Slovakia Report
Marianne Kneuer, Darina Malová, Frank Bönker (Coordinator)

Sustainable Governance Indicators 2020
Executive Summary

The murder of investigative journalist Ján Kuciak and his fiancée Martina Kušnírová in February 2018 continued to impact political developments in 2019. Gradually, the unimaginable size of the corrupt network built by businessman Marian Kocner has been exposed. Public dissatisfaction with pervasive corruption led to Zuzana Čaputová’s victory in the presidential elections in March 2019. The candidate of the newly founded (2017) social-liberal and pro-European party Progressive Slovakia is the first female president of the Slovak Republic. Čaputová previously worked as a lawyer and activist for the NGO-watchdog VIA IURIS. Čaputová’s election victory suggests that a majority of Slovaks wanted a president that would stand for integrity and the rule of law.

The government under Prime Minister Peter Pellegrini who had replaced the controversial long-standing Prime Minister Robert Fico after the murders of Kuciak and Kušnírová, has failed to strengthen democracy and the rule of law. The Pellegrini government has been slow to tackle corruption or improve integrity mechanisms. Instead of embracing the comprehensive recommendations proposed early on by the new initiative Chceme Veriť (We Want to Believe), which was launched by several leading NGOs (Fair-Play Alliance, VIA IURIS Slovak Governance Institute, Human Rights League, Open Society Foundation, Pontis Foundation and Stop Corruption foundation), the government has largely confined itself to updating its anti-corruption strategy in a routine manner. Robert Fico has continued as Smer-SD leader and was even nominated for the Constitutional Court. He has continued to criticize and intimidate journalists. Behind the scenes, he has forged alliances with opposition parties, including the far-right L’SNS, in order to advance controversial measures, such as the moratorium on the publication of opinion polls ahead of an election day, which would be one of the longest in the world, or short-term changes in party financing, which are clearly directed against the Smer-SD’s political competitors. In September 2019, parliament restored a right-to-reply for politicians. Originally introduced under the first government of Robert Fico in 2008, it had been abolished by the Radičová government in 2011 following domestic and international criticisms of the resulting intimidation of journalists.
The weakness of Pellegrini and the effectiveness of Fico’s backseat driving have also limited the government’s strategic capacity in the realm of economic and social policy. The government has largely ignored long-standing calls by the European Commission, the OECD and the IMF to change the tax mix by financing a reduction of the relatively high tax burden on labor through increases in real estate, excise and environmental taxes. In March 2019, the government, deviating from its own 2016 manifesto, stopped the automatic increase in the retirement age in line with life expectancy and fixed the retirement age at 64 years old. Put on the agenda by Fico and supported by trade unions, this move was strongly criticized for undermining the long-term sustainability of the pension system. Fico also succeeded in torpedoing a comprehensive hospital reform, which was supported by many experts as well as the parliamentary opposition. Approved by the cabinet after several months of discussion at the end of September 2019, it was eventually withdrawn from the parliament’s agenda.

In the foreign policy field, Prime Minister Pellegrini has continued to reposition Slovakia among the core group of EU member states, and distance Slovakia from some of the positions taken by Hungary and Poland. At the same time, however, coordination between the Visegrád countries has remained an important tool for taking visible positions within the European Union.

Key Challenges

In February 2020, parliamentary elections will be held in Slovakia. The big question concerning the elections is whether Zuzana Čaputová’s victory in the presidential elections in March 2019 will be complemented by an election victory for parties critical of the pervasive culture of corruption in Slovakia and the erosion of democratic quality or whether Smer-SD, which has dominated Slovak politics since 2006, will be able to hold on to power by forming a coalition with nationalist and right-wing parties. The answer to this question will be of interest not only for Slovakia. It might also send an important signal that the authoritarian and populist turn in East-Central Europe is not unstoppable.

For stopping and reverting the democratic backsliding, it is not sufficient to conclude the trials of the alleged murderers of Kuciak and Kušnírová, and their backers. The legal framework for tackling corruption and existing integrity mechanisms need to be reformed. The proposals made by Chceme Veriť (We Want to Believe) and the Council of Europe’s Group of States
Against Corruption (GRECO) are a good starting point. Eliminating the right-to-reply for politicians will be easy. However, rebuilding trust in the judiciary and the political class will require more than just a few changes in personnel, and will take time.

Whoever wins the elections will face other challenges as well. The slowing of economic growth in 2019 has revealed the risks and limits of Slovakia’s strategy of economic development with its strong reliance on the car industry and export performance. Slovakia needs some strategically well-designed initiatives in order to maintain economic competitiveness and ensure economic growth. Tackling corruption, reforming the judiciary and improving the quality of public administration will be of help in this respect as well, but are not sufficient in themselves. Slovakia has to invest in fields such as education, R&I and ICT, which have been neglected in the past. Mobilizing the necessary resources will not be easy, as the Pellegrini government’s failure to meet its fiscal target in 2019 has demonstrated.

Party Polarization

Slovakia has a weakly institutionalized party system. After almost 30 years of free party competition, the party system remains in flux, with frequent fusions and fissions, new parties emerging and once-strong parties dissipating. At the same time, the party system has been ‘standing on only one leg’ as a result of the polarization between dominant parties that invoke nationalist and leftist appeals (i.e., Vladimír Mečiar’s HZDS from 1991–1998 and Robert Fico’s Smer-SD since 2006) and a group of fragmented center-right parties. These two political blocs have been fairly stable in size and ideological preferences. As a result, having stable governments has required sophisticated coalition-building skills. Smer-SD leader Robert Fico succeeded in forming two coalition governments in 2006 and 2016, the latter consisting of two polarized coalition partners, namely the nationalist, right-wing Slovak National Party (SNS) and the centrist party of the Hungarian minority Most-Híd. Conflicts between the two coalition partners – most notably on issues of human and minority rights, and judicial reform – have often had a negative impact on the policymaking process.

The murder of investigative journalist Ján Kuciak and his fiancée Martina Kušnírová in February 2018 has not only shaken society, but has also resulted in a proliferation of new parties, including Za ľudí (For the People) chaired by former President Andrej Kiska, Vlast” (Homeland) led by former Supreme Court Chair Štefan Harabin and Dobrá Voľba (Good Choice) led by former
Minister for Health and the Interior Tomáš Drucker. In addition, two centrist parties were established in 2017/18: Spolu–Občianska Demokracia (Together – Civic Democracy) and Progresívne Slovensko (Progressive Slovakia). The latter explicitly rejects the traditional left-right division of party politics and focuses on good governance issues. Consequently, party competition has increasingly centered either on claims for decent and rule-based politics (Za ľúdi, Dobrá Voľba, PS, Spolu), or on more nationalist and patronage politics (Vlast'). These two camps have become increasingly polarized, and the growing polarization has undermined popular trust in politics and politicians. (Score: 5)

Citation:
Policy Performance

I. Economic Policies

Economy

After years of economic boom, Slovakia experienced an unexpected slowdown in economic growth in 2019. Real GDP growth fell from 4.0% in 2018 to about 2.3% in 2019, as slower economic growth in Germany and uncertainty produced by Brexit affected Slovakia’s export-oriented economy. In the second half of 2019, exports of goods, a strong pillar of the Slovak economy, declined.

The slowing of economic growth has revealed the risks and limits of Slovakia’s strategy of economic development with its strong reliance on the car industry and export performance. Future growth and prosperity will require strategic investment in education, innovation, infrastructure and energy technology. The Slovak business environment is slowly losing ground, as competitiveness is being undermined by high regulatory burdens, limited law enforcement, a lack of judicial and police independence, an unclear long-term economic vision, limited government responsiveness, low ICT adoption rates and a lack of innovation capability.

Citation:


Labor Markets

Due to the strong growth of the Slovak economy, the unemployment rate has gradually fallen in the last years. This trend continued in 2019 with unemployment declining to below 6%, the lowest rate since the independence of Slovakia in 1993. At the same time, however, several structural problems
persist which have not been adequately addressed by successive governments. Long-term unemployment is one of the highest in the European Union, and the labor market participation of groups such as Roma, women with children, the elderly and low-skilled persons is relatively low. As labor market mobility within Slovakia is low, regional differences in (un-)employment are strong. More recent problems include the growing shortage of qualified labor for industrial production and the rising number of unfilled public sector vacancies due to low salaries. The Pellegrini government has sought to reduce the labor shortage by simplifying recruitment procedures for non-EU workers and expediting permit issuance. However, the new provisions apply only to certain sectors and administrative barriers are still relatively high. Spending on active labor market policies in Slovakia remains one of the lowest in the European Union. Instead of improving active labor market policy, the government has focused on increasing the minimum wage and certain one-time bonuses. With a view to the upcoming February 2020 parliamentary elections, the monthly minimum wage will be raised from €520 to €580 as of January 2020.

