

Ministry of Finance of the Slovak Republic



National Reform Programme of the Slovak Republic 2024

April 2024

Table of Contents

Summary	1
1 Challenges of the Slovak economy	4
1.1 National priorities.....	4
1.2 Fulfilling CSRs.....	7
1.3 Delivering on the 2030 Agenda for Sustainable Development	8
1.1 Meeting the objectives of the European Pillar of Social Rights	9
2 Macroeconomic framework and medium-term forecast	13
3 Measures in key structural areas	15
3.1 Public Finance.....	15
3.2 Education	20
3.3 Productivity: research, development, innovation and digitalisation	29
3.4 Labour market, social affairs and housing.....	38
3.5 Quality of institutions	43
3.6 Healthcare and long-term care.....	51
3.7 Green transition.....	57
4 EU cohesion policy	71
5 The institutional framework of the NRP	75
Annex 1: Targets and indicators	76
Annex 2: List of abbreviations	82

List of graphs

Chart 1: Sources of economic underperformance of the Slovak Republic relative to Germany (GDP per capita of Germany = 100), 2022.....	4
Chart 2: International comparison of Slovakia's quality of life (standard deviation from the OECD EU average).....	6
Figure 3 : Reform compass: distance from 2030 targets and best performance by area.....	6
Chart 4: Agenda 2030: 17 Sustainable Development Goals and Slovakia's countdown.....	9
Chart 5: Contributions to GDP growth - forecast (p.p.).....	13
Chart 6: EU spending (EUR million).....	13
Chart 7- Nominal vs. real wages and inflation (%).....	14
Chart 8 - Contributions to inflation (p.p.).....	14

List of tables

Table 1: European Pillar of Social Rights - 20 principles.....	10
Table 2: European Pillar of Social Rights - selected indicators, year 2022.....	11
Table 3: Objectives of the 2030 Action Plan for the implementation of the EPSR.....	12
Table 4: Status of disbursement and contracting of projects as at 31 December 2023.....	71
Table 5: Status of implementation of the Slovakia 2021-2027 Programme as of 31 December 2023.....	73
Table 6: Overview of the indicators used.....	77
Table 7: Description of result indicators.....	80

Summary

The National Reform Programme of the Slovak Republic 2024 (NRP) describes the reform efforts of the Government of the Slovak Republic (SR) in key structural areas. It aims to provide a comprehensive overview of the measures implemented and planned by the Slovak Republic in response to the Country-specific recommendations for Slovakia, whether these measures are implemented through EU cohesion policy, the Slovak Recovery and Resilience Plan (RRP) or from the state budget. At EU level, the NRP is a key part of the European Semester cycle, in which it is presented to the EU Council and the European Commission¹ and plays a central role in the collective monitoring and multilateral debate on policy challenges and how to address them. The RRP also serves as a tool to communicate the implementation of the 2030 Agenda for Sustainable Development and the European Pillar of Social Rights.

When planning and implementing reforms, it is necessary to base them on an analysis of the current state of the country in the most important areas of development and to place them in the context of the major structural challenges facing the Slovak Republic. Allocative efficiency, the labour market and education have been identified as the three main areas of lagging behind in terms of economic convergence. In addition to sustained higher GDP growth, the state must also pursue the objective of improving the quality of life of the population. In this sphere, housing, health and the quality of acquired knowledge and skills remain the biggest challenges.

The priority of the Government of the Slovak Republic is to return to sustainable public finances and to stabilise public debt-to-GDP. The long-term sustainability of the Slovak Republic's public finances, burdened also by high future costs related to population ageing, has deteriorated over the past three years and is in a high-risk zone. This undesirable situation has been partly mitigated by the reform of the pension system to which Slovakia committed itself under the RRP. During the course of 2023, measures were implemented which diminish its positive impact, but measures are currently under preparation to ensure that the positive impact of the reform on the long-term sustainability of public finances is maintained. The government plans to align the concept of public expenditure limits with the new EU fiscal rules in order to simplify the fiscal rules and avoid rule dualities. The Slovak government intends to change the debt brake with the aim of adjusting sanction mechanisms and managing liquidity more effectively. At the same time, the quality of public finances has been strengthened by the implementation of changes aimed at prioritising investments and their continuous monitoring.

Compared to the European Union average, the Slovak education system underperforms at several levels. Nowadays, it is necessary for the education system to emphasise the systematic and targeted development of comprehensive skills among pupils. A gradual transition to a new curriculum is therefore under way, which will enable pupils to develop their creative thinking and digital skills to a greater extent. The lack of support for children in pre-primary education is reflected in a lower proportion of differently disadvantaged children in kindergartens. In this context, the right of admission to kindergarten has been introduced for children from the age of four and progressively from the age of three, as well as the transition to normative funding for kindergartens. Other inclusive measures include a change in the approach to children with special educational needs and the introduction of desegregation standards. Reform efforts are also focusing on improving the performance of universities and supporting their ability to attract and retain talent. Modernising the existing infrastructure of universities and adjusting the methodology for allocating

¹ [Council Regulation \(EC\) No 1466/97](#), [Regulation \(EU\) No 1175/2011 of the European Parliament and of the Council](#) and [Regulation \(EU\) 2021/241 of the European Parliament and of the Council](#).

grants by introducing performance contracts will support the profiling and diversification of universities based on their specific strengths and development potential.

Research, development and innovation are of undeniable importance for long-term sustainable economic growth, quality of life and tackling global challenges. However, the impact of the reforms launched will only be seen over time. The importance of the research, development and innovation agenda is underlined by the consolidation of cross-ministerial coordination under the Office of the Deputy Prime Minister as part of the ongoing reform of competences and cross-ministerial coordination of policy-making in this area. The implementation of the measures from the adopted National Research, Development and Innovation Strategy 2030 significantly advances reform efforts towards more efficient governance, processes and allocation of increased resources to support the ecosystem. Digital transformation is part of successfully managing reforms in this area. A key element of Slovakia's digital transformation will be the successful implementation of the extensive National Digital Decade Plan. Concrete steps to support digitisation will be directed towards increasing the use of e-services by the state, developing cyber security and increasing the number of projects to develop and apply cutting-edge digital technologies.

Demographic pressures, combined with a persistent brain drain and low participation of selected groups² of the population, are leading to a deepening labour shortage. Employers today face the highest capacity shortages ever in filling vacant positions, but the increase in foreign workers in the last year has largely offset the departure of Slovaks from the labour market and contributed up to 0.7 p.p. to the growth of domestic employment. In this context, the measures implemented under the RRP contribute to reducing barriers and attracting skilled labour. For example, in order to support the attraction and retention of highly skilled employees and students, 3 fully operational client centres (one-stop shops) will be established to provide comprehensive services facilitating the establishment in Slovakia. Adjusting the indexation of the minimum subsistence level to reflect the rising cost of living for low-income households, as well as the unfreezing of the minimum pension, have the potential to mitigate the effects of higher inflation for vulnerable groups. However, as the level of the subsistence minimum remains well below the poverty line, the whole concept of the subsistence minimum needs to be reconsidered so that its amount actually corresponds to the minimum expenditure on the basic necessities of life.

The quality of the institutional environment greatly influences the efficiency of resource allocation in the economy. In Slovakia, barriers to development in this area are manifested mainly in the form of limited enforceability of property rights, lack of trust in public institutions or regulatory and administrative barriers for entrepreneurs. In this context, it is important that a new reorganised court network has been launched, which aims to streamline court proceedings and improve the quality of court decisions. In turn, the electronicisation and speeding up of insolvency proceedings and commercial register processes will contribute to reducing administrative barriers to business. By the end of 2024, 300 specific measures will enter into force, leading to administrative savings for businesses. The planned legislative changes should bring improvements to the current mechanism for the management of seized and confiscated assets. The modernisation of information systems for international police cooperation will make the exchange of information needed to fight international crime more efficient. The aim of building shared service centres is to strengthen and improve the performance of local authorities in providing public services to citizens.

As in developed countries, health spending is growing faster than the Slovak economy. After adjusting for demographics, current health spending as a share of GDP is even slightly higher in international comparison than in similarly wealthy countries. However, Slovakia's health system performance so far lags behind Western European health systems as well as neighbouring Central European countries. Slovakia has

² Mothers with small children, people in the age group 60-69, members of the MRC, long-term unemployed.

one of the highest death rates in the EU from causes that are treatable or preventable. There is still considerable room for improvement in public health policies to reduce premature deaths. The Slovak health system is gradually moving towards a DRG reimbursement system for five selected groups of healthcare, representing 15-20% of the total, from 2024. A key measure in the area of hospitals is also the continuation of the reform to optimise its network. In order to improve the allocation of resources in the health sector, a health budget board is to be established. Under the RRP, contracts have been signed for seven major investment projects, but several are now behind schedule. In long-term care, the assessment of the needs of persons with disabilities for personal assistance is expected to be consolidated and streamlined.

Russia's military invasion of Ukraine has highlighted the need to accelerate the green transition, reduce dependence on Russian fossil fuels and strengthen the resilience of the energy system across the EU. The European Commission has responded to these challenges with the REPowerEU plan.

The ambition of the measures in the REPowerEU component of the Slovak Recovery and Resilience Plan is to contribute to reducing dependence on fossil fuels and to a faster and wider integration of renewable energy sources into the Slovak energy mix. Measures include, for example, simplification of permitting processes or investments in energy infrastructure, zero-emission transport and energy efficiency in buildings. The new climate law should harmonise the Slovak legislative framework with that of the EU and make a significant contribution to achieving the 2030 climate targets, including climate neutrality by 2050 at the latest. Investments in increasing the share of clean forms of transport support the transition towards sustainable transport. However, in the case of rail, rising construction costs and lengthy project preparation have made it difficult to meet some of the original targets. Improving water management in the landscape has the potential to bring about drought mitigation and contribute to the restoration of ecosystems and biodiversity. The forthcoming Waste Management Strategy and Action Plan aims to ensure stability and predictability of the circular and waste management environment and to improve its functioning.

