article 4(d) and (e) of the Decision do not form part of the decision licensing the operation of a health care facility but are laid down by the rules governing aid from Structural Fund resources, defined in the relevant call for grant applications. The rules are then included in the agreement on the provision of a grant, namely in Article 16 Payments of the General terms and conditions for the provision of the grant; Article 5 Specific terms and conditions, point 5.1, specifies the type of financing that will be used for the project at issue based on the legal form of the beneficiary.</p> <p>The parameters for calculating and assessing compensation in connection with health facility infrastructure investments are included in the relevant call for grant applications as a separate annex: <i>Methodology for calculating the compensation granted from EU funding and from the budget of the Slovak Republic in line with Commission Decision No 2012/21/EU on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest ('Methodology')</i>. The Methodology sets out the procedure for the calculation of the compensation and the form to be used by the beneficiary for the calculation (Annex 1 to the Methodology), as well as the verification of the calculation by the aid provider - Ministry of Health of the Slovak Republic (Annex 2 to the methodology). The verification of the compensation calculation is carried out as part of a formal correctness test (administrative</p>

verification) during a preliminary financial check. The outcome of the verification of the compensation calculation is recorded in the form ‘verification of the compensation calculation’ (Annex 2 to the Methodology). This form is part of the check-list used for preliminary financial checks. During the evaluation (expert evaluation), expert evaluators verify whether the overcompensation and subsequently the grant was calculated correctly when assessing compliance with criterion 3.1 Sources of co-financing and budget. The call under which the project was submitted is indicated in Article 2 Subject-matter and purpose of the agreement, point bod 2.2.

The method applied is based on Article 5(1) and (2) of the Commission Decision on the application of Article 106(2) of the Treaty on the Functioning of the European Union to state aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest – net costs are calculated as the difference between costs, as defined in paragraph 3, and revenue, as defined in paragraph 4.

#### Typical **arrangements for avoiding and repaying any overcompensation.**

An arrangement for avoiding overcompensation might be the obligation of an applicant for grant laid down in points 8 (Terms and conditions for the granting of state aid) and 9 (Form of aid) of the call for the submission of applications for grants.

Overcompensation is avoided ex-ante by verification of the calculation of the compensation by the beneficiary based on the methodology. If overcompensation is found, the Ministry of Health reduces the amount of the grant before the grant agreement is signed. If overcompensation is found after the grant agreement is signed (dual financing or misleading information provided by the applicant during verification of the amount of compensation in the assessment and selection process), Article 10 ‘Settlement of financial obligations and contractual penalties’ of the General terms and conditions to the Grant agreement, defines a mechanism for refunds.

During project implementation, the purpose of the administrative and on-the-spot checks is to verify the eligibility of expenditure and its conformity with the approved investment project under the rules in the grant agreement. Once projects are completed, subsequent monitoring focuses on the sustainability of the project, whether the project shows evidence of ineligible revenue and whether all the conditions for granting aid are met, as well as whether the purpose of the project has been maintained, i.e. whether health care is still being provided in the modernised infrastructure. This is settled by means of an administrative check (of output from the accounts) as well as an on-the-spot check.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your

Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).	
<i>No aid exceeding EUR 15 million was granted.</i>	
<b>Amount of aid granted</b>	
<b>Total amount of aid granted (in millions EUR)</b> <sup>14</sup> . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
<b>2014</b>	<b>2015</b>
<b>1.68</b> (EU funding + SK funding)	<b>10.13</b> (EU funding + SK funding)
<b>A: Total amount of aid granted (in millions EUR) paid by national central authorities</b> <sup>15</sup>	
<b>2014</b>	<b>2015</b>
<b>1.68</b>	<b>10.13</b>
<b>B: Total amount of aid granted (in millions EUR) paid by regional authorities</b> <sup>16</sup>	
<b>2014</b>	<b>2015</b>
<b>C: Total amount of aid granted (in millions EUR) paid by local authorities</b> <sup>17</sup>	
<b>2014</b>	<b>2015</b>
<b>Share of expenditure per aid instrument</b> (direct subsidy, guarantees etc.) (if available)	
<b>2014</b>	<b>2015</b>
<b>Additional quantitative information</b> (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) <sup>18</sup>	
<b>2014</b>	<b>2015</b>
number of beneficiaries <b>7</b>	number of beneficiaries <b>17</b>

<sup>14</sup> As stipulated in Article 9 b) of the 2012 SGEI Decision.