Citation:

Taxes

The introduction of a flat-tax regime in 2004 played a major role in establishing Slovakia’s erstwhile reputation as a model reformer and an attractive location for investment. Whereas the first Fico government left the flat-tax regime almost untouched despite earlier criticism, the second Fico government in 2012 reintroduced a progressive income tax and increased the corporate-income tax, thereby increasing vertical equity to the detriment of competitiveness. Since 2016, tax policy has focused on the fight against tax evasion and improvements in tax collection. In addition, the government adopted a number of minor tax changes, including a lowering of the corporate-income tax rate from 22% to 21%, increases in the caps on social insurance contributions and a temporary doubling of the special levy on businesses in regulated industries (energy, telecoms, public health insurance, etc.). Both the Fico and the Pellegrini governments have thus largely ignored the longstanding calls by the European Commission, the OECD and the IMF to change the tax mix by financing a reduction of the relatively high tax burden on labor through increases in real estate tax, excises or environmental taxes.

While tax revenues have soared on the back of a growing economy, the tax-to-GDP ratio has remained broadly stable. At about 34%, it is below the EU average and close to that of Slovakia’s regional peers. The small fiscal deficit suggests that tax revenues are sufficient to finance the budget.
Vertical equity has benefited from the reintroduction of a progressive income tax in 2012. While the share of indirect taxes is low, social insurance contributions, which are relatively unprogressive, account for a relatively high share of revenue.

While the corporate income tax rate is relatively low, the tax wedge on labor is high. Moreover, households lose the dependent spouse allowance when a secondary earner enters the labor market. This represents a financial disincentive that significantly reduces female labor market participation.

Environmental taxes as a whole stood at 2.5% of GDP in 2018. The implicit tax rate on energy stood at 164.3, one of the lowest rates in the European Union, in 2017. While taxes on energy were above the EU average, there is still space to increase taxes on transport (0.3% in 2018; compared to an EU average of 0.5%) and sources of pollution (0.03% in 2018; compared to an EU average 0.08%). Differentiating tax rates according to the carbon content of the energy source and indexing the rates to inflation could also encourage more environmentally conscious behaviors in consumers. Excise duty rates on diesel are significantly lower than those on unleaded petrol, despite diesel having a higher carbon and energy content than unleaded petrol. The tax system also favors the private use of company cars, which counteracts the incentives provided by energy and vehicle taxation to reduce fuel consumption.

Citation:

Budgets

Slovakia managed to reduce the general government fiscal deficit from about 8% of GDP in 2009 to 3% in 2015 and 1.1% in 2018. While the consolidation of the budget has been favored by strong and higher-than-expected economic growth, the government has also succeeded in limiting expenditure growth. The Pellegrini government stuck to the third Fico government’s commitment to achieve a balanced budget in 2019. Due to the unexpected economic slowdown, however, this goal could not be met and a fiscal deficit of about 0.9% has materialized. While Slovakia has a relatively high public debt, risks to the public finances are largely long-term and related to population aging and the lack of pension and healthcare reform. The budgeting framework still shows certain gaps in terms of coverage, time horizons and reliance on cash
accounting. In the period under review, the government continued its “Value for Money” project, and finalized a third round of spending reviews covering agriculture, social inclusion policies and the public wage bill.

Citation:

Research, Innovation and Infrastructure

Slovakia has a weak and underdeveloped research and innovation policy. R&D intensity, the number of patent applications and levels of employment in knowledge-intensive activities are all well below the EU average and are the lowest among the four Visegrád countries. Expenditure on R&D, both public and private, has gradually risen, but from a very low level and remains relatively low. The increased private sector investment in R&D has not been sufficient to compensate for the state failure in managing R&D. Corporate funds account for only a quarter of the total Slovak funding, and almost 90% of all foreign resources are EU money.

Two recent developments might help to improve R&I performance. First, the IT security provider Eset plans to build a large research and innovation campus near Bratislava. Second, in October 2019, the Ministry of Education, Science, Research and Sport announced the largest ever investment in science and research in Slovakia. Between 2019 and 2023, Comenius University and the Slovak University of Technology will receive €111 million, largely from EU funds, to improve their R&D and innovation capacities. While this project will improve the country’s research infrastructure, it also highlights Slovakia’s dependence on EU funding for research and innovation.

Global Financial System

As a small country, Slovakia has very limited capacity to influence the regulation or supervision of the global financial markets. However, Slovakia has been a member of the euro zone since 2009 and has been supporting the international regulation of financial markets, including the creation of a banking union and implementing all European Union directives regarding supervision of financial markets as well as the establishment of the European Fund for Strategic Investments. Slovakia supports also the transparency of tax systems in order to enhance investment activities and the monitoring of cross-border financial flows both within Europe and globally.
II. Social Policies

Education

The Slovak education system has suffered from a number of weaknesses. While public spending on education has risen, its level is still among the lowest in the European Union. The teaching profession is unattractive, therefore the graduates tend to opt for different, better paid jobs. There are huge regional disparities in teaching outcomes, and students from socially disadvantaged groups tend to achieve only half the points of their peers from socially more favorable environments. Vocational education has been neglected since the fall of communism and universities focus on non-technical education. As a result, the education system is insufficiently geared to increasing Slovakia’s economic potential in that Slovakia faces a shortage of skilled workers needed for its industry-oriented economy. In 2015, Slovakia reintroduced a dual vocational education training system, but the implementation is slow and interest among potential participants remains limited. At the beginning of 2018, there were only 2,500 students and 70 companies involved. Tertiary educational attainment has improved, but remains below EU average and quality control in higher education does not meet international standards. The implementation of the anti-segregation legislation adopted mid-2015 in order to improve education for Roma children has been hindered by low teacher participation and a lack of teachers able to teach in multicultural settings.

While the Pellegrini government increased teacher salaries by 10% and updated its education development strategy in 2019, the government has largely failed to address structural problems in the education system. Martina Lubyová, minister of education, science, research and sport since September 2017, remains a controversial figure. In February 2019, the opposition tried, but failed to recall her because of the allocation of state R&D stimuli to companies not entitled to receive funding. Moreover, Lubyová was criticized for trivializing the issue of Andrej Danko, the speaker of parliament and leader of Lubyová’s party, plagiarizing content for his thesis. In March 2019, teachers at more than 1,100 schools symbolically dressed in black to protest against the low quality of education and insufficient recognition of teachers’
status. In October 2019, the European Commission sent a reasoned opinion to Slovakia urging the country to comply with EU rules on the equal treatment of Roma school children. The European Commission conceded that Slovakia has taken measures in recent years, but argued that the measures have not been sufficient to resolve the segregation of Roma children in schools.

Citation:


Social Inclusion

The Slovak social-protection system covers standard social risks, however society and public policies remain rather non-inclusive. Due to the country’s relatively uniform income distribution, recently growing employment and a redistributive social policy, income inequality and the risk of poverty remain relatively low. However, there are substantial differences between regions, gender and ethnic groups. As measured by the regional Gini coefficient, Slovakia stands out as the country with the highest regional disparities in the European Union. Roma and children from disadvantaged families continue to be the groups most at risk of social exclusion. The poverty rate among Roma is more than six times higher than for the general population and also higher than in other societies with sizable Roma populations. Slovakia continues to segregate Roma children and children with disabilities in education. Although showing slight improvements, access to the labor market, especially for women and people living in the east and north, has remained a challenge. The main reasons for this phenomenon are the combination of low growth and job creation in the country’s poorer regions, as well as an insufficient infrastructure and incentives for regional labor mobility to job-rich areas. The underdeveloped long-term care system infringes upon the social inclusion of elderly and frail elderly people. The low availability of rental or social housing negatively affects social policies that target socially disadvantaged or excluded persons, or persons with disabilities.

In the period under review, little has been done to address these problems. In December 2018, the government eventually reintroduced compulsory nursery school for five year olds, beginning in September 2020, with a view to improving the integration of children from marginalized groups. Furthermore, a spending review by the Ministry of Finance paved the way for an overdue
reform of the minimum income scheme in April 2019. However, while the reform increased benefit payments, the level of benefits remains inadequate.

Citation:


Health

Slovakia has a mandatory health-insurance system that provides all residents with primary, secondary and tertiary care, pharmaceuticals and medical devices. The state covers the health-insurance costs of children, students, pensioners, the (registered) unemployed and women on maternity leave. From a comparative perspective, the quality and efficiency of healthcare services are relatively low. A government spending review published in autumn 2016 showed that there is significant scope to increase the cost-effectiveness of various areas of healthcare. Bad working conditions in the Slovak health sector and mass migration of doctors and nurses to other EU member states have resulted in a shortage of staff. The Slovak Medical Chamber estimates that Slovakia has a shortfall of about 3,000 doctors. If those who have already reached retirement age but are still practicing are counted, then the deficit reaches 5,000 doctors. The average age of medical doctors ranges between 55 and 57 years.