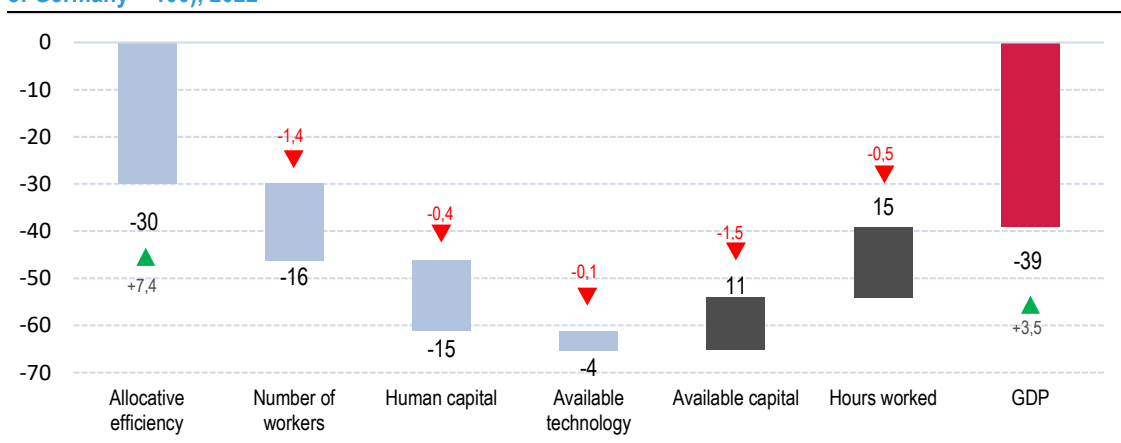
1 Challenges of the Slovak economy

The chapter focuses on the identification of key challenges that have a significant impact on the formation and development of the socio-economic structure of Slovakia. The challenges described are in line with national priorities, which are based on the specific recommendations of the Council of the EU for Slovakia (CSRs), the principles of the European Pillar of Social Rights (EPSR) and the implementation of the 2030 Agenda. The chapter also provides a basis for the formulation of future actions that are targeted to address the identified challenges and support the sustainable development of the country.

1.1 National priorities

Taking stock of the country's current progress in addressing its main structural challenges is a key part of a successful reform effort. In 2022, the Slovak Economy Reform Compass project³ was introduced as a comprehensive tool to identify Slovakia's biggest challenges not only in terms of economic growth but also in terms of the quality of life of the population. Its update provides a more accurate view of the current state of the country in the context of the impact of recent crises and economic slowdown.

Chart 1: Sources of economic underperformance of the Slovak Republic relative to Germany (GDP per capita of Germany = 100), 2022



Source: Eurostat/OECD, IFP calculation

Note: The above charts are an updated part of the publication [Reform Compass of the Slovak Economy](#). The arrows represent the absolute changes in the values for the individual sources of economic underdevelopment compared to the 2019 values (part of the original document).

In line with the findings of the Reform Compass study, allocative efficiency, the labour market and the quality of human capital remain among the most significant factors of Slovakia's lagging behind the German economy. Compared to last year's NRP 2023⁴, which decomposes economic growth based on 2019, the Slovak economy is slightly closer to the German level by 2022, mainly through the factor of allocative efficiency⁵. However, in the period under review, the German economy showed a tendency to move towards the EU average in a negative direction, namely in the GDP per capita in purchasing power parity standards, a lower growth in the purchasing power parity income of the German population compared to the EU average was identified. In the case of Slovakia, there was a largely stagnant development relative to the EU average over the same period, i.e. convergence towards Germany was passive. At the same time,

³ [Reform compass of the Slovak economy](#).

⁴ [National Reform Programme 2023](#).

⁵ The efficiency of resource allocation is primarily influenced by the quality of the institutional environment. In the conditions of the Slovak economy, significant barriers to development in this area are manifested mainly in the form of limited enforceability of property rights, lack of trust in public institutions and high regulatory barriers for entrepreneurs.

Slovak GDP data in purchasing power parity (PPP) should be interpreted with a higher degree of caution, as methodological flaws have been identified in the measurement and revision of price levels, while Eurostat's time series revision policy is also subject to delays.⁶ Within a static view of the sources of Slovakia's economic underperformance, reform efforts should continue to be concentrated in the areas where the negative convergence gap is largest.

Despite the resilience of the Slovak labour market⁷ in recent crises, many challenges remain unresolved. The labour market in Slovakia has proved to be relatively fit and resilient, even in an environment of slower economic activity caused by the pandemic and energy crises. On the other hand, the main obstacles to Slovakia's outperformance on the indicator of the share of the working population in the total population include long-term unemployment, the underperformance of the labour market of people from the MRC, the low representation of mothers with young children, and the limited participation of people aged 60 to 69. In the longer term, the implications of automation⁸, the ageing population⁹ and the increasing skill requirements of the workforce must also be taken into account, which synergistically pose a significant challenge to the current employment structure in Slovakia. The resilience of the labour market to macroeconomic fluctuations is an important but insufficient precondition for successful adaptation to these (partly ongoing) changes.

The third main identified source of Slovakia's economic underdevelopment is the quality of human capital. The education system is marked by a lack of inclusion, which starts with low participation of children in pre-primary education. The challenge remains the elimination of the readiness gap at entry to primary education and a more targeted focus on educational outcomes, not only literacy and lifelong skills, but the whole spectrum of areas where educational outcomes lag behind and do not create the conditions for the development of an innovative economy. This is the case, for example, in the areas of mathematical and reading literacy and knowledge and skills in science literacy. Universities face the problem of declining attractiveness, which is reflected in the departure of a significant percentage of domestic students to foreign educational institutions. The rigid nature of the lifelong learning system and the absence of quality career guidance contribute to the relatively low participation of adults in further education once they enter the labour market. In the light of technological progress, the skills gap between the available workforce and the requirements of the labour market is widening.

In addition to sustained higher GDP growth, the country must also pursue the goal of improving the quality of life of its citizens. In this sphere, the areas of greatest underdevelopment are health, housing and, as with economic growth, the quality of acquired knowledge and skills. Challenges in education are also largely related to other areas. In a broader sense, education is a universal public good that cuts across almost all spheres of social and economic life. Compared to other economic policies, it has higher long-term returns and is a necessity for the development of innovation.

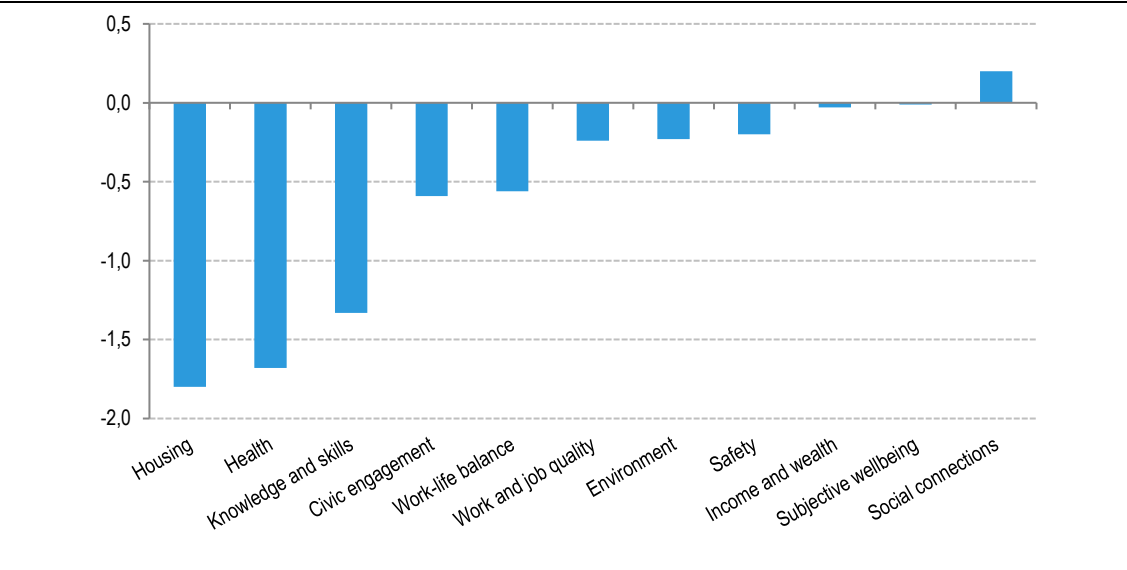
⁶ [On parity \(Dujava and Žúdel, 2023\)](#). This issue is also discussed in detail in the study [Is Slovak GDP per capita in purchasing power parity catching up with richer EU countries?\(Hlaváč, 2023\)](#).

⁷ The resilience of the labour market in the context of the pandemic crisis can be partly attributed to a change in the nature of job protection. In contrast to the financial crisis of 2008/09, the pandemic crisis was not primarily manifested by an increase in the unemployment rate, but primarily by a reduction in the utilisation of workers' capacities (hours worked) while maintaining employment status. This was due to the application of a job protection system ('Kurzarbeit'), which had not been implemented in Slovakia during previous recessions. ([Morvay and Hudcovský, 2022](#)).

⁸ Technological progress in Slovakia threatens the low- and medium-skilled workforce in particular. Thus, occupations with low average wages are more at risk from automation, with further implications for the growth of income inequality and social aspects. In particular, a number of manufacturing, wholesale and retail trade industries are among the sectors with the highest share of high-risk employment in their total employment in Slovakia ([Collective of authors of KOZ SR, 2020](#)).

⁹ According to Eurostat population projections, Slovakia is among the European countries with the fastest ageing population. The current ratio between the population of post-working age and the working age population, which is approximately 1 : 4.1, will change to approximately 1 : 3.0 by 2030. Slovakia is thus facing the challenges of a declining population, including significant social and economic impacts, with negative consequences for the social security and health care systems and the need to adopt unprecedented and costly measures. See more in [Slovakia's Vision and Strategy for Development to 2030](#).

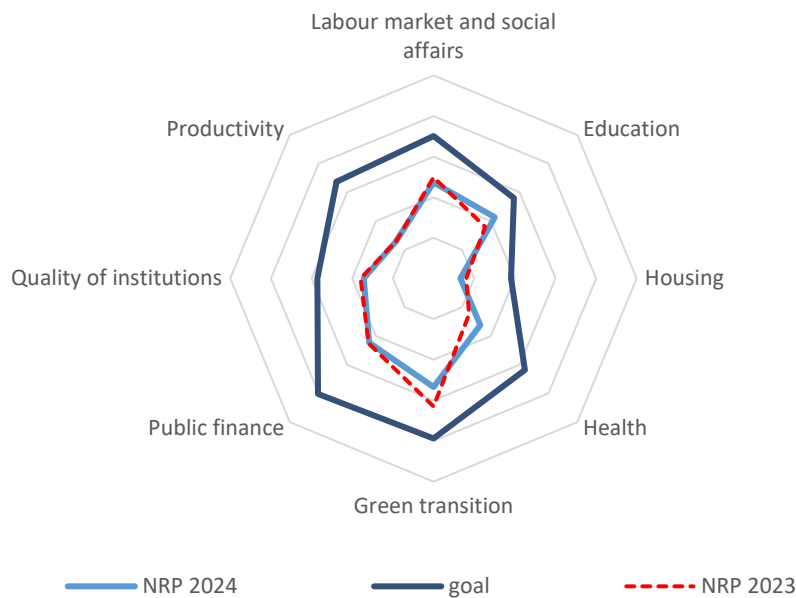
Chart 2: International comparison of Slovakia's quality of life (standard deviation from the OECD EU average)¹⁰



Source: OECD, IFP calculation

In addition to identifying challenges, it is equally important to set specific targets and regularly evaluate their achievement. To this end, targets¹¹ have been set for the TOP 30 indicators¹² in eight areas. The individual areas represent the biggest challenges in terms of economic growth, quality of life, but also in terms of megatrends such as demographic change (in relation to long-term sustainability indicators) or green and digital transition. An aggregated view of the identified challenges is provided by the Reform Compass in the updated Figure 3, which summarises on an annual basis the distance of the current situation from the set targets in outcome indicators covering all eight areas.