<sup>15</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

<sup>16</sup> See footnote 3.

<sup>17</sup> See footnote 3.

<sup>18</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

average aid amount: <b>240 700.41 €</b>	average aid amount: <b>595 963.99 €</b>
maximum annual total compensation for services of general economic interest:	maximum annual total compensation for services of general economic interest:
<b>640 389.31 €</b>	<b>1 202 998.68 €</b>

### 3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

*Not applied.*

**Please structure this part of your report by the following sections, e.g.:**

- 1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):
  - i. Postal services
  - ii. Energy
  - iii. Waste collection
  - iv. Water supply
  - v. Air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d)
  - vi. Airports and ports with average annual traffic above the limit set in Art. 2(1)(e)
  - vii. Culture
  - viii. Financial services
  - ix. Other sectors (please specify)

**For each of the items outlined above please provide information in the form of the following table:**

<b>Clear and comprehensive description of how the respective services are organized in your Member State<sup>19</sup></b>
Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the <b>contents of the services entrusted as SGEI</b> as

<sup>19</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial. Since cases falling under the SGEI Framework will be limited in number, the Commission expects a detailed description of each concrete measure.



clearly as possible.	
Explanation of the (typical) <b>forms of entrustment</b> . If standardized templates for entrustments are used for a certain sector, please attach them.	
<b>Average duration of the entrustment (in years)</b> and the proportion of entrustments that are <b>longer than 10 years</b> (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?	
Explanation whether (typically) <b>exclusive or special rights</b> are assigned to the undertakings.	
Which <b>aid instruments</b> have been used (direct subsidies, guarantees, etc.)?	
Typical <b>compensation mechanism</b> as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.	
Typical <b>arrangements for avoiding and repaying any overcompensation</b> .	
A short explanation of how the <b>transparency requirements</b> (see Paragraph 60 of the 2012 SGEI Framework) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).	
<b>Amount of aid granted</b>	
<b>Total amount of aid granted (in millions EUR)<sup>20</sup>. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)</b>	
<b>2014</b>	<b>2015</b>

<sup>20</sup> As stipulated in Article 62 b) of the 2012 SGEI Framework.

<b>A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>21</sup></b>	
<b>2014</b>	<b>2015</b>
<b>B: Total amount of aid granted (in millions EUR) paid by regional authorities<sup>22</sup></b>	
<b>2014</b>	<b>2015</b>
<b>C: Total amount of aid granted (in millions EUR) paid by local authorities<sup>23</sup></b>	
<b>2014</b>	<b>2015</b>
<b>Share of expenditure per aid instrument</b> (direct subsidy, guarantees etc.) (if available)	
<b>2014</b>	<b>2015</b>
<b>Additional quantitative information</b> (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) <sup>24</sup>	
<b>2014</b>	<b>2015</b>

#### 4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures in scope of the 2012 SGEI Decision or 2012 SGEI Framework. Please be as specific as possible in your reply and include the sector for which you have received the complaints, the contents of the complaints and the possible follow-up by your authorities or the likely outcome of the court proceedings.

*No complaints have been received.*

<sup>21</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

<sup>22</sup> See footnote 21.

<sup>23</sup> See footnote 21.

<sup>24</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

## 5. MISCELLANEOUS QUESTIONS

- a. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision and ask you to in particular consider the following issues:

- drawing up an entrustment act that complies with Article 4 of the SGEI Decision;
- specifying the amount of compensation in line with Article 5 of the SGEI Decision;
- determining the reasonable profit level in line with Article 5(5)-(8) of the SGEI Decision;
- regularly checking overcompensation as required by Article 6 of the SGEI Decision;

Please be as specific as possible in your reply, include relevant examples and, if applicable, the sector for which the difficulties are (most) relevant.

*No difficulties were identified.*

- b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with para 19 of the SGEI Framework;
- determining the net avoided cost as required by paras 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paras 33-38 of the SGEI Framework;

Please be as specific as possible in your reply, include relevant examples and, if applicable, the sector for which the difficulties are (most) relevant.

- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

*No comments.*