The third Fico government announced in 2016 that it would replace the existing reform strategy with a new and updated strategy, but failed to do so. Even the implementation of the old strategy has proceeded slowly and selectively. In 2017, the gradual introduction of DRGs in hospital financing started. In 2018, the government carried out the first step of a three-step debt settlement plan for hospitals, without tackling the root causes of the accumulation of hospital arrears. Reacting to the threat of looming strikes, Andrea Kalavská, the health minister since March 2018, announced an additional €90 million investment in the healthcare sector. She also prepared a comprehensive hospital reform, which was supported by many experts as well as by the parliamentary opposition. Approved by the cabinet after months of discussion at the end of September 2019, the reform was eventually withdrawn from the parliament’s agenda because of opposition from Smer-SD, orchestrated by former prime minister Robert Fico.
Families

In Slovakia, traditional notions of the family are still fairly strong. Mothers of children under two years of age rarely work, the employment rate for women (25 – 49 years old) with children below six years of age reaches a mere 40%, and the gender employment gap for young women (20 – 29 years old) is among the highest in the European Union. Working women face an enormous double burden of both professional and domestic responsibilities. This situation is reinforced by the low incidence of part-time employment, income tax splitting and the relatively long duration of parental leave. Another financial disincentive that undermines female labor market participation is the loss of the dependent spouse allowance households face when a secondary earner enters the labor market. The number of spaces in childcare facilities have remained limited since the late 1990s and have not kept up with the increase in the birth rate. The proportion of children between four years old and the starting age for compulsory education in early childhood education in Slovakia is the lowest in the European Union, while the proportion of children below the age of three in early childhood education is the second lowest in the European Union. As a result, motherhood has a particularly discouraging effect on female employment in Slovakia compared to other European countries.

Compared to their predecessors, the Fico and Pellegrini governments have paid more attention to the expansion of childcare facilities, and have begun to shift the focus of family policy away from cash benefits. In the run-up to the 2020 parliamentary elections, Smer-SD has returned to its previous policy model. The government has increased the parental allowance by €100 per month for children below the age of three, although only for children that are not enrolled in a public childcare facility.
Pensions

Slovakia introduced a three-pillar pension system along World Bank lines in 2004. From 2012 to 2015, the Fico government adopted a number of measures aimed at strengthening the first (public, pay-as-you-go) system to the detriment of the originally relatively strong second (private, fully funded) pillar. These changes have re-increased the role of the state in providing for the elderly and have given the pension system a more redistributive nature. In order to limit the pressure on the first pillar associated with a rapidly aging Slovak population, the indexation of pensions was gradually changed between 2013 and 2017. Instead of being indexed to the growth of the average wage and the consumer price index (i.e., inflation), the annual adjustment of pensions became dependent on the development of the cost of living of pensioners. In 2017, however, the government reneged on the change in indexation. An ad hoc increase of pensions by 2% in 2017 was followed by the guarantee of a pension increase of at least 2% of an average pension for the period 2018 – 2021. These changes have improved the situation of pensioners, but have reduced the financial sustainability of the first pension pillar.

Sustainability has further suffered due to the parliament’s decision in March 2019 to stop automatic increases in the retirement age in line with life expectancy and to set the retirement age at 64 years old. Women can retire earlier if they have raised children: 63.5 years old for mothers of one child, 63 years old for mothers of two children or 62.5 years old for mothers of three or more children. Put on the agenda by Smer-SD leader and former prime minister Robert Fico, the change in the retirement age was supported by the trade unions, which organized a petition that was signed by more than 230,000 people. The Ministry of Finance and Ministry of the Economy as well as opposition parties and several think tanks opposed the proposal, forecasting that the changes would undermine the long-term sustainability of the pensions system and estimating that the proposal would cost €900 million per year.

Integration

While the share of foreigners in the Slovak population is still relatively low compared to most other EU member states, the inflow of migrants has increased in recent years due to a shortage of labor. Since the resignation of former Prime Minister Robert Fico in March 2018, the government has softened its strong anti-immigration stance. At the EU Summit in June 2018, new Prime Minister Peter Pellegrini agreed to accept 1,200 migrants. Moreover, the government has started to ease foreign access to the Slovak labor market in order to mitigate the shortage of labor in certain regions of the
country. First measures include the removal of the obligation to provide evidence of education for certain professions, a reduction in the number of documents needed to obtain a work permit, as well as a more frequent updating of the list of vacant jobs. However, the state administration still enjoys a high degree of discretion in granting permission for recruitment of workers from non-EU member states.

Citation:


Safe Living

Although government spending on public order and safety is among the highest in the European Union and the actual levels of crimes against rank-and-file citizens is low, internal security has been one of the major political issues in Slovakia for some time. While the homicide rate (the number of murders per 100,000 inhabitants) stands at 0.8 and is much lower than the OECD average of 3.6, only 60% of people say that they feel safe walking alone at night, which is less than the OECD average of 69%. The subjective feeling of security in private or public space or has decreased due to several factors. First, from the beginning of the EU refugee crisis, almost all politicians, headed by Prime Minister Fico, fueled fears by painting negative consequences of the migration crisis. Second, since the murder of the investigative journalist Ján Kuciak and his fiancée Martina Kušnírová, trust in the police and security forces has dramatically dropped. Third, the inefficient or reluctant persecution of criminal action or problematic linkages between politics and business. Public confidence in the Slovak police is one of the lowest among OECD members.

Global Inequalities

Slovakia ceased to receive World Bank development aid in 2008, and has been a donor of development assistance ever since. In September 2013, the country became the 27th member of the OECD Development Assistance Committee. However, official development assistance (ODA) has remained substantially below the EU target of 0.33% of GNI. In 2018, Slovakia took part in the 2018 voluntary national review of the UN’s High Level Political Forum on
Sustainable Development and started to draw up a medium-term strategy for development cooperation for 2019 – 2030. The six identified national priorities for the implementation of the Agenda 2030 resulted from a broad stakeholder participation process, which involved civil society, private sector, and regional and municipal administration representatives, as well as other relevant players. Moreover, the Government Council for Agenda 2030 was established to bring together key line ministers, as well as representatives of NGOs, academia, the private sector, and associations of cities and regions of the Slovak Republic.

Citation:

III. Environmental Policies

Environment

In Slovakia, interest groups and policymakers have traditionally assigned priority to economic growth rather than the protection of the environment. As a result, the approach to environmental issues has tended to be patchy rather than holistic, and the implementation of environmental laws and regulations has been weak. However, citizen sensitivity for environmental and climate issues has gradually increased, and the quality of environmental policy has slowly improved.

The government took part in the 2018 voluntary national review of the United Nation’s High Level Political Forum on Sustainable Development and initiated a review of the country’s sustainable development strategy with a view to incorporating the Agenda 2030 for Sustainable Development. In February 2019, the Slovak government approved a new strategy for environmental policy, Greener Slovakia. This document sets concrete and measurable goals which should be met by 2030. The document also identifies the biggest environmental challenges facing Slovakia and hence environmental policy areas that need to be prioritized, including waste management, air quality, and habitat and species conservation, especially in forest, meadow and wetland ecosystems. To meet these ambitious goals, the special Government Council for Agenda 2030 was established, which brings together key line
ministers, as well as representatives of NGOs, academia, the private sector, and associations of cities and regions. More importantly, some of these ambitious goals have already been implemented. For example, in 2019, the government approved an environment protection law, which prohibits logging in national parks and protected areas. The recently elected Slovak president, Zuzana Čaputová, in her inaugural address, underlined her focus on environmental issues.

In Slovakia, the use of land, water, material and energy resources is very mixed.

Regarding land, the condition of almost 99% of agricultural land fund is hygienically satisfactory. Recently, the physical properties of soil has noticeably deteriorated. Contaminated soil occurs predominantly in areas of industrial activity, while the proportion of contaminated soil in mountain and foothill regions has remained stable. Compared to other EU member states, soil in Slovakia contains relatively small amounts of nutrients, which leads to higher consumption of industrial fertilizers. The average consumption of industrial fertilizers is higher than in most EU member states and reached about 40% of consumption in 1990. Organic farming accounts for approximately 9.5% of all agricultural land.