Figure 3 : Reform compass: distance from 2030 targets and best performance by area



Source: IFP calculations

¹⁰ The left axis shows the standard deviations from the OECD EU average for each quality of life domain (the bars represent the average of the indicators in that domain).

¹¹ The full methodology for setting targets is in Annex 1.

¹² An overview of the 30 indicators, together with their long-term trend, can be found in Annex 1.

The graphical representation of Slovakia's main socio-economic lagging areas is a tool for identifying challenges where intensive reform efforts are needed to reach the targets. Effective use of available EU funding is therefore essential to achieve a narrowing of the gaps in all eight development areas in order to properly implement the measures of the ambitious RRP¹³. From this perspective, priority areas include in particular "trusted finance", "health" and "productivity", where the SR performs worst compared to the best EU countries.

We are the furthest away from achieving the targets in the area of long-term sustainability and productivity. In particular, the high future costs of ageing populations and the lack of consolidation achieved so far are contributing to the unfavourable long-term sustainability of public finances. However, the deterioration in the long-term sustainability of public finances should also be seen in the context of the impact of the pandemic, the war in Ukraine and the resulting energy crisis. Compared to last year's 2023 NRP report, there has been little progress in the area of public finances in aggregate. Indeed, the positive year-on-year contribution of the long-term sustainability indicator (S2) and of the gross public debt is also strongly influenced by the favourable trend in other EU countries. The resulting value for a specific area is therefore subjective to the spread between the third best and worst performing countries in a given year and does not reflect purely absolute changes. Thus, the more significant improvement in the S2 indicator due to the pension reform has ultimately not been translated into the overall assessment, and the aggregate indicator for public finances remains well above the 2018/19 level or the 2030 target. The factors described above have resulted in the catching-up of the target value defined by the methodology becoming largely stagnant between the reference periods.

The areas with the lowest convergence gaps include education¹⁴ and green transition. In the case of green transition, we identify a partial deterioration, which is mainly due to a negative short-term fluctuation in the municipal waste recycling rate indicator. In the long run, however, the shift in green transition is most visible, making the country use its environmental resources more efficiently. However, the energy crisis triggered by the armed conflict in Ukraine has highlighted the urgency of further challenges in this area, which need to be addressed by reform measures. It is therefore important to focus reform efforts in particular on diversifying energy sources to reduce dependence on fossil fuels and accelerating the transition to renewable energy sources in line with the European Commission's new REPowerEU plan.

1.2 Fulfilling CSRs

CSRs for Slovakia 2023¹⁵ recommend focusing on ensuring prudent fiscal policy and accelerating green and digital transition. The growth of domestic-financed current spending related to offsetting high energy prices and assistance to people fleeing Ukraine should be in line with overall neutral policy intentions. The general escape clause of the Stability and Growth Pact, which allows for a temporary deviation from the normally applied budgetary requirements in the event of a severe economic downturn, will be deactivated at the end of 2023. The Council of the EU therefore called for the adoption of fiscal policies in 2023-2024 that ensure medium-term sustainability of debt servicing while raising potential growth in a sustainable manner. This recommendation is particularly relevant for Slovakia given the identified shortcomings in the long-term

¹³ At the end of 2023, Slovakia has already submitted its 4th payment request for €924 million under the RRP, making it one of the countries with the fastest implementation of RRP measures. Equally important in terms of meeting the targets will be the efficient absorption of financial resources (almost €13 billion) and the implementation of EU Cohesion Policy investments for the period 2021-2027.

¹⁴ Within education, a significant year-on-year shift in the proportion of people participating in education and training over the last four weeks has been identified. However, it is important to note that in 2021 there was a methodological adjustment to the EU-LFS which also affected the above mentioned indicator. However, at the moment it is not possible to distinguish the effect of the methodological change from the actual progress in the indicator. However, Slovakia's significant underperformance in other education indicators, such as PISA or the share of children in pre-primary education, shows the necessity to increase reform efforts in the field of education.

¹⁵ [EU Council recommendations for Slovakia for 2023.](#)

sustainability of public finances at the national level. The CSRs also monitor the achievement of prudent medium-term fiscal positions, where reform efforts need to be strengthened.

Slovakia's tax system has the potential to be reformed in order to increase economic efficiency, promote environmental and fiscal sustainability and enhance fairness. The tax burden on low-income labour and single-parent households is particularly high compared to other EU countries. On the other hand, the potential of environmental and property taxes is not being fully exploited. Changing the tax mix could boost growth while helping to promote green transition and environmental sustainability. The Council of the EU therefore recommends streamlining the tax mix and ensuring that it is more supportive of inclusive and sustainable growth, including by harnessing the potential of environmental and property taxes.

Following the challenges addressed in the area of green transition, Slovakia is to reduce its overall dependence on fossil fuels, diversify energy sources and achieve energy savings on the basis of reforms and investments brought about by the new REPowerEU chapter in the approved update of the RRP. The REPowerEU chapter also includes measures that will help fight energy poverty, promote low- and zero-emission transport and accelerate the retraining of the workforce in green and related digital skills. The Slovakia Programme and the Modernisation Fund are also expected to play an important role in the green transition. The lack of workforce and required skills in sectors and occupations that are key to the green transition, including the production, deployment and maintenance of emission-neutral technologies, creates barriers to the transition to an emission-neutral economy. Quality education and training systems that respond to changing labour market needs and targeted up-skilling and retraining measures are key to reducing skills shortages and promoting labour inclusion and reallocation.¹⁶

1.3 Delivering on the 2030 Agenda for Sustainable Development

Last year, Slovakia ranked 23rd out of 166 countries monitored in the broader UN assessment of countries in terms of achieving the 2030 Agenda goals. The overall score, which measures a country's progress in achieving all the Sustainable Development Goals (SDGs), increased to 79.12 from the original 78.27, indicating a slightly positive overall trend in Slovakia's development compared to 2022.

The SDGs complement the identified national challenges, emphasising the environmental and social sustainability of further development. Two-thirds of the selected indicators used for national monitoring of progress on the reforms outlined in the previous section are likewise included in the SDGs tracked, thus partly reflecting the 2030 Agenda's accountability of achievements.¹⁷ Another initiative aimed at achieving the SDGs represents a complementary approach to the ambition to achieve the goals set at the national level.

Slovakia is currently showing moderate progress in most of the monitored areas, the "No Poverty"¹⁸ target has been achieved. In contrast, major challenges are identified for the objectives "Climate action", "Responsible consumption and production" and "Industry, innovation and infrastructure". Although the 2022 target "Reduced inequalities" has already been achieved, challenges in this area remain again.

¹⁶ Slovakia is one of the countries with the highest concentration of employment in the automotive and steel industries in the EU, i.e. in sectors that will be significantly affected by the green transformation.

¹⁷ [The 2024 Annual Sustainable Growth Survey](#) recommends focusing accountability in the context of European policies on four cross-cutting areas: macroeconomic stability, environmental sustainability, productivity and equity. These dimensions of competitive sustainability are in line with the EU's efforts to make steady progress towards the UN Sustainable Development Goals.

¹⁸ The targets are set and evaluated by the UN. The "No Poverty" goal aims to end poverty through interlinked strategies, including the promotion of social protection systems, satisfactory employment and the capacity of the poor to overcome the disadvantages of poverty. A list of measurable indicators for the 'No Poverty' goal is available [here](#).

Chart 4: Agenda 2030: 17 Sustainable Development Goals and Slovakia's countdown



Legend: ↑ on trajectory or maintaining the achieved goal, slight improvement, → stagnation, ↓ deterioration
 ● target achieved ● challenges remain ● significant challenges ● major challenges ● information unavailable

Source: European Sustainable Development Report 2023

The 2030 Agenda, endorsed by UN Member States, represents a sustained global effort to monitor socio-economic development with a view to achieving long-term sustainability. It defines 17 areas of sustainable development and 169 measurable goals, emphasising the equitable distribution of economic prosperity, including with respect to future generations. Slovakia joined the implementation of the 2030 Agenda in March 2016.

The European Sustainable Development Report 2023¹⁹ finds, across the board, for all the countries studied, significant deviations from the expected trajectories for achieving the SDGs in all the areas monitored. As a result of the 2020 pandemic and the accompanying crises, including the energy crisis, the projected trajectories for meeting the targets have stalled across the board. However, committed countries continue to be strongly urged to use the second half of the 2030 Agenda implementation period to critically review and update their national strategies for the SDGs, while renewing their firm commitment to achieving them.




1.1 Meeting the objectives of the European Pillar of Social Rights

The continued implementation of the European Pillar of Social Rights (EPSR) remains a political priority to promote upward social convergence in the EU. The purpose of the EPSR is to strengthen the enjoyment of EU citizens' rights under three headings: (i) equal opportunities and access to the labour market, (ii) fair working conditions, and (iii) social protection and inclusion, which are subsequently defined in more concrete terms in 20 core principles (table below). The foundations for the establishment of the EPSR were laid at the Bratislava Summit during the Slovak Presidency of the Council of the EU.

¹⁹ [European Sustainable Development Report 2023](#).

In terms of achieving results under the EPSR, one of the biggest national challenges is the provision of adequate education and skills strengthening. We are also lagging behind in selected labour market indicators, including the long-term unemployment rate. By contrast, we are regularly among the best performing countries in the EU on income inequality and on the risk of poverty and social exclusion. All the major challenges currently affecting the SR, including ecological transition, digitalisation and demographic change, should respect equality between men and women. To achieve this, it is therefore essential to integrate an equality perspective between men and women into all policies and processes.

Table 1: European Pillar of Social Rights - 20 principles

Equal opportunities and access to the labour market	Fair working conditions	Social protection and inclusion
		
1. Education, training and lifelong learning 2. Equality between men and women 3. Equality of opportunity 4. Active employment support	5. Secure and adaptable employment 6. Payroll 7. Information on terms and conditions of employment and protection in the event of dismissal 8. Social dialogue and worker involvement 9. Work-life balance 10. Healthy, safe and adapted working environment and data protection	11. Childcare and support for children 12. Social protection 13. Unemployment benefits 14. Minimum income 15. Retirement income and pensions 16. Healthcare 17. Inclusion of people with disabilities 18. Long-term care 19. Housing and assistance for the homeless 20. Access to essential services

Quality pre-primary education is essential for developing children's skills and improving the inclusiveness of the education system. Weaknesses in the education system also translate into problems in the labour market, particularly in the area of long-term and youth unemployment. Particular emphasis should also be placed on strengthening the participation of children from socially disadvantaged backgrounds²⁰. Although the year-on-year stagnation in the indicator for formal education of children under 3 can be attributed to a particularly unfavourable crisis period, Slovakia's worst regular ranking within the EU is more indicative of a systematic underperformance. Given the long-term return on investment in education, progress in this area needs to be strengthened to ensure that positive changes in educational outcomes are visibly translated into labour market outcomes.