Regarding water, Slovakia has one of the largest reserves of quality drinking water in the Visegrád group of countries. At the same time, Slovakia uses only a fraction of its reserves each year. Water consumption decreases annually and is one of the lowest in the European Union. Due to the uneven distribution of groundwater resources, there are also areas with insufficient groundwater reserves (e.g., Krupina and Košice). Total water consumption has slightly declined over the long run, which may have a positive environmental impact. Public water supply networks comply with the hygienic limits and supply 88% of the population. However, less than two-thirds of the population are connected to public sewers, and the improvement in this area lags behind the development of public water supply networks.

Regarding energy, Slovakia relies heavily on nuclear power (roughly 62% of energy consumed is produced by nuclear power plants), which means low greenhouse gas emissions. Despite the lack of additional policies supporting the production of renewable energy, the share of renewable energy has increased due to increases in EU Energy Trading System (ETS) carbon prices. The country’s dependence on nuclear energy has made the planned construction of a third and fourth nuclear power plant in Mochovce a major issue, the former is planned to open in February 2020 and the latter in 2021. The newly-adopted EU 2030 targets of 32% for renewables and 32.5% for
energy efficiency are higher than assumed, and imply that Slovakia will need to adopt ambitious targets for both renewable energy sources (RES) and energy efficiency (EE). A recent study done by the World Bank and the Slovak Ministry of the Environment estimates that Slovakia will need to achieve 22% for RES and 30% for EE. This means that both biomass and variable renewables will have to be developed, accompanied by the strongest possible building renovation policy.

Regarding air, air pollution in Slovakia’s urban centers is mostly caused by industry, transport and the small-scale burning of wood. PM2.5 is monitored in OECD countries. In Slovakia, PM2.5 levels are 20.6 micrograms per cubic meter, much higher than the OECD average of 13.9 micrograms per cubic meter and higher than the annual guideline limit of 10 micrograms per cubic meter set by the WHO.

Regarding biodiversity, Slovakia aims to prevent the deterioration of protected species and habitats. The country’s new strategy aims to restore at least 15% of degraded ecosystems by 2030. The country urgently needs to simplify the current system of protected areas and degrees of protection, as the system does not enable a stricter protection and targeted care in accordance with international standards. After the planned 2024 assessment, the core zone of territories without human intervention will comprise 50% of the total area of each national park management category II of protected areas under the International Union for Conservation of Nature (IUCN) by 2025 and 75% by 2030. A valuation and payments for ecosystem services will be improved and an integrated concept of landscape protection will be implemented by 2030. This task is complicated by the lack of comprehensive datasets on biodiversity, while the map of ecosystems in Slovakia was only recently elaborated.

Regarding the climate, in Slovakia, climate change-related policies focus on reducing greenhouse gas emissions, protecting and revitalizing ecosystems, and reducing and mitigating the risk of floods and soil erosion. The current challenge is to prevent and reduce the consequences of drought and other unwanted impacts of climate change. Despite the recommendations of international organizations (e.g., the European Commission and OECD), there has been very little progress in the areas of environmental taxes, waste management, waste water and air quality. More significant progress in climate policy was achieved in international cooperation on climate change and energy.

Citation:


Global Environmental Protection

As part of the European Union, Slovakia supports the European Union’s 2030 climate and energy policy framework, and its contribution to the global Paris Agreement. Slovakia was the fourth country to ratify the Paris Agreement, and the ratification of the agreement by all key states featured prominently among Slovakia’s priorities during its EU presidency in the second half of 2016. However, Slovakia has not acted as an international agenda-setter for global environmental policy. It signed a contribution agreement with the Green Climate Fund as recently as September 2019.
Quality of Democracy

Electoral Processes

The procedures for registering candidates and parties in Slovakia are fair and transparent. Regulations governing the electoral process were consolidated in the 2014 election code. Provisions regarding the registration of parties and candidates are liberal and ensure a fair registration procedure. Candidates for presidency must be nominated by at least 15 members of the unicameral National Council or document support from at least 15,000 voters. While independent candidates cannot run for office, candidate lists for parliamentary elections can be nominated by registered political parties, movements and coalitions. For registration, the nominating organizations must obtain 10,000 signatures and make a deposit of €17,000, which is returned only to candidate lists that receive at least 2% of the vote. In October 2018, parliament passed an amendment to the Act on Political Parties which changed the rules for the registration of parties for parliamentary elections and elections to the European Parliament. Under these new rules, the parties have to prove they have enough members and functional party bodies. That is, there must be twice as many members as the number of candidates on the slate or they need to have at least 45 members who, at the same time, are delegates of the party council. Promoted by the Slovak National Party (SNS), a junior coalition partner, the amendment was directed against parties that lack a formal membership base, such as Ordinary People and Independent Personalities (OLaNO), and We are Family – Boris Kollár (Sme rodina – Boris Kollár), or against parties that have less than 100 party members, such as Freedom and Solidarity (SaS). No affected party has yet challenged the amendment on grounds of discrimination, instead affected parties have recruited new members to fulfill the minimum requirement.

Slovakia’s media market is sufficiently pluralistic to ensure that all candidates and parties have fair access to the media. The law on elections calls for equal access to mass media for all candidates. The law also stipulates that no candidate should be favored over any other and that campaign advertising has to be clearly distinguished from other media content. The public broadcaster Radio and Television of Slovakia (RTVS) has to introduce candidates and present their campaigns, while private media outlets have the freedom to do so. The 2019 presidential election campaign was supervised by the Council for
Broadcasting and Retransmission (RVR), which did not report any serious violations. Fears that the politicization of RTVS under Jaroslav Rezník, its controversial director since August 2017, would lead to unbalanced coverage of the 2019 campaign proved to be unfounded.

However, concerns about equal access to the media have increased following attempts to introduce moratoriums on the broadcasting of political advertisements and publication of opinion poll results. Since the 2017 regional elections, TV and radio stations have not been allowed to broadcast political advertisements within 48 hours of an election. This ban has been criticized for its selectiveness in not including internet broadcasting or broadcasting from abroad. In October 2019, the Slovak parliament – with the votes of two of the three governing parties (Smer-SD and SNS) and the far-right opposition party LSNS – passed a bill prolonging the moratorium on the publication of opinion polls from the current 14 to 50 days before an election day, one of the longest moratoriums in the world. The bill provoked massive criticism, and was criticized by President Čaputová, Prime Minister Pellegrini and Ombudswoman Patakyová. While parliament overrode the president’s veto in November 2019, the Constitutional Court eventually declared the bill unconstitutional in December 2019.

The electoral process is largely inclusive. In principle, all adult citizens can participate in elections. There is a special electoral register for Slovak citizens without permanent residence in the country (i.e., homeless people). Since November 2009, only prisoners who have been sentenced for “particularly serious crimes” have been disenfranchised. Their number is estimated at about 1,600. Voters that will not be in their place of residence on election day can ask for a special voter’s pass that enables voting elsewhere on the territory of Slovakia. Slovak citizens who are abroad on election day can vote by mail in parliamentary elections. In contrast, citizens living abroad cannot participate in presidential elections, as the Ministry of Interior claims it is not able to manage two rounds of postal voting.

After long debate and various failed attempts, new rules on campaign finance were eventually adopted in May 2014 and became effective in July 2015. In October 2018, further amendments to the Act on Political Parties were passed, some of them related to party financing. Financial gifts to political parties from a single donor can no longer exceed €300,000 a year. Other amendments have obliged parties to publish detailed information on loans accepted on their website and to open a central account at the State Treasury to which all financial contributions from the state will be transferred. In the 2020 general elections, parties are not allowed to spend more than €3 million, including VAT, on their campaigns. This sum also includes money spent on promotional materials more than 180 days before the announcement of the election day.
In July 2019, just eight months before the 2020 elections, the ruling coalition with the help of the far-right, extremist party LSNS and Sme Rodina hastily (in only two days) passed a further amendment on party financing. Following the amendment, political parties will only be allowed to accept €3.5 million in membership fees (which are limited to €10,000 for a single party member), donations and loans within a parliamentary term. This relatively low ceiling, which approximates the sum that a party receives from the state if it gains 5% of votes in an election, has complicated the financing of new parties. The amendment was widely perceived as being directed against Andrej Kiska, the former president, who founded the new party For the People (Za ľudí) at the end of September 2019.

The Slovak constitution provides far-reaching possibilities for citizens to actively propose and take binding decisions on issues of importance to them through popular initiatives and referendums (articles 93 – 100). Referendums are obligatory in the case of the country entering or withdrawing from an alliance with other states (like the European Union). Furthermore, a referendum can be called for in the case of “other important issues of public interest” (Article 93.2); referendums on basic rights and liberties, taxes, levies, and the state budget are forbidden (Article 93.3). There are two ways to call a referendum: by a resolution of the National Council or on the basis of a petition signed by a minimum of 350,000 citizens. The results of referendums are binding, and the constitutional barriers for changing the decisions are high; only a three-fifths majority in the National Council can overrule a decision made by referendum, and can do so only after three years (Article 99.1). Likewise, no referendum on the same issue can be held until three years have passed (Article 99.2). Similar provisions exist at the local level. In the period under review, however, no nationwide referendum was held, only several local ones took place along with the municipal elections.

Access to Information

The murder of investigative journalist Ján Kuciak and his fiancée Martina Kušnírová in February 2018 has highlighted the limits to media freedom in Slovakia. Even after the murder, prominent persons in the government coalition continued to criticize and intimidate journalists. Media freedom has also suffered from the new law on the right to reply for politicians, passed in September 2019. The law has given politicians the right to receive a reply or have a correction published. If a media outlet fails to fulfill this right, it could be fined up to €5,000. A right to reply was originally introduced by the first government of Robert Fico in 2008, but then abolished by the Radičová government in 2011 following widespread domestic and international criticism of the resulting intimidation of journalists.
As other East-Central European countries, Slovakia has experienced a passing of private media ownership from foreign owners to intransparent domestic owners. A large number of media outlets are now directly or indirectly controlled by a limited number of politically well-connected Slovak financial groups (such as Penta, Grafobal Group, and J&T). In autumn 2014, the Penta financial group entered the media market, buying 45% of Petit Press from the German Rheinisch Bergische Verlagsgesellschaft (RBVG), which publishes the Sme daily, Slovakia’s most influential political daily – a transaction finally approved by the Anti-Monopoly Office in June 2016. Penta, whose true owners are still unknown, has also acquired two other publishing houses, and controls the economic weekly Trend, the daily Plus jeden dení and the weekly Plus 7 dení (the latter two of which are tabloids). In addition, it operates websites and purchases advertising space via its media agency. In 2018, however, Penta’s plans to purchase the media group Central European Media Enterprises (CME), which owns several TV stations in six central and eastern European countries, including the most watched private broadcaster in Slovakia, Markíza, failed. Instead, CME has been acquired by Czech businessman Petr Kellner in 2019. As a result, the television landscape is now controlled solely by Slovak and Czech owners. As it stands, only two of the original foreign media owners remain and both have substantially reduced their portfolio. After selling its print division, Ringier Axel Springer only owns Actuality.sk, the website for which the murdered journalist Kuciak worked. The Bauer Media Group still owns radio stations, but sold its magazine publications to the publishing house Mafra, which is owned by the Czech prime minister.

Access to government information is guaranteed by the constitution and the Act on Free Access to Information (Infolaw), which was originally approved in 2000 and has been amended several times since. In mid-2015, parliament started to discuss an ambitious amendment which had been prepared by a commission established by the Ministry of Justice. Moreover, shortly before the parliamentary elections in March 2016, three prominent watchdog organizations (Transparency International Slovensko, Fair-Play Alliance, INEKO) lobbied for improvements in the Infolaw. In particular, they...
recommended subjecting companies that are fully owned by the state or municipalities to the Infolaw and making public the salaries and CVs of state nominees. Moreover, the agreements signed by the state and municipalities should be published at one place and the state should start to systematically connect the databases about public procurement, founding and ownership of companies, EU funds and owners of property. After the 2016 elections, Lucia Žitňanská, the minister of justice in the third Fico government who resigned after the murder of Ján Kuciak, prepared a draft amendment that incorporated most of these recommendations. However, the Pellegrini government has not pursued the issue.

Citation:

Civil Rights and Political Liberties

In Slovakia, civil rights are largely respected. However, the integrity of the judiciary and the long duration of court proceedings remain a problem, as do the police discrimination and mistreatment of the Roma population. New problems have emerged since conservative forces (including several Christian churches) formed an alliance, which opposes LGBTI rights and “gender ideology,” and promotes “traditional family” values. SNS leader Andrej Danko has helped to propel the issue to the top of the political agenda and succeeded in forging a majority for a parliamentary resolution asking the government not to ratify the Istanbul Convention.

In Slovakia, political rights are largely respected. Citizens can freely join independent political and civic groups. The murder of Kuciak and Kušnírová in February 2018 evoked the biggest protests since the Velvet revolution in 1989. The movement “For a Decent Slovakia,” which emerged from these protests, continued to organize rallies in 2019. The murder has evidently bolstered sensitivity for political liberties and the need to protect civil liberties. This new sensitivity was a key factor in Zuzana Čaputová’s presidential election victory in March 2019. A civil rights lawyer, having worked for many years for the NGO-watchdog VIA IURIS, Čaputová is expected to take a clear stance on political liberties.

While Slovakia has fairly sophisticated anti-discrimination legislation in place, the discrimination of women, Roma, LGBTI persons and migrants continues to be a major problem. The Roma population has suffered from the lack of access to adequate housing, the pervasive segregation of Roma children and their very high dropout levels in the education system, the excessive use of
force by police officers during raids carried out in Roma settlements and various manifestations of hate speech. The new commissioner (government proxy) for Roma affairs appointed by the third Fico government (nominated by Most-Híd) has been only slowly gaining public support and political standing. A 2018 report of the United Nations Committee on the Elimination of Racial Discrimination (CERD) underlined the continuing discrimination of Roma and recommended measures to eliminate discrimination against members of the Roma minority. Moreover, CERD also expressed regret over the Slovak government ignoring its previous recommendations on creating an independent institution to investigate crimes committed by the police. The CERD again recommended that the government quickly create such an institution. In the period under review, this did not happen nor were any major anti-discrimination measures introduced.

Citation:

Rule of Law

Government and administration in Slovakia largely act on the basis of the law. However, legal certainty has suffered from frequent legal amendments and opaque laws. The increasing level of political polarization has made many laws rather short lived. As a result of frequent amendments, many laws have become inconsistent, even contradictory. Legal certainty has suffered also from the fact that the Constitutional Court has lacked a unifying normative background. While many court decisions have been inspired by the case law set by the European Court of Human Rights and the rulings of other EU member state constitutional courts, particularly the German one, others have been based on specific and not always transparent views of individual justices.

In the period under review, the debate on the low quality of laws in Slovakia again intensified. While in the past, this concern was primarily raised by lawyers and political scientists, this time the warning has come from the business sector and from the European Commission. Contradictory laws, with different ministries adopting different interpretations, and the resulting lack of predictability are increasingly seen as a problem for the business environment.

Citation:
The Slovakian court system has for long suffered from low-quality decisions, a high backlog of cases, rampant corruption and repeated government intervention. Positive changes were brought about from within the judiciary after the disempowerment of Stefan Harabin, a controversial figure who occupied senior judicial positions between 1998 and 2014. Lucia Žitňanská, the minister of justice from March 2016 to March 2018, sought to foster transparency and fight corruption in the judicial system. Among other things, the ministry launched a new database to be used for improving the training of justices and their allocation to the courts. While the length of court proceedings has been shortened, concerns over the independence of the judiciary have persisted. They have been more than confirmed by the revelations about the entanglement of many justices in the corruption network of Marian Kocner, the man behind the murder of Kuciak and Kušnírová. In 2019, the Judicial Council twice failed to select the president of the Supreme Court. The next election round is scheduled for January 2020.

The Constitutional Court has generally operated independently of the executive branch of government. However, its performance has suffered from a high backlog of cases, aggravated by a long-standing stalemate between the former president, Kiska, and parliament over the appointment of new justices, and the politicization of appointments. Moreover, a controversial decision in January 2019 – in which the Constitutional Court, for the first time in Slovak history, declared a constitutional law unconstitutional – has raised concerns about the role of the court.

According to the 2019 EU Justice Scoreboard, 64% of Slovaks do not trust the courts. Public confidence in the independence of courts and judges is – tied with Hungary – the worst in Europe. Over 50% of respondents stated that interference from government and politicians was the main reason for the lack of judicial independence (only Hungary polled higher).

Citation:

The justices of the Constitutional Court (CC) are selected for 12 years by the president on the basis of proposals made by the parliament (National Council of the Slovak Republic), without any special majority requirement. From 2014 to the end of 2017, the selection of justices was paralyzed by a struggle
between President Kiska, who had made judicial reform a priority in his successful presidential campaign in 2014, and the Smer-SD-dominated parliament. Ignoring a decision by the CC, Kiska blocked the appointment of new justices, arguing that the candidates greenlighted by the National Council lack the proper qualifications for Constitutional Court justices. As a result, three out of 19 seats in the CC remained vacant until Kiska eventually gave in in early December 2017. Kiska’s retreat was favored by recommendations by the so-called Venice Commission (Council of Europe’s European Commission for Democracy Through Law) in March 2017. While the latter criticized Kiska for blocking the appointments, it sided with him in calling for stricter criteria for nominated judges. Despite a broad consensus on the need for changes, an amendment proposed by Justice Minister GáŠl failed to muster sufficient support in parliament in October 2018.