According to a recent survey, adult participation in learning is similar to the EU average²¹. Formal adult learning contributes to greater labour market mobility²², while non-formal learning is important for retaining and updating skills. As a result, there is a higher chance of successful retraining, which is essential in view of the increasing demands on the quality of the workforce and to mitigate the negative effects of automation. Ultimately, adult learning helps to improve employability, promote innovation and social justice, or eliminate the digital skills gap. At the same time, extending working careers, closely linked to re-linking the increase in retirement age to the rise in life expectancy²³, is a prerequisite for improving the long-term sustainability of public finances. The positive effect of this measure will only be fully realised if workers remain

²⁰ These are recurring recommendations both within the framework of specific recommendations of the EU Council for Slovakia and the OECD - see e.g. CSR2 from 2019 or key recommendations within the [OECD \(2022\): Economic Survey of Slovakia](#).




²¹ In this context, however, it is necessary to add that the EU-LFS methodology was modified in 2021, which affected the quality of data collection. A number of countries, including Slovakia, have modified their national questions, in particular as regards participation in non-formal education, which, according to Eurostat, may have a significant impact on the results. Therefore, the break in the data should be taken with a grain of salt and the country's progress on the adult learning indicator should only be objectively assessed well after the methodological change made in 2021. More on [Adult learning statistics](#).

²² Labour mobility includes not only geographical mobility but also mobility between employers, occupations and positions.

²³ Part of the package of laws approved by the Slovak Parliament (the [Social Insurance Act](#) and the [Old Age Pension Savings Act](#)) with effect from 1 January 2023.

employable and productive in old age. This requires ensuring that they have access to effective skills development throughout their lives, so that they can update and upgrade their skills in line with changing labour market needs.

Table 2: European Pillar of Social Rights - selected indicators²⁴, year 2022

Chapter	Indicator	EN	EU27	Position	Trend	
					ST	LT
Equal opportunities and access to the labour market 	Early leaving from education or training (%)	7,4	9,6	12	↘	↗
	Gender employment gap (p.p.)	8,1	10,7	16	↗	↗
	Income inequality (S80/S20 share)	3,12	4,74	1	↗	↗
	Adult participation in education²⁵ (%)	12,8***	11,9***	12	↗	↗
	Tertiary education attainment (%)	39,3	42,8	20	↗	↘
	Individuals with basics. Digital skills (%)	51,31**	55,51**	20	↗	↘
	Young people not in employment and education (NEET) (%)	12,3	11,7	20	↗	↗
Fair working conditions 	Employment rate (%)	76,7	74,6	17	↗	↗
	Unemployment rate (%)	6,1	6,2	17	↗	↗
	Long-term unemployment rate (%)	4,1	2,4	24	↗	↘
	Youth unemployment rate (%)	19,9	14,5	22	↗	↗
	Activity rate (%)	76,1	74,5	17	↗	↗
	Rate of workers at risk of poverty (%)	7,1	8,5	12	→	↘
	Household disposable income (index since 2008)	124,4	109,74	7	↗	↗
Social protection and inclusion 	Risk of poverty or social exclusion (%)	16,5	21,6	6	↗	↘
	Rate of severe material and social deprivation (%)	6,3	6,7	20	↗	↘
	Children at risk of poverty or social exclusion (%)	24,7	24,7	21	↗	↘
	Employment gap for people with health disability	21	21,4	10	↗	↗
	Children under 3 in formal care (%)	2,3	35,9	27	↗	→
	Aggregate pension replacement rate (ratio)	0,6	0,58	7	↘	↗
	Own expenditure on healthcare (%)	19,4*	14,52*	15	↗	↘

Note: The columns "SK" and "EU27" reflect the indicator value for Slovakia and the weighted average of the EU27 countries. The column "Position" indicates Slovakia's position among the EU27 countries. The first marker in the column "Trend" indicates the long-run (LT) trend of SK - change from 2011 to 2022 (or from the oldest available year in case of data for a shorter period) and the second marker indicates the short-run (ST) trend of SK - change in the most recent year. More detailed information on the indicators can be seen by opening the links in the indicator name.

Legend: ↗ improvement, ↘ deterioration, → stagnation

* Figures for 2021

** Figures for 2023

*** Adjustment of the methodology in 2022

Source: Eurostat

Compared to the EU average, Slovakia performs positively on income inequality and some poverty indicators. These are indicators that take into account income comparisons against the national poverty line²⁶ and both are thus affected by the level of income inequality among low-income groups²⁷. At the same time, however, some groups, such as people from an MRC background, children from socially disadvantaged backgrounds, lone parents with children and people with disabilities face a significantly higher risk of poverty or social exclusion than the rest of the population²⁸ and may not be sufficiently captured in statistical surveys.

²⁴ All indicators listed in the table 2 are part of the so-called Social scorecard. This is the official set of indicators chosen by the EC to monitor the implementation of the EPSR. The indicators listed in the table 2 have been selected to contain all key information relevant to Slovakia and to reflect as many of the EPSR principles as possible. Indicators where the quality of the collected data is lower, are only indirectly related to the EPSR principles or are less relevant for the Slovak Republic were not included in the selection.

²⁵ This is a different indicator than in the table Table 3 which measures adult participation in learning with a reference period of 4 weeks. The indicator in the 2030 Action Plan for the implementation of the EPSR takes a reference frame of 12 months. The first indicator is based on information collected in the Labour Force Survey (LFS), the second from the Adult Education Survey (AES).

²⁶ The poverty line is set at 60% of the median national equivalised disposable income.

²⁷ The rate of workers at risk of poverty takes the relative concept fully into account, while the rate of workers at risk of poverty or social exclusion is a cross-sectional indicator that also takes into account severe material and social deprivation and very low work intensity.

²⁸ [Review of spending on groups at risk of poverty or social exclusion 2020.](#)

The main quantitative targets for each of the three chapters under review were defined within the Action Plan for the implementation of the EPSR²⁹. In the EPSR Action Plan, the European Commission has set three main EU targets to be achieved by the end of 2030. These were subsequently translated into targets at national level based on proposals from individual Member States on their contribution to the EU-wide commitment³⁰. In 2022, Slovakia met one of the three targets set, namely to achieve an employment rate of 76.5% for people aged 25-64. However, the number of people at risk of poverty or social exclusion has increased year-on-year. Data for 2022 capture the impact of the energy crisis caused by the war in Ukraine and also the inertial responses of the COVID-19 crisis. However, this is a short-term fluctuation, as the long-term trend is downwards for the indicator.

Table 3: Objectives of the 2030 Action Plan for the implementation of the EPSR

	EU	SR	Present value (2022)
Equal opportunities and access to the labour market			
Adult participation in education (% , 25-64 years) ³¹	60	50	54,8
Fair working conditions			
Employment rate (% , 20-64 years)	78	76,5	76,7
Social protection and inclusion			
Reducing the number of people at risk of poverty or social exclusion ³²	-15 million (including 5 million children)	-70 thousand.	+90 thousand.

Source: Definition of national targets by 2030 in the context of the Action Plan for the implementation of the European Pillar of Social Rights, EUROSTAT

²⁹ The Action Plan for the implementation of the European Pillar of Social Rights was endorsed by the Porto Social Summit in May 2021 and subsequently by the European Council in June 2021 in the form of Conclusions in line with the Porto Declaration.

³⁰ The definition of Slovak national targets by 2030 in the context of the Action Plan for the implementation of the EPSR was approved by the Government of the Slovak Republic at its meeting on 12 January 2022.

³¹ The reference frame for participation in training is 12 months. Available from [Eurostat](https://ec.europa.eu/eurostat).

³² Compared to 2019.

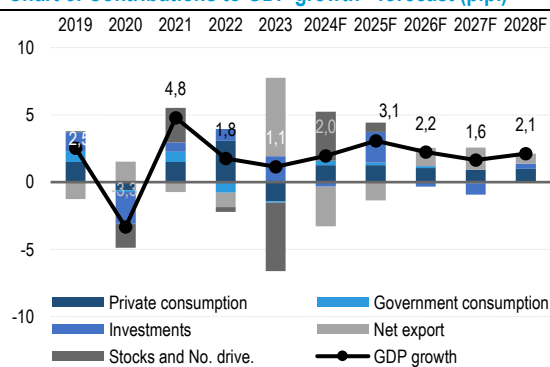
2 Macroeconomic framework and medium-term forecast

The Slovak economy strengthened in 2023 thanks to the use of EU funds. GDP grew by 1.1%, while other V3 economies lagged behind. GDP growth will reach 2% in 2024, supported by receding inflation and a recovery in domestic demand. Strong real wage growth will lead to an increase in household consumption, which will drive the recovery. The absorption of EU funds will be partly offset by stronger implementation of Recovery and Resilience Plan projects. Foreign trade will rebound and the mood in the world economy will slowly improve, boosting Slovak exports. A stable labour market will be hampered by labour shortages. However, the risks to the forecast are mainly on the downside, as Russian aggression persists, which may destabilise energy and food prices in the first instance.

In 2024, GDP will grow by 2%, driven by receding inflation and a recovery in domestic demand. The recovery will be driven by household consumption, which will be supported by strong real wage growth above 3%. The 2023 peak in EU fund absorption will be partly replaced in 2024 by a stronger implementation of the Recovery and Resilience Plan (RRP) projects as well as the purchase of military equipment. Foreign trade will rebound from the trough and the mood in the world economy will slowly improve during the year, supporting Slovak exports. The labour market will be stable, labour shortages will hamper job creation.

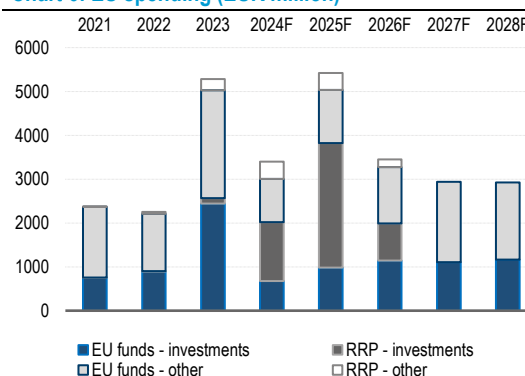
The gradual easing of monetary policy in the euro area should provide a positive impulse to the economy. The current tight monetary policy is already largely reflected in declining economic activity, resulting in a process of disinflation. Lower inflation will also allow for a gradual move away from restrictive monetary policy. Financial markets suggest that interest rates are currently at a peak and a reduction can be expected in the second half of 2024. This, together with the fading shocks, will accelerate economic growth in the bloc, especially in 2025.

Chart 5: Contributions to GDP growth - forecast (p.p.)



Source: MoF

Chart 6: EU spending (EUR million)



Source: MoF

We expect economic growth of around 2% between 2026 and 2028. The impacts of the drawdown from the Recovery and Resilience Plan will fade over time. Higher export capacity in the automotive industry will drive the Slovak economy forward. With new models, Slovak carmakers will gradually penetrate foreign markets and we expect to catch up lost market shares. Consolidation of public finances will dampen government consumption. However, household consumption will remain stable. The ageing population will start to have a negative impact on the Slovak economy. The main age categories of the labour force will start to shrink and employment will reduce the dynamics of the economic potential.