In February 2019, the tenure of nine out of the court’s 13 justices expired. The process of replacing the justices was highly polarized, especially after former prime minister Robert Fico was nominated as a candidate. The recently introduced public hearings for candidates attracted a lot of media and public attention, but probably discouraged several qualified candidates from standing. In April 2019, the first three justices were appointed, but it took another nine months and five votes in parliament to finalize the other six appointments.

Citation:


Corruption has been the most sensitive political problem undermining political stability and quality of democracy in Slovakia for some time. The revelations that have followed the murder of Ján Kuciak and Martina Kušnírová have confirmed the prevalence of corruption in the country. Despite widespread public dissatisfaction with corruption, as evidenced by the mass demonstrations in 2018 and the election of Zuzana Čaputová as president in March 2019, the Pellegrini government has been slow to improve integrity mechanisms. The government has not embraced the comprehensive recommendations proposed early on by the new initiative Chceme Veríť (We Want to Believe), which was launched by several leading NGOs (Fair-Play Alliance, VIA IURIS, Slovak Governance Institute, Human Rights League,
Open Society Foundation, Pontis Foundation and Stop Corruption foundation). Instead, the government has largely confined itself to updating its anti-corruption strategy in a routine manner. Its anti-corruption strategy for 2019 – 2023, as approved in December 2018, has remained rather vague.

Citation:

Governance

I. Executive Capacity

Strategic Capacity

The institutional capacity for strategic planning in Slovakia is weak. Capacities for planning in the ministries are limited, and there is no central policy-planning unit in the Government Office. The fragmented nature and the rigid departmentalism of public administration in the country have complicated strategic planning. So has the high degree of staff turnover which, driven as it is by a politicized public administration, limits the continuity of institutional expertise. The strengthening of the expertise of the Government Office and the creation of the Council for Solidarity and Development, an advisory body, under the second Fico government have failed to improve planning capacities in any substantial way. Since the government reshuffle in March 2018, the institutional capacity for strategic planning has not been improved.

Slovak governments rely on various permanent or temporary advisory committees. Prime ministers have their own advisory body. Former Prime Minister Fico’s advisers largely came from his circle of associates and included only a few truly independent experts. This pattern has not changed since the 2018 reshuffling of government. There are several public research institutions with close linkages to ministries that are largely dependent on state funding and provide their analysis to the government. However, the impact of any of these bodies on decision-making is not really transparent. Within the ministries, expert advice is provided by so-called “analytical centers,” which are separated units composed of experts with different backgrounds, but a common sense of mission. Under the Fico governments, contact between ministers and non-governmental experts was rather rare, and this has not really changed under Fico’s successor, Pellegrini. The lack of input from external experts often leads to poorly prepared policy drafts, which subsequently have to be revised ex post or withdrawn.
Interministerial Coordination

Slovakia has a strong tradition of departmentalism and collegial cabinets, and these two features have deepened under the current coalition, comprised of three very different partners. The Government Office focuses on the legal and technical coherence of draft bills, but lacks the capacity and sectoral expertise to evaluate their policy content.

In Slovakia, the government manifesto defines certain priorities that are elaborated in legislative plans. These additionally divide tasks and responsibilities among the line ministries and other central bodies, and set deadlines for the submission of bills to the cabinet. In their policy-development process, the line ministries legally must include a range of institutions and interest groups that are defined as stakeholders in their respective fields. Ministries are also obliged to consult with the Government Office and its legislative council as they develop bills. However, full responsibility for drafting bills has traditionally rested with the line ministries, and consultation with the Government Office is mainly technical. Prime Minister Fico tried to increase the monitoring activities of the Government Office, especially those related to EU structural funds. Peter Pellegrini, his successor, has continued this approach.

The importance of cabinet and ministerial committees has varied over time in Slovakia, with every government modifying the committee structure. Since the parliamentary elections in 2016, there has been only one cabinet committee composed exclusively of ministers, the Council for National Security. Other ministerial committees consisting of ministers and senior civil servants and chaired by the four appointed vice prime ministers or line ministers have played a major role in the preparation of government proposals, and have been quite effective in settling controversial issues prior to cabinet meetings. However, they are still neither formally nor systematically involved in the preparation of cabinet meetings, partly as these bodies usually reside at the line ministries.
In Slovakia, senior ministry officials have traditionally been heavily involved in the interministerial coordination process at the drafting stage. In contrast, coordination at the lower levels of the ministerial bureaucracy has suffered from a strong departmentalist culture and the top-down approach taken in most ministries. Since the 2016 elections, SNS and Most-Híd have further weakened the role and independence of the civil service by seeking to provide ministerial positions to party members.

Informal coordination has played a significant, yet ambivalent role in policy coordination. On the one hand, the Pellegrini government has sought to complement the formal mechanisms of interministerial coordination through a complex system of coalition councils, meetings and agreements. On the other hand, former prime minister Robert Fico has frequently tried to undermine coalition compromises by capitalizing on his power within Smer-SDS. As a result, the governing coalition went through a number of coordination crises in the period under review. In late 2018, Smer-SD and SNS opposed Slovakia joining the U.N. Global Migration Compact, which had been approved by the country in July 2018 when Foreign Minister Miroslav Lajčák served as president of the U.N. General Assembly. In October 2019, the Pellegrini government withdrew a healthcare reform, which had already been approved by the cabinet, but was opposed by Fico. Also in October 2019, Smer-SD and SNS ignored opposition from their coalition partner, and the concerns of Prime Minister Pellegrini and other senior cabinet figures to join forces with the far-right opposition party LSNS to pass a bill prolonging the moratorium on the publication of pre-election opinion polls.

Slovakia lags behind many EU member states with regard to digitalization. In October 2017, the government published the Detailed Action Plan on the Digitization of Public Administration. The government aim is to develop an e-government system for citizens, public administration, businesses and academia. In November 2017, an amendment to the Act on e-Government became effective which has introduced a central delivery system for official documents. As it stands, however, digital technologies play only a limited role in interministerial coordination.

Evidence-based Instruments

When RIAs were introduced in Slovakia back in 2001, no central unit in charge of RIA was created at the government’s core. In response, the first Fico government introduced a Uniform Methodology of Assessment of Selected Impacts in 2008, which was updated by the Radičová government in 2010. The “RIA 2020 Better Regulation Strategy” which was approved by the cabinet in January 2018 has further strengthened the methodological basis for assessing the economic impact of regulation in particular. However, within the period under review, the RIA 2020 framework and other impact assessment
tools have not yielded the expected results. One central problem is that impact assessments only apply to measures initiated by the government. Moreover, ministries still often struggle with the quantification of wider impacts, focusing mainly on budgetary impacts and, to a lesser extent, impacts on business.

Citation:


Procedures for public consultations in the later stage of the regulation-making process are well developed, and include the automatic publication of all legislative documents on the government portal. However, the strong focus of Slovak RIA on the impact on the business sector means that business associations are involved in the process more strongly than other stakeholders. Quality control suffers from fragmentation. In the Permanent Working Committee of the Legislative Council, four ministries are involved in checking the quality of regulatory impact assessments (Ministry of Economy, Ministry of Finance, Ministry of Environment, Ministry of Labor, Social Affairs and Family), with the Economic Analysis Division of the Ministry of Economy playing a coordinating role. While the creation of this committee has led to some improvement, the RIA process would further benefit from making one central government body responsible for evaluating integrated impacts rather than spreading the responsibility across several ministries.

The RIA methodology manual requires that sustainability concerns be incorporated in assessment reports. In practice, however, sustainability checks do not feature very prominently and are not undertaken in a comprehensive manner. This might change as a result of the ongoing revision of the country’s sustainable development strategy. Slovakia took part in the 2018 voluntary national review of the U.N. High Level Political Forum on Sustainable Development and has initiated a review of the country’s national sustainable development strategy with a view to incorporating the 2030 Agenda for sustainable development. Coordinated by Deputy Prime Minister for Investments and Information Richard Raši, the review process has included broad stakeholder participation and the creation of the Government Council for Agenda 2030, involving key line ministers, as well as representatives of NGOs, academia, the private sector, and associations of cities and regions of the Slovak Republic.
Ex post evaluations have not been required by law so far. If they have been carried out, they have focused mainly on administrative burdens. The RIA 2020 Better Regulation Strategy, approved by the cabinet in January 2018, envisaged more comprehensive ex post evaluations. However, implementation of the strategy has been slow.

Citation:

Societal Consultation

In Slovakia, comprehensive legal requirements for the consultation with societal actors, including social dialogue in the tripartite Economic and Social Council, exist. However, the three Fico governments did not assign much importance to consultation with societal actors. Despite the deep chasm that emerged in Slovak society following the murder of Ján Kuciak and Martina Kušnírová in February 2018, the Pellegrini government has not tried to increase its legitimacy by taking public consultation more seriously. While the government has intensified its “travel” meetings in underdeveloped regions, these meetings have primarily led to increases in government spending rather than improvements in government policies. One of the rare positive examples of public consultation involved the Agenda 2030 process, which developed in an inclusive manner.

Policy Communication

The formation of a coalition government after the 2016 parliamentary elections has made it more difficult to streamline government communication. However, until the coalition crisis in August 2017, SNS and Most-Híd, the junior coalition partners, were cautious to avoid engaging in open conflict. Since the resignation of former prime minister Fico, however, the coherence of government communication has deteriorated. In a number of cases, most notably the recent healthcare reform, government coalition parties have failed to streamline their communication. The upcoming parliamentary elections in February 2020 have driven the government coalition partners to pursue more “independent” office-seeking strategies.
Implementation

The government manifesto of the third Fico government reiterated many goals of his previous ones. Although it comprised around 70 pages, it lacked action plans, timelines and budgets. After the reshuffling of the government in March 2018, the new prime minister did not formulate new policy goals, but declared that his government would adhere to the existing manifesto. Implementation of the manifesto has been limited. Previously announced education and healthcare reforms have been delayed or tackled in an erratic manner. The much-awaited healthcare reform was eventually presented in September 2019, but then withdrawn as Smer-SD leader Robert Fico did not support the cabinet’s draft law. Regarding education, the government increased teacher salaries by 10% and updated its education strategy in 2019. However, the latter has suffered from a number of gaps. Little progress has been made with the promised improvements to public transport infrastructure.

Since the 2016 elections, ministerial compliance has been complicated by the fact that the government rests on an “unnatural” coalition that includes parties as diverse as the Slovak National Party (SNS) and the mostly Hungarian minority based party Most-Híd (Bridge). The vagueness of the government manifesto and the weakness of Prime Minister Pellegrini have allowed ministers to pursue sectoral interests and to follow party lines. Several ministers of the junior coalition partners are political newcomers, and have proven difficult to integrate and more or less are dependent on coalition party leaders. Minister of Labor, Social Affairs and Family Ján Richter, for instance, followed Smer-SD leader Robert Fico’s populist call to abolish the automatic increase in the retirement age, even though it contradicted the government manifesto.

When returning to power in 2012, Prime Minister Robert Fico expanded the Government Office’s responsibilities in monitoring line ministries, particularly with respect to European affairs and economic and fiscal issues. Since the 2016 parliamentary elections, the existence of coalition governments has complicated the central monitoring of line ministries, especially the monitoring of ministries led by junior coalition partners. Under Prime Minister Pellegrini, even the monitoring of the ministries led by Smer-SD has weakened, since many ministers have been more loyal to Robert Fico, the Smer-SD leader and former prime minister, than to Pellegrini.

Slovakia features a large number of agencies increasingly subject to politicization. Leaders of agencies or semi-autonomous entities are selected on the basis of their party affiliation and social connections (family bonds) rather than their expertise and public reputation. The politicization of agencies has not changed under the Pellegrini government.
In Slovakia, the degree of decentralization is relatively high. However, funding for subnational governments has been precarious. About a third of the revenues come from state transfers. While the shares of both municipalities and regional self-governments in personal income tax revenues have substantially risen since 2014, subnational governments have continued to complain about unfunded mandates. Their strong reliance on personal income tax has made their revenues highly dependent on the performance of the economy. Nonetheless, the Association of Towns and Communities of Slovakia (ZMOS) is a powerful player and has been relatively successful in articulating the interests of municipalities vis-à-vis the central government. Nevertheless, due to limited financing, municipalities – 70% of which have less than 1,000 inhabitants – are often restricted to providing basic public services and infrastructure, thereby diverting resources from social services, education, land planning and construction permits.

All Fico-led governments pursued a hands-on approach limiting the constitutional discretion of subnational governments. Under the Pellegrini government, the politics of direct patronage for party-loyal municipalities (such as building sports facilities in towns and villages led by Smer-SD party members) has continued. As Smer-SD lost all regional capitals to predominantly independent candidates or candidates supported by the opposition parties in the municipal elections in November 2018, the tensions between central government and subnational governments have increased. In a joint statement in November 2019, the Chair of the Association of Towns and Communities of Slovakia (ZMOS), and the Chair of Supreme Audit Office argued that central government must base its transfers to municipalities on economic and legal rather than political criteria. The fact that several municipalities have increased property taxes and waste disposal charges, and some are even planning to introduce a development fee, has increased tensions between central government and municipalities. Leading Smer-SD figures have criticized mayors for fueling political dissatisfaction in the run up to the parliamentary elections in February 2020.
Public-service standards are poorly defined, especially with regard to the independent functions of subnational governments. Moreover, the monitoring of compliance with these standards is often fragmented. The Ministry of the Interior is responsible for overseeing subnational self-government, but largely focuses on formal compliance with existing laws and cost efficiency. While the ministry regularly monitors all levels of self-government, the number of breaches of the law and the extent and effects of ministerial intervention are not transparent. Clearly, there are differences between national and EU standards that negatively influence the effective use of EU structural funds.

A core weakness of the Slovak public administration system is the politicization of public decision-making and the influence of economic lobbies and other organized interest groups on policymaking. Thus, government agencies tend to enforce regulations ineffectively and demonstrate bias in their activity.

Adaptability

In the past, Slovakia’s ability to adapt domestic government structures to international and supranational developments, most notably at the EU level, has been weak and its performance ambiguous and confusing. Despite several attempts at reform, the rate of absorption of EU funds has remained low, as the absorption of EU funds has been hindered by dysfunctional planning procedures, poor project design and selection, and the failure to comply with the requirements of environmental impact assessments. Recommendations by European Union or international organizations like the OECD, Council of Europe or U.N. divisions have been considered selectively. Due to various scandals in the education sector and the misuse of EU funds, Slovakia’s access to financial support from the European Union has tightened. Overall, Slovakia continues to perform poorly in drawing EU funds. As the European Commission states the lack of capacities, and strategic planning and administrative inefficiencies hamper the use of EU funds. Distribution of funds to final beneficiaries remains low. As a result, Slovakia lost €120 million in funding for R&I and regional development in the period under review.

Citation:

Because of its size, Slovakia’s capacity to shape strategic global frameworks is limited. For a long time, the country was eager to be seen as a reliable and trustworthy partner within NATO and European Union. However, Slovakia’s reputation and standing in the European Union has suffered from Slovakia aligning with the position of other Visegrád countries in the EU refugee crisis.
and from Speaker of Parliament Andrej Danko’s ongoing “flirtation” with Russia. The Pellegrini government has sought to reposition Slovakia among the core group of EU member states, and has been keen to distance Slovakia from some of the positions taken by Hungary and Poland. In 2018, Slovakia has also been actively involved in two major international initiatives. It participated in the voluntary national review of the SDGs and elevated them to a national priority. Moreover, as acting UN General Assembly president from September 2017 to September 2018, the Slovak foreign minister Miroslav Lajčák, was intensively involved in the formulation of the UN’s Global Migration Compact. Eventually, however, the SNS, one of the junior coalition partners, prevented the Slovak signing of the Global Migration Compact. The resulting loss of credibility complicated Slovakia’s OSCE chairmanship in 2019.

Organizational Reform

There is no regular and systematic self-monitoring of institutional arrangements in Slovakia. Governments and governmental bodies (such as the parliament, Government Office) must issue annual reports and a final report at the end of their term in office, however, these documents focus more on policies and formal financial accounting rather than institutional design. In addition, there are sporadic audits within particular ministries. The institutions and processes of governing are analyzed only infrequently and selectively. Shortcomings in audit procedures persist.

Since the parliamentary elections in June 2016, the institutional arrangements of governing have remained largely unchanged. The new Pellegrini government has not initiated any major institutional reforms so far. However, some progress has been made in the implementation of earlier reforms. For example, the Office for the Protection of Whistleblowers was launched in March 2019. This agency is an independent, national institution, which is mandated to protect whistleblowers by monitoring compliance with the law, providing expert opinions and advice on the application of the law, and offering rewards to those who report unlawful activities. It is not yet clear how the office can contribute to the protection of whistleblowers in a country that lacks a culture of respect for whistleblowers.
II. Executive Accountability

Citizens’ Participatory Competence

Given the liberal legislation on access to public information and the existing media pluralism, information about policymaking is available to all citizens. However, population’s overall policy knowledge has suffered from the Fico government’s paternalistic approach. Fico’s main message to the citizens was that the government takes care of people’s everyday worries as well as the national interests of Slovakia, so that there is no need for citizens to engage in politics and to deal with policymaking. Social media have also had a negative impact on citizens’ understanding of public policies, as they contribute to the spread of different “alternative” news and conspiracy theories promoted by low-quality media such as Hlavné správy and Zem a Vek. In the wake of the Kuciak and Kušnírová murders, however, the political interest among broad strata of the population has increased, and this has contributed to a growing interest in policymaking as well. In a recent Eurobarometer survey, 72% of respondents stated that they were highly or moderately interested in politics. Like in other European countries, popular interest in climate change has risen.