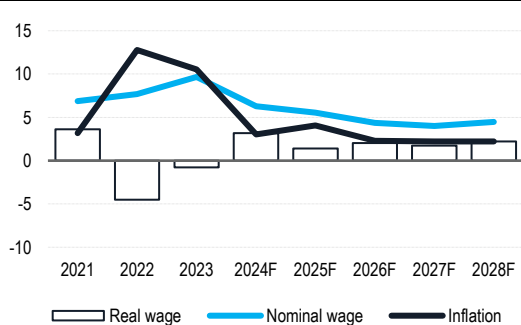
The labour market is resilient, the unemployment rate is close to the minimum, but employment growth remains low at 0.2% due to labour shortages. The economy will create about 4 000 new jobs in 2024, a third fewer than last year. The industry and low-skilled services, where employment has still not

reached pre-pandemic levels, will suffer the most from the deterioration in domestic and foreign demand. Increased early retirements will continue to a lesser extent this year. The problem of a shrinking workforce in Slovakia continues to be cushioned by over 100 000 foreign workers. The unemployment rate will fall to a new low of 5.5%.

Inflation will fall to 3% in 2024 and the price shock will reverberate across the EU. Slow price growth since April last year has led to a gradual decline in annual inflation, which has continued in 2024. The low price growth has also been helped by the continuation of subsidies for household energy prices, which have not risen this year. Food prices, which have been one of the main causes of high price increases in the recent past, have stabilised, as have prices of tradable goods and services.

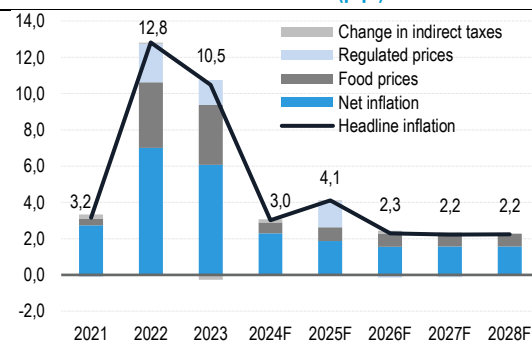
Real wages will return to growth in 2024 after two years, rising by 3.7%. Real wages will increase after two years of declines. Nominal wage growth will slow year-on-year, along with lower productivity growth, inflation and back-indexation. Negotiations in the public sector reflect the need for consolidation. The private sector will thus outpace the public administration in terms of wage increases in 2024. In the following years, the scissors between the growth of average wages in the economy and labour productivity will gradually close. Real wages should increase at an average rate of 2% per year from 2025.

Chart 7- Nominal vs. real wages and inflation (%)



Source: MoF

Chart 8 - Contributions to inflation (p.p.)



Source: MoF

High interest rates have slowed household lending activity, the property market has cooled slightly but housing prices remain overvalued. Household incomes are expected to be negatively affected by the consolidation of public finances, limiting the growth of disposable incomes and household over-indebtedness. Measures to promote the expansion of housing supply and curb household over-indebtedness through property taxation can address imbalances in the housing market.

Rising energy prices have caused high current account deficits, also related to higher gas stock build-up from sources outside Russia. The deficits have dissipated by 2023 and in the coming years the negative trade balance will be reinforced by imports of military equipment and the high import intensity of EU-funded investments. Thus, the negative development of the balance of payments is not permanent. Following the recovery of export performance, especially in the automotive sector, we expect a gradual dampening of the trade balance imbalance. Moreover, excessive domestic consumer demand will be contained by fiscal consolidation.

Downside risks prevail, and a war on our borders could once again destabilise energy and agricultural prices. Domestically, weaker absorption of RRP funds remains a risk, which should significantly increase capital stock and ensure productivity gains in the face of looming demographic challenges. The outcome of the US elections may also mean a new round of trade war with the EU. The opportunity, on the other hand, is stronger integration of people from abroad into the domestic labour market. World energy prices have fallen more sharply, opening the way for more moderate growth in regulated (energy) prices.

3 Measures in key structural areas

3.1 Public Finance

The priority of the Government of the Slovak Republic is to return to sustainable public finances and to stabilise public debt-to-GDP. The long-term sustainability of the Slovak Republic's public finances, burdened also by high future costs related to population ageing, has deteriorated over the past three years and is in a high-risk zone. This situation has been partly mitigated by the pension reform to which Slovakia committed itself in the RRP. Measures have been taken during 2023 to reduce its positive impact, but other measures are currently under preparation to ensure that the positive impact of the reform on the long-term sustainability of public finances is maintained. The government plans to align the concept of public expenditure limits with the new EU fiscal rules in order to simplify the fiscal rules and avoid rule dualities. At the same time, the Slovak government intends to change the debt brake with the aim of adjusting sanction mechanisms and managing liquidity more effectively. At the same time, the quality of public finances has been strengthened by the implementation of changes aimed at prioritising investments and their continuous monitoring.

Public finance outcome indicators

		2017	2018	2019	2020	2021	2022	2023	2030 target
Government gross debt (% OF GDP)	SK	51,5	49,4	48,0	58,9	61,1	57,8	56,7	40
	EU	81,9	79,8	77,7	90,0	87,4	83,5	83,1	-
S2 - long-term sustainability indicator (value)	SK	2,4	2,5	3,8	7,7	10,6	11,3	9,9	2
	EU	1,9	2,3	2,4	2,4	3,0	2,7	2,9	-

Note: the methodology for setting targets at national and European level can be found in Annex 1.

The public spending limits have not been implemented in the general government budget for 2024-2026, but are planned to be aligned with the new EU fiscal rules. Due to the autumn parliamentary elections, the Council for Budget Responsibility (CBR) calculated the public expenditure limits for the new government during December 2023. At that time, the draft budget was already on the agenda of the National Council of SR, but the public expenditure limits had not been discussed by the Finance and Budget Committee or the Economic Affairs Committee, nor had they been approved by the plenary of the National Council. For this reason, the limits were not reflected in the public administration budget for 2024 to 2026, which was approved by the National Council in December in order to avoid a budgetary standstill. The new fiscal rules are expected to be approved by the European Parliament this spring. These are expected to be stricter than national rules based on public spending limits in the case of the required annual consolidation. They should require an annual consolidation of the primary structural balance of around 1% of GDP over a seven-year horizon.³³ In order to simplify the current fiscal rules, the public spending limits will be aligned with the new EU fiscal rules from 2025. The two approaches to calculating expenditure limits (national and European) would make public finance management complicated. Pending the entry into force of the new EU fiscal rules, the Ministry of Finance of the Slovak Republic (MoF) will submit to the legislative process transitional changes to the Budget Rules Act to ensure compliance with the public expenditure limits for 2024.

In its programme statement, the Government of the Slovak Republic declared its intention to change the debt brake with the aim of adjusting sanction mechanisms and more effective liquidity management. Due to the recent increase in public sector debt during the COVID-19 pandemic and the energy crisis, the government will seek to amend the constitutional law on fiscal responsibility. As part of the modification of the law, the government will also consider changing the penalty bands of the debt brake, taking into account 10 years of experience with its operation. The sanction bands should not be based on

³³ If these targets are met, Slovakia should achieve an approximately balanced budget in 2030.

gross government debt, but on net debt. This modification aims at allowing more efficient liquidity management of the general government sector.

To maintain the positive impact of the first pillar reform on long-term sustainability, compensatory measures are being prepared. Several adjustments to the intermediate pillar of the pension system were adopted under the RRP to improve the sustainability of the pension system, which together improved the level of the S2 indicator by around 1.7% of GDP. Following the adoption of the reform, several measures were adopted during 2023³⁴, which together reduce the positive impact of the reform on long-term sustainability by 0.2% of GDP. Compensatory measures are currently under preparation to maintain the positive impact of the reform on the long-term sustainability of the public finances.

The change in the rules for the preparation of public investments has increased the emphasis on the social benefits of investment projects. In 2023, the MoF evaluated 203 projects with identified potential savings of EUR 563 million. Evaluations for a total of EUR 11.9 billion brought recommendations towards optimising technical solutions, improving processes or making projects cheaper.

Ministries with an average annual investment of over €20 million have a published prioritisation methodology and investment plan for the next five years³⁵. However, the investment plans still do not meet the quality criteria in some cases, which makes it impossible to link them to the budget. For example, the plans do not correspond to the actual budget execution during the year and thus do not contribute to better investment planning. The MoF coordinates their updating to ensure that the methodologies objectively reflect priorities and that the plans are realistic and linked to the public administration budget.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Limits on public spending in the 2024-2026 budget	The limits on public spending were not discussed by the Finance and Budget Committee or the Economic Affairs Committee, nor were they approved by the Plenary of the National Council. For this reason, the limits have not been reflected in the public administration budget for 2024-2026. Until the new EU fiscal rules enter into force, the Ministry of Finance of the Slovak Republic (MoF) will submit to the legislative process transitional amendments to the Budget Rules Act to ensure the implementation of the public expenditure limits for 2024. Implementation is ongoing	Component 18: Reform 2
Application of the methodology of the procedures for the preparation and prioritisation of investments	The preparation and appraisal of all relevant public investment projects shall be carried out in accordance with a published methodology harmonising preparation and prioritisation. The evaluation is carried out by the MoF for all new investment projects above EUR 1 million. Implementation is ongoing	Component 18: Reform 3

³⁴ In 2023, the minimum pension was unfrozen, while its level relative to the subsistence level was later increased, the 13th pension was permanently increased from 2024 and the rates to Pillar II were reduced to 4% from 2024. Other changes in the pension system (introduction of extraordinary indexation, lump-sum payment of the 13th pension, changes in the assessment of disability and adjustment of the entitlement to widow's and widower's pensions) have had a negligible impact from the perspective of long-term sustainability.

³⁵ The published investment methodologies and plans are also summarised and published on the [MoF website](#).

Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Implementation of budgeting under unchanged policy scenarios resulting from the amendment to the Financial Regulation Act	Part of the amendment to the Law on Budget Rules approved by the National Council in March 2022 was the creation of NPC scenarios as a basis for public administration budgeting. NPC scenarios are compiled and in some cases (social/general health insurance, railway companies, the area of personal expenditure of the national budget and local government expenditure) have been used for setting expenditure limits in the framework of the draft public administration budget for 2024-2026. Implementation is ongoing	Amendment to the Financial Regulation Act
Reducing the VAT loophole and improving collection efficiency	The legislative definition of tax fraud, coupled with 'three times and enough' style software alerts, will make it easier to assess participation in fraud, which tends to promote the psychological effect of tax compliance. Not implemented	
Streamlining processes for recovering tax arrears	The Tax Administration Act (Tax Code) is amended in the part regulating the recovery of arrears with the aim of increasing the volume of recovered and paid arrears, reducing the total volume of registered arrears, increasing the efficiency of recovery and ensuring the development of IT support for bailiffs. Work is currently underway to finalise the text of the draft legislation. Implementation is ongoing	Current version of the Tax Code
Sending invoice data from tax entities (eInvoice)	E-invoice is an information system for submitting invoices in electronic form. Following the EC initiative "VAT in the digital age ³⁶ ", it is expected to continue the preparation of the implementation of this system at national level, based on the legislative framework to be approved by the EU Member States. Implementation is ongoing	eInvoice

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
None		
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Prepare a draft amendment to the constitutional law on budgetary	The application practice of the debt brake has shown the need for several changes. A shift from gross debt	Programme Statement of the Government of

³⁶ E-invoicing is also one of the pillars of the [VAT in the Digital Age](#) initiative, which aims to modernise the VAT system in the EU and, among other things, to bring about a new digital system for real-time reporting of data from e-invoices issued. According to the EC proposal, the introduction of e-invoicing should be mandatory by 2028.

responsibility (adjustment of the debt brake)	tracking to net debt tracking is proposed in order to manage public sector liquidity more efficiently.	the Slovak Republic
Aligning national public spending limits with new EU fiscal rules	The new fiscal rules should enter into force this spring. In the case of the required annual consolidation, they should be stricter than the national rules based on public spending limits. They will require an annual consolidation of around 1% of GDP over a seven-year horizon. If they are met, Slovakia should achieve an approximately balanced budget in 2030.	Preliminary information on the amendment to the Financial Regulation Act
Improving electronic services and promoting a client-oriented approach in the financial administration	The measure responds to the call of tax subjects for the tax administration to become a modern organisation and to bring services to the subjects that other institutions have been using for a long time (insertion of QR codes into the output documents of the financial administration). The aim of the measure is to reduce the number of errors in the payment of taxes, fees or penalties on the part of the tax subject. At the same time, this measure will speed up the work of the entities, which will ultimately bring positive feedback from them. The first QR code output documents are planned to be sent to the entities in May/June 2024. The measure also includes pre-filling of tax returns of individuals receiving income from employment and the abolition of the obligation for employers to carry out the annual tax settlement of employment tax.	
Improving electronic services in the financial administration for customs	Customs authorities are primarily responsible for the supervision of the Union's international trade and thus contribute to fair and open trade, to the implementation of the external aspects of the internal market, the common commercial policy and other common Union policies affecting trade and to the overall security of the supply chain. Customs authorities shall put in place measures aimed in particular at: (a) the protection of the financial interests of the Union and its Member States; (b) the protection of the Union against unfair and illegal trade while promoting legitimate commercial activity; (c) ensuring the safety and security of the Union and its inhabitants and, where appropriate, the protection of the environment in close cooperation with other authorities; and (d) maintaining an appropriate balance between customs controls and the facilitation of legitimate trade.	

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/1 (Part 2): Safeguard the long-term sustainability of public finances, notably that of the healthcare and pension systems.
- CSR 2020/3 (Part 3): Front-load mature public investment projects.

- CSR 2020/4 (Part 2,3): Ensure a favourable business environment and quality public services through enhanced coordination and policy-making.
- CSR 2022/1 (section 3,5): For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Continue to strengthen tax compliance, including by further digitalising tax administration.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2023/1 (Sections 3,4,6): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions. For the period beyond 2024, continue to pursue a medium-term fiscal strategy of gradual and sustainable consolidation, combined with investments and reforms conducive to higher sustainable growth, to achieve a prudent medium-term fiscal position. Continue to strengthen tax compliance, including by further digitalising the tax administration.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.



2030 Agenda for Sustainable Development Goals

- Goal 5: Equality between men and women
- Goal 8: Decent work and economic growth
- Goal 17: Partnerships for the Goals



European Pillar of Social Rights

- Principle 2: Equality between men and women
- Principle 3: Equality of opportunity
- Principle 15: Retirement income and pensions

3.2 Education

Compared to the European Union average, the Slovak education system underperforms at several levels. Nowadays, it is necessary for the education system to emphasise the systematic and targeted development of comprehensive literacy skills of pupils, which are in line with the constantly changing demands of society. A gradual transition to a new curriculum is therefore under way, which will enable pupils to develop their critical and creative thinking and digital skills to a greater extent. Curriculum reform is also intended to strengthen the skills of teaching staff, including training them for the new curriculum. The lack of support for children in pre-primary education was reflected in the rejection of applications for admission to kindergarten due to insufficient capacity, as well as with a lower proportion of differently disadvantaged children in kindergartens. Support for pre-primary education has recently been highlighted by the introduction of the right of a child to be admitted to kindergarten for children from the age of four and gradually from the age of three, as well as by the preparation of the transition to normative financing of kindergartens. Other inclusive measures include a change in the approach to children with special educational needs across the education system, the introduction of desegregation standards, the development of a manual on de-parenting and the mapping of the needs of schools at all levels of education. A high proportion of domestic students go abroad to pursue higher education, where they often start their working lives. Reform efforts are therefore also focused on improving the performance of universities and supporting their ability to attract and retain talent. Modernising the existing infrastructure of universities and adjusting the methodology for allocating subsidies by introducing performance contracts will support the profiling and diversification of universities based on their specific strengths and development potential.

Outcome indicators for education

		2017	2018	2019	2020	2021	2022	2023	2030 target
Proportion of children in pre-primary education (from 3 years to the beginning of compulsory primary education)	SK	74,9	77,6	77,8	78,1	77,4	-	-	94,6
	EU	92,5	92,3	92,9	93,0	92,5	-	-	94,6
PISA ³⁷ (grade point average in reading literacy, maths and science)	SK	-	466	-	-	-	458	-	473
	EU	-	484	-	-	-	473	-	481
Percentage of pupils below basic level in reading (PISA)	SK	-	31,4	-	-	-	35,4	-	28,0
	EU	-	22,5	-	-	-	26,2	-	21,3
Percentage of young early school leavers (% in the 18-24 age group)	SK	9,3	8,6	8,3	7,6	7,8	7,4	-	6,0
	EU	10,5	10,5	10,2	9,9	9,8	9,6	-	6,0
Average ranking of the best university in TOP rankings (average ranking in Times, Shanghai rankings and QS), EU median	SK	651	668	784	835	834	784	851	706
	EU	316	319	336	334	353	356	421	353
Percentage of people participating in adult education (age 25-64; last 4 weeks)	SK	3,4	4,0	3,6	2,8	4,8	12,8 ³⁸	-	7,0
	EU	10,4	10,6	10,8	9,1	10,8	11,9	-	10,6

Note: the methodology for setting targets at national and European level can be found in Annex 1.

Curriculum and textbook reform focuses on the systematic and targeted development of comprehensive literacy that is in line with the dynamic demands of society. The importance of reform efforts in this area stems from the need to move beyond the simple accumulation of isolated facts to deeper learning and the ability to understand connections. The poor results in PISA can be partly attributed to an education system in which pupils passively absorb and then memorise facts rather than developing creative thinking and soft skills. A new National Curriculum (SEP) for primary education was approved by the Minister

³⁷ PISA testing takes place every 3 years. However, in 2021 it was postponed to 2022 to reflect the impact of the COVID-19 pandemic on pupils' abilities.

³⁸ In 2022, the wording of the question on lifelong learning has been modified and refined in the Labour Force Survey (LFS) in order to harmonise with the Adult Education Survey (AES), with a reference period of the last 4 weeks. In an effort to improve the quality of data collection, the question was supplemented with more examples of courses, training and extra-curricular learning, highlighting the fact that all learning can also be delivered as online courses, which caused respondents to respond positively to a greater extent than in the past.

of Education at the end of March 2023, with implementation starting in September 2023 in primary schools with which an experimental verification agreement is in place. From the school year 2026/2027, the obligation to apply the new curriculum in education and training will apply to all primary schools from the first year onwards. In the first school year of implementation (2023/24), approximately 100 schools (39 selected) have expressed interest in piloting the new curriculum, increasing by 422 in the following school year (2024/25). The curriculum reform creates educational content organised in three multi-year cycles, while also applying the use of innovative methods and forms of teaching to the new educational content and creating a supportive and motivating school climate. The curriculum aims to develop students' ability to engage in future challenges, adapt to current situations, take responsibility, solve complex problems, critically approach information, and collaborate in diverse teams.

The establishment of regional curriculum management and school support centres is a key element for the successful implementation of the new curriculum. The role of the centres is to provide mentoring, expert advice and consultancy services to help teachers with the transition to the new form of education following the introduction of the curriculum reform. The preparation and development of teaching and professional staff for the reformed content and forms of teaching will enhance the quality of their skills and their motivation for lifelong professional development. In 2022, 16 regional centres were created, in 2023 another 16 centres were created and in November 2023 the call for the last 8 centres was closed. There is also a wider scope to develop the skills of educators thanks to other measures and several legislative changes. These include the introduction of new curricula to prepare future teachers, support for lifelong professional development of teaching staff, updating of competencies and certification providers, expansion of in-service and qualification training in education and a new model for accreditation of professional development. The emphasis on supporting schools and teachers will also be reflected in the new Law on State Administration in Education and School Self-Government, which will help to increase the efficiency, effectiveness and quality of education in the regional education system. The optimisation of the network of schools and educational establishments will include transparent criteria for founders, as well as rules for inclusion and removal of the establishments in question from the network.

A significant part of the reform efforts within the RRP focuses on increasing the inclusion of children with special educational needs, children from marginalised Roma communities and children from families at risk of poverty. In this context, the approval by the Parliament of legislative changes³⁹ introducing support measures provided by a school or school establishment to enable a child or pupil to participate fully in education and training and to develop his/her knowledge, skills and abilities was an important step. Similarly, a definition of segregation and desegregation standards are introduced in school legislation. A national project on desegregation is also under preparation, which will include the development of pilot desegregation plans. The purpose of this reform is to provide guidelines for the prevention and desegregation of segregated education, a key element of which will be the successful implementation of the monitoring process in practice. Steps have so far been taken to develop a methodological material on school desegregation for head teachers and school founders, a methodological manual on desegregation in education and a concept for monitoring the risk of desegregation. Another important milestone for the promotion of inclusive education was the adoption of legislative changes by the National Assembly of the Slovak Republic concerning the implementation of compulsory pre-primary education for children from the age of five and the introduction of a legal entitlement to a place in a kindergarten or with other providers of pre-primary education from the age of three. Sufficient places will also be gradually ensured for all children in kindergartens or other providers of pre-primary education⁴⁰.

³⁹ [Amendment to the Act on Education and Training](#) and [amendment to the Act on Financing of Primary Schools, Secondary Schools and Educational Institutions](#).

⁴⁰ For all children from the age of four (from September 2024) and then from the age of three (from September 2025).