Citation:

Slovakia joined the Open Government Partnership in 2011 and opened an Open Data Portal in 2015 (www.data.gov.sk). In its 2016 government manifesto, the third Fico government pledged to increase public administration transparency and make public information available in the form of open data. It also emphasized its ambition to support a data-based economy and stimulate the business environment. The current quality of published datasets at the open data portal suffers from persistent problems with insufficient updates to some datasets and the non-standardization of formats.

Citation:

Legislative Actors’ Resources

Members of the National Council, the Slovak parliament, can draw on a set of resources for monitoring government activity. Members of parliament have a budget for assistants and expertise and tend to have a support staff of at least two persons. They can draw on the Parliamentary Institute, an information, education and research unit providing expertise for parliamentary committees, commissions and individual legislators. In addition, there is a parliamentary library.

Parliamentary committees have the formal right to ask for almost all government documents. The main limits stem from the logic of party competition. Governments do not support opposition members of parliament in their legislative activities. As a result, committees’ access to government documents is often not timely.

The right of parliamentary committees to summon ministers is enshrined in Article 85 of the Slovak constitution. In practice, committees make relatively little use of this right, as the majority of committee members are members of parliament belonging to a government coalition party and often block such proposals.

In Slovakia, parliamentary committees may invite experts. However, this is not a very common practice.

In the current term, the Slovak National Council has more parliamentary committees than there are ministries (by a ratio of 19 to 13). Two committees (the European Affairs Committee and the Committee for Human Rights and Minorities) have several ministerial counterparts and three committees enjoy the status of a special committee, that is, as supervising intelligence services. However, committees cover all ministerial task areas and thus, the allocation of subject areas among committees does not hamper parliamentary oversight of ministries.

Media

The quality of media reporting in Slovakia is limited. The public TV and radio stations provide daily news programs and some analytical, critical programs on a weekly basis. However, much of the commentary is superficial, and debates usually serve as a vehicle for the views of the parliamentary parties. The commercialization of nationwide broadcasters, with a consequent negative impact on public-interest news and current-affairs coverage, has not left the
public stations untouched. TA3, a private TV channel dedicated to news, is heavily influenced by its owner, who allegedly sponsors SNS and its leader. The commercial media sector tends to eschew in-depth analysis of current affairs and instead follows an infotainment or scandal-driven news agenda. As for the print media, the recent ownership changes have raised concerns about the political agenda of the new owners and the resulting decline in journalistic quality. A new risk is the growing popularity of conspiracy websites, many of which are sponsored by Russia. The Kuciak and Kušnírová murders have somehow united journalists and have fostered interest in investigative journalism, but have not changed the structural constraints on media quality.

**Parties and Interest Associations**

All Slovak parties are elite projects that are dominated by a few party leaders. In the parliamentary elections in March 2016 new parties entered the parliament: the extreme right LSNS, the populist Sme Rodina and the center party Siet'. The nationalist SNS, came back to parliament while the former governing parties SDKU-DS and Christian Democratic Movement (KDH) remained outside. Smer-SD remains strongly centered around Robert Fico, who has led the party since its founding in 1999 and has remained its head even after his resignation as prime minister in March 2018. The inner circle of the party and the number of party representatives with influence are rather limited. The two centrist parties established in 2017/18 – Spolu–Občianska Demokracia (Together – Civic Democracy) and Progresívne Slovensko (Progressive Slovakia) – are more inclusive and engage in open decision-making with their members. In the period under review, new parties have been founded like Za ljudi (For the People), which is chaired by former President Andrej Kiska, Vlast' (Homeland), which is led by Supreme Court judge Štefan Harabin and Dobrá Volba (Good Choice), which is led by former Minister for Health and Interior Tomáš Drucker. These foundations underline the character of elite and personality driven party projects, as they are based on the image and program of their main leader.

In Slovakia, business associations and unions alike have some policy competence. Business associations are in a better position to provide full-blown policy proposals as they have more resources and some of them run or support think tanks. Trade unions are less well equipped and have suffered from fragmentation. Some trade unions, including those representing medical doctors, nurses and teachers, can analyze the impact of decisions and formulate relevant policies. KOZ SR, the main Trade Union Confederation representing almost 30 sectoral unions, has focused primarily on increasing the minimum wage and an assortment of less controversial issues such as workplace security. In the period under review, some structural changes were made to the organizations of the government’s social partners. The
Association of Industrial Unions became a member of the tripartite Economic and Social Council. Furthermore, the new Joint Slovak Trade Union was established, representing employees from, among others, the healthcare, education and police sectors.

Slovakia has a vibrant third sector and many competent interest associations whose analyses and proposals have featured prominently in the media. Think tanks are an integral part of civil society, feature close links to academia and other experts and profoundly influence public discourse. They often serve as a substitute for political opposition. The election of former civil society activist Zuzana Čaputová as first female president of Slovakia represents an meaningful signal. Čaputová previously worked as a lawyer for the NGO-watchdog VIA IURIS, which focuses on improving the rule of law and judicial system.

Independent Supervisory Bodies

The Supreme Audit Office of the Slovak Republic (NKÚ) is an independent authority accountable exclusively to the National Council. The chairman and the two vice-chairmen are elected by the National Council for seven years each, and the office reports regularly and whenever requested by the council. There is an informal agreement that the chairman should be proposed by the opposition. After NKÚ Chairman Ján Jasovský’s term expired in 2012, Fico’s Smer-SD successfully prevented the election of a new chairman four times. In May 2015, the National Council eventually elected a new chairman, Karol Mitrík. While Mitrík was suggested by one of the opposition parties, he did not muster the support of the majority of the opposition. While the NKÚ has been active, its findings have often been conspicuously inconclusive. In a number of sensitive cases, such as overpriced cultural events and dubious commissions during Slovakia’s EU presidency in the second half of 2016 or the suspicious allocation of EU funds for farmers in the Nitra Region, the NKÚ has found no crimes, but only “flaws.” This recurrent pattern has raised some doubts about its independence from the government. In the period under review, however, the NKÚ has stepped up its control activities. The installation of a new planning board has increased the relevance and timeliness of its reviews, and the NKÚ has sought to expand its role in the legislative process and to widen its mandate with regard to local self-government.

In addition to the Petitions and Complaints Office of the National Council, there is an independent ombudsman, the Public Defender of Rights, who is accountable exclusively to the Council. The Public Defender is elected by the Council for a term of five years and reports regularly to it. The current ombudsperson – Mária Patakyová, a law professor at Comenius University in Bratislava nominated by Most-Híd – was appointed in 2017. Like her predecessor, Patakyová has taken her advocacy role seriously. In 2018, she
announced that she would focus on education rights and the right to compensation for Roma women subject to unlawful sterilization. As in previous years, Patakyová participated in the Pride Parada in Bratislava in 2019 and has actively defended LGTBI rights. She also participated actively in the United Nation’s Orange the World campaign: Generation Equality Stands against Rape! on 25 November 2019. Moreover, she supports measures that will allow Slovak citizens living abroad to vote in all elections, not only in parliamentary elections.

Based on the 2013 Act on Personal Data Protection, the Office for Personal Data Protection was established in 2014. The office contributes to the protection of the fundamental rights and freedoms by supervising how personal data is processed. The effectiveness of the office has been limited by a lack of resources and a lack of clarity and differing interpretations of individual parts of Slovak data protection legislation. The amendment of the act on personal data protection in January 2018, which has aimed at incorporating the European Union’s General Data Protection Regulation, has further aggravated the problems. The nomination of Soňa Pôtheová, the head of the Office for Personal Data Protection since 2015, raised some public concerns, as she had been close to senior Smer-SD figures and companies owned by discredited oligarchs. Since coming to office, however, she has acted independently.
Address | Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0

Dr. Christof Schiller
Phone +49 5241 81-81470
christof.schiller@bertelsmann-stiftung.de

Dr. Thorsten Hellmann
Phone +49 5241 81-81236
thorsten.hellmann@bertelsmann-stiftung.de

Pia Paulini
Phone +49 5241 81-81468
pia.paulini@bertelsmann-stiftung.de