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Introduction of legal entitlement to a place at nursery school from the age of three	<p>The amendment to the Education Act approved by the National Assembly of the Slovak Republic introduces a universal legal entitlement to a place in kindergarten for children from the age of four from the school year 2024/2025 and subsequently from the age of three from the school year 2025/2026.</p> <p>Implemented</p>	Component 6: Reform 1
Redefinition of the concept of special educational needs and preparation of accompanying methodological materials for teaching staff, professional staff and school management	<p>The adoption of the amendment to the Education Act and the amendment to the Act on the Financing of Primary Schools, Secondary Schools and Educational Institutions defines children and pupils experiencing barriers to access to education and establishes their entitlement to educational support through special support measures.</p> <p>Implemented</p>	Component 6: Reform 2
Increase in the number of trained teaching and professional staff	<p>10 000 teaching and professional staff will be trained through professional development programmes and other outreach activities. The professional development programmes are aimed at introducing a new model of eligible support measures in education and training, diagnosing the level of children's and pupils' linguistic abilities and providing support for pupils with language barriers in accessing education. In the framework of professional development, 1270 participants were trained by January 2024, of whom 334 received a certificate upon completion.</p> <p>Implementation is ongoing</p>	Component 6: Reform 2
Entry into force of legislation creating a comprehensive guidance system	<p>The comprehensive guidance and prevention system consists of newly established guidance and prevention centres (CPP), which provide specialist activities without a defined focus on target groups according to health disadvantage, with specialist activities being implemented in close cooperation between support teams in schools and school settings, including the so-called multidisciplinary team and the newly established specialised guidance and prevention centres (SPCs). The amendment to the School Act was adopted and from 1 January 2023 the original concept of the guidance system was replaced by a new comprehensive guidance and prevention system. From 1.1.2024 the financing of the counselling centres is uniform and covered by the state budget.</p> <p>Implemented</p>	Component 6: Reform 3
Increasing the share of optimised lower secondary education (LSE) courses and implementing tools to prevent early school leaving	<p>The main objective of the measure is to reduce the drop-out rate overall and specifically in the population of pupils with disadvantaged who are at excessive risk of early school leaving.</p> <p>Implementation is ongoing</p>	Component 6: Reform 4

Introduction of desegregation standards - phase 1	<p>The definition of segregation clearly defines what acts and omissions are considered segregation, thus avoiding different interpretations. The methodological materials provide guidelines for the prevention and desegregation of segregated education for the different actors involved in education. The definition of segregation in the School Act has been approved by the National Assembly.</p> <p>Implemented</p>	Component 6: Reform 5
Introduction of desegregation standards - phase 2	<p>The purpose of the measure is to apply desegregation standards in all schools. A national desegregation project is under preparation, which will include the development of school desegregation plans.</p> <p>Implementation is ongoing</p>	Component 6: Reform 5
Establishing a definition of debarrier standards, creating a debarrier manual and mapping the needs of schools at all levels of education	<p>The manual defines the standards of debarring to meet the actual needs of children, pupils and students with disabilities and to respect the principles of universal design. An analysis of the current state of debarring in schools in relation to the standards in place has been prepared and used as a basis for prioritising the debarring of individual schools.</p> <p>Implemented</p>	Component 6: Investment 1
Approval of the primary education curriculum	<p>The Ministry of Education, Research, Development and Youth of the Slovak Republic has approved a new state educational programme for primary education with the possibility of its implementation from 1.9.2023 and its compulsory universal introduction from 1.9.2026.</p> <p>Implemented</p>	Component 7: Reform 1
Implementation of the new curriculum in primary schools	<p>In the first year of implementation (2023), approximately 100 schools expressed interest in piloting the new curriculum, of which 39 were selected. In the following year (2024), there was a significant increase in the number of schools involved, 100-200 schools were expected to sign up, but 422 schools eventually expressed interest. The aim is to have at least 30% of public primary schools implementing the new curriculum by the end of 2025.</p> <p>Implementation is ongoing</p>	Component 7: Reform 1
Introduction of on-line matriculation (final exam for all grammar and secondary school graduates)	<p>The measure aims at introducing the internet-based part of the final school-leaving examination for pupils in all grammar and secondary schools by 2026 at the latest. The achievement of the target by the target date is subject to significant delays due to delays in the call for tenders.</p> <p>Implementation is ongoing</p>	Component 7: Reform 1
Establishment of regional curriculum management and school support centres	<p>The role of the centres is to assist schools in implementing the changes, and they will work through mentoring, advice and consultancy activities during the process of transition to the new curriculum. In 2022, 16 regional centres were created, in 2023 another 16 centres were created and in September 2023 a call for the last 8 centres was launched.</p> <p>Implementation is ongoing</p>	Component 7: Reform 1

Enactment of legislative changes to strengthen the quality of skills of teaching and professional staff and to motivate them to lifelong professional development	Current teacher training is inadequate and does not copy the needs of school practice. Teacher curricula create combinations of subjects without the possibility to specialise in broader educational areas (natural sciences, social sciences), which is a prerequisite for the successful implementation of the new curriculum. Legislative changes ⁴¹ came into effect during the 2022/23 term. Implemented	Component 7: Reform 2
Increase the percentage of teachers trained, especially in preparation for the new curriculum, inclusive education and digital skills	By 31 December 2023, at least 55% of teaching and professional staff should have been trained. The actual achievement of the target is still lower than expected (approximately 45%). However, this is an estimation as the process of collecting data on the training received is still underway on the part of the MoED. Implementation is ongoing	Component 7: Reform 2
Increase the percentage of schools with full digital input	The aim is to increase the proportion of schools with full input facilities from 30% to 90% by the end of 2026. The project documentation was approved by MoINV in April 2023, and data collection from schools is currently underway. In the revision of the RRP, the target has been pushed back by one year as the investment is significantly delayed. Implementation is ongoing	Component 7: Investment 1
Introduction of performance contracts	Performance contracts support the strategic goals of individual colleges, shifting away from a single model of scholarly performance to a diversified higher education environment offering career-focused programs (schools of applied research). Implemented	Component 8: Reform 1
Performance contracts signed with public universities	By the end of 2023, performance contracts have been signed with at least 90% of the public universities (PUs). Following the approval of the budget, the MoED signed contracts with all PUs. In January 2024, the contracts with all 20 PUs were published in the Central Register of Contracts. Implemented	Component 8: Reform 1
Approval of a bonding roadmap for at least two college units.	The Roadmap elaborated on the timeline and the different steps leading to the merging of the universities. The actual merging process will be supported by investments from the Revolving Fund Facility as well as performance contracts due to direct transaction costs and the building of new infrastructure capacity. Implemented	Component 8: Reform 5

⁴¹ Adoption of amendments to Laws 138/2019, 597/2003 and 131/2002, amendment to Decree 244/2019, new Decree 173/2023.

Conclusion of at least two calls to support the strategic development of universities	The overall modernisation of existing university infrastructure is a priority. Investments target development according to needs at the level of individual schools. An important aspect is also the promotion of excellence through an investment plan linked to the process of merging university units. The call for consortia closed in December 2023, with 4 consortia projects submitted. They are currently being evaluated. The call for the renovation of university buildings was launched in July 2023, with 10 applications registered so far. Implementation is ongoing	Component 8: Investment 1
Promoting internationalisation in the academic environment	The measure aims to promote Slovak higher education and science abroad and supports international networking of Slovak universities. In 2024, the Ministry of Education, Research, Development and Youth of the Slovak Republic ensures the participation of universities in the largest university fairs in order to present Slovak higher education abroad and to support the establishment of cooperation of Slovak universities abroad. Implementation is ongoing	Component 10: Investment 4
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
None		

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Capacity building of kindergartens for the exercise of the right to enrol children in pre-primary education	The development of kindergarten capacities will create conditions for the legal entitlement to pre-primary education for children from the age of four and subsequently from the age of three.	Component 6: Reform 1
New normative system of financing pre-primary education comes into force and enrolment rates of children aged four in pre-primary education increase	A differentiated and transparent funding system for pre-primary education will be established to ensure stability, resilience and ring-fencing of funds allocated to education. The legislation will enter into force on 1 January 2025. By 30 September 2024, the enrolment rate of children aged four in pre-primary education will be at least 82%.	Component 6: Reform 1
Removing architectural barriers in secondary schools	The aim is to achieve the removal of architectural barriers in 182 larger secondary schools as part of the debarrierisation of secondary schools for the purpose of improving quality and inclusion in education.	Component 6: Investment 1
Completing the process of linking universities through consortia	Completion of the formal merger process for at least two consortia, confirmed by new statutes for each consortium, and completion of a concrete plan leading to the legally binding establishment of a third consortium. The statutes cover the harmonisation of internal quality systems, the introduction of flexible curricula, the linking of research units and other measures.	Component 8: Reform 5

Renovation of college and dormitory areas	At least 120 201 m ² of university space, including university dormitories, will be renovated and modernised.	Component 8: Investment 1
Scholarships for talented domestic and international students	In an effort to mitigate the brain drain, the Ministry of Education, Research, Development and Youth of the Slovak Republic is already conducting the third year of the scheme to support talented students. The aim is to motivate both Slovak and foreign students to start studying at Slovak universities. In 2024, 1,570 domestic scholarship holders are expected to be supported, of which up to 400 will receive an increased scholarship if they enrol in a study programme preparing them for a shortage occupation. A further 100 scholarships are earmarked for students from abroad.	Component 10: Investments 3 and 4
Implementation of a project to build life situations in kindergarten, primary and secondary schools	Addressing life situations based on integrated eGovernment tools to reduce the administrative burden prior to entry into maternity, primary and secondary school. At the same time, centralization of information for parents/legal guardians, map of school facilities, computerization of applications for Kindergarten, Primary School, Secondary School, health certificates and register of educational achievements will be created.	Component 17: Investment 1
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Optimising the network of schools and school facilities for the needs of the 21st century	The legislative change will make it possible to increase the efficiency, effectiveness and quality of education in regional education. The measure will include transparent criteria for the founders of schools and educational establishments, as well as rules for inclusion and removal of schools and educational establishments from the network. The law will regulate the status of the State School Inspectorate (SSI) and strengthen the emphasis on support for schools and teachers.	
Streamlining university processes	The aim is to identify processes that have proved ineffective in practice, in cooperation with university representations and the universities themselves. Subsequently, to streamline and improve these processes, including in the relationship between universities and state bodies (selection of board members, approval of long-term plans of universities, etc.).	
Top experts at universities	Higher education in Slovakia must be focused on quality, and this cannot be ensured without better management of schools and support of top experts. The measure will modify the framework conditions and the process of filling the posts of professors and associate professors so that these positions are filled by people with the highest qualities in the field.	
Increase in funding for emergency cases in special educational establishments	The aim of the measure is to ensure that funds are raised and made available to the special educational establishment in the event of necessary repairs.	
Spatial and material-technical provision of special educational facilities	The premises of special education buildings do not meet the needs of children and are inadequate (both indoors and outdoors). The aim of the material and technical provision is to provide the necessary	

	infrastructure, technology and equipment, following the example of developed countries.	
Qualitative and quantitative staffing of special education facilities	The measure aims to ensure training and sufficient staff specialised in special education.	
Professional support for pedagogical and professional staff and management of special education institutions	The measures concern the application of professional, pedagogical-psychological and human rights standards through intensive retraining and further education.	
Comprehensive review of the special education system	A comprehensive review of the system of these facilities will be prepared by a group of experts from several ministries, human rights organisations, the Children's Ombudsman, etc. It will also include a detailed analysis of the situation and needs of individual facilities, preparation of a strategy and vision for special education facilities in the Slovak Republic in accordance with the principles of desegregation and inclusion of education and training as well as international standards.	
Incentive pay in education	The introduction of regional differentiation in the remuneration of education staff and making teaching in shortage occupations more attractive will lead to solving the shortage of education staff in the regions or teachers in shortage specialisations.	
Digital transformation of education in primary schools	The aim of the reform is to support the systematic digital transformation of education and schools and to build synergistically on completed and ongoing investments in digital infrastructure. The starting point is to ensure the long-term sustainability of the position of the school digital coordinator and the legislative definition of the position of the school computer network administrator.	
Compulsory education for children of foreigners	Compulsory education for children of foreigners, including adequate language support provided in schools, will be made compulsory and rules will be set. The reform will support the integration of persons arriving in the Slovak Republic and create conditions for successful entry into the labour market.	
Introduction of micro-certificates	The aim of the measure is to increase the flexibility of studies, introducing a new tool for upskilling and reskilling for people in the labour market, but also for university students to increase opportunities to acquire specific skills.	Microcredentials
Updating the content of the State Educational Program (SEP) for vocational education	The new curriculum responds to changes in the school law and their content will include sections focused on the specifics of education and training of pupils with disabilities and pupils with talents in accordance with the principles of inclusive education. At the same time, the educational standards for all fields of education will be updated. A total of 27 new SEP for vocational education will be submitted, with expected entry into force on 1 September 2024.	

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/2: Improve the quality and inclusiveness of education at all levels and foster skills. Enhance access to affordable and quality childcare and long-term care. Promote integration of disadvantaged groups, in particular Roma.
- CSR 2019/3 (Part 2,4,5): Focus investment-related economic policy on research and innovation, digital infrastructure and energy efficiency.
- CSR 2020/2 (section 3,4): Strengthen digital skills. Ensure equal access to quality education.
- CSR 2020/3 (Part 2): Close digital infrastructure gaps.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2022/3 (Part 5): Adjust renovation policies to accelerate and incentivise deep renovations of buildings.
- CSR 2023/1 (Part 3): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.
- CSR 2023/3 (Part 5): Accelerate and incentivise deep renovations of public and private buildings.



2030 Agenda for Sustainable Development Goals

- Goal 4: Quality education
- Goal 8: Decent work and economic growth
- Goal 9: Industry, innovation and infrastructure



European Pillar of Social Rights

- Principle 1: Education, training and lifelong learning
- Principle 3: Equal opportunities
- Principle 11: Childcare and support to children

3.3 Productivity: research, development, innovation and digitalisation

Research, development and innovation are of undeniable importance for long-term sustainable economic growth, quality of life and tackling global challenges. However, the impact of the reforms launched will only be seen over time. A shift in key indicators, such as ranking in the European Innovation Scoreboard, is not yet observable in the current period. The importance of the R&D agenda is underlined by the consolidation of the supra-ministerial coordination under the Office of the Deputy Prime Minister as part of the ongoing reform of competences and supra-ministerial coordination of policy-making in this area. The implementation of the measures from the adopted National Research, Development and Innovation Strategy 2030 significantly advances the reform efforts, not only in terms of streamlining governance and processes, but also in terms of more efficient allocation of the increased support resources for the ecosystem. Under the POO measures, calls for €551 million have been launched in 2023. Digital transition is part of successfully managing reforms in this area. A key element of Slovakia's digital transition will be the successful implementation of the extensive National Digital Decade Plan. Concrete steps to support digitisation will, for example, be directed towards increasing the use of e-services by the state, developing cyber security and increasing the number of projects to develop and apply cutting-edge digital technologies.

Outcome indicators for research, development, innovation and digitalisation

		2017	2018	2019	2020	2021	2022	2023	2030 target
DESI index (ranked out of 27 EU countries)	SK	20	20	21	21	22	23	-	14
	EU	-	-	-	-	-	-	-	-
European Innovation Scoreboard (EIS) (order)	SK	21	22	22	23	23	23	23	13*
	EU	-	-	-	-	-	-	-	-
Business expenditure on research and development (% OF GDP)	SK	0,48	0,45	0,45	0,49	0,51	0,56	-	1,2*
	EU	1,44	1,46	1,49	1,52	1,50	-	-	1,73

*Revision of objectives based on the approved National Strategy for Research, Development and Innovation.

Note: the methodology for setting targets at national and European level can be found in Annex 1.

The newly established Office of the Deputy Prime Minister of the Slovak Republic represents another step in strengthening the research, development and innovation (RDI) agenda. The new Competence Act, in force since February 2024, confirms the supra-ministerial coordination of public policies in this area. The Research and Innovation Authority, operating in the Office of the Deputy Prime Minister as the implementer of selected parts of the RRP⁴², coordinates the activities of the reformed Government Council for Science, Technology and Innovation, and covers the coordination of the implementation of measures from the National Strategy for Research, Development and Innovation 2030. Milestones of the National Strategy achieved include the approval of the Binding Methodology for the Management, Financing and Evaluation of RDI Support and the Review of Expenditure, Competences and Staff Capacity in RDI. The methodology is a prerequisite for standardising processes in competitive funding in order to make this area more efficient from the point of view of the final beneficiaries of the support provided (researchers and innovators). The review proposed complementary measures to the National Strategy with an emphasis on consolidation of competences and funding by elaborating three possible consolidation scenarios.

The increase in public resources under the approved National Strategy implies a continuation of the reforms that have been launched. One of the tools for a more efficient allocation of the increased resources are the calls for proposals from the RRP, totalling €551 million⁴³. These are mainly to support the involvement in the European Research Area, cooperation between academic institutions and industry, support for

⁴² These are Component 9 and Investment 2 Component 10.

⁴³ [Calls for proposals from the POO.](#)

excellent researchers, support for research and innovation focused on digitisation and decarbonisation and financial instruments.

The new draft law on research, development and innovation will include anchoring the final model for the consolidation of grant agencies and clarifying competences in other important cross-cutting policies. Developing a roadmap for the consolidation of the competences of ministries, existing agencies and institutions responsible for policy-making and funding, and anchoring it in legislation, is a necessary next reform step to stimulate research and innovation activities. This step is synergistic to other reform measures such as the Binding Methodology, the Inter-Ministerial Programme and the Preliminary RDI Support Financing Plan, which will allow for a more efficient planning of research activities from the perspective of the beneficiaries.

A key element of Slovakia's digital transformation will be the adoption and successful implementation of the extensive National Digital Decade Plan (NDDP SR). This overarching strategic document will define Slovakia's current and planned development up to 2030 in the areas of digital skills, digital infrastructure, digital transformation of businesses and digitisation of public services. The NDDP SR is part of the EU's joint programme, The Road to the Digital Decade 2030, which pursues the achievement of the EU's common digital transformation objectives. Specific measures from the RRP also contribute to the fulfilment of Slovakia's digital transformation objectives, in particular the enhancement of e-services of the state by building digital innovation centres and digital platforms, such as a platform for the development and resolution of priority life situations or a central platform for the use of IT resources (digital marketplace). The digital marketplace will enable the assessment of the value of investments in information systems by monitoring costs, submissions, transactions and returns, thereby improving the efficiency of state IT procurement.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Call for proposals to support the participation of Slovak entities in Horizon Europe	Six calls were launched with a total volume of EUR 40 million to support the participation of Slovak entities in the Horizon Europe programmes with the aim of promoting internationalisation and attracting resources from abroad. Implemented	Component 9: Investment 1 VAIA challenges
Calls for projects to promote cooperation between companies, academia and research organisations	Four calls for a total of €171 million were launched to support collaboration between companies, academia and research organisations (transformation and innovation consortia, vouchers and matching grants). Implemented	Component 9: Investment 2 VAIA challenges
Calls for excellent researchers	Six calls have been launched for a total of €156 million to support excellent researchers. Implemented	Component 9: Investment 3 VAIA challenges
Calls for thematic demand-driven projects addressing the challenges of the green transformation	3 calls were launched for a total of €84 million to address the challenges of green transformation, decarbonisation as well as resilience and adaptation to climate change. Implemented	Component 9: Investment 4 VAIA challenges

<p>Calls for thematic demand-driven projects addressing the challenges of digital transition</p>	<p>3 calls have been launched for a total of €113 million to address the challenges of digital transition, helping to meet the EC's ambitions for digital autonomy.</p> <p>Implemented</p>	<p>Component 9: Investment 5</p> <p>VAIA challenges</p>
<p>Launch and implementation of financial tools to support innovation</p>	<p>Two contracts (including an investment strategy) have been signed for the financing of financial instruments. This will result in the launch of at least two financial instruments supporting innovation in enterprises, in particular in the early ("pre-seed") phase of the business life cycle and in the growth phase of enterprises.</p> <p>Implementation is ongoing</p>	<p>Component 9: Investment 6</p>
<p>Call to strengthen relations with the diaspora and support civic initiatives</p>	<p>A €1.6 million call has been launched to support the strengthening of relations with Slovaks abroad as part of policies to attract and retain talent. The call is under evaluation.</p> <p>Implemented</p>	<p>Component 10: Investment 2</p>
<p>Digitisation of public procurement processes through a single electronic platform</p>	<p>The single electronic platform brings the possibility of automating the award and evaluation of contracts for all purchases of goods, services and works in sub-limit contracts and partly in low-value contracts, thus ensuring increased transparency.</p> <p>Implemented</p>	<p>Component 14: Reform 3</p>
<p>Priority Life Situations Investment Plan</p>	<p>The investment plan includes priority life situations, a description of the current and future state of processes and a list of investment actions to be implemented in offices and information systems, as well as for the deployment of the 16 life situations. The investment plan takes the form of a list of priority e-services. Following the publication of the list of priority e-services by life cycle, an analysis of the service design was carried out and gaps in the plan were identified with a view to improving it.</p> <p>Implemented</p>	<p>Component 17: Reform 1</p>
<p>Central platform for the use of IT resources (digital marketplace)</p>	<p>A central platform will increase the efficiency of state IT procurement. Services will be procured centrally (framework contract) and service users will be able to draw dynamically as needed from the central platform. The IT sourcing platform was deployed into production in January 2024 and is subject to approval.</p> <p>Implementation is ongoing</p>	<p>Component 17: Reform 2</p>
<p>Increasing the number of IT experts on cyber security in public administration</p>	<p>A further 571 IT professionals will be trained in cybersecurity in the public administration. The tender for training providers is scheduled to be launched at the end of January/beginning of February 2024.</p> <p>Implementation is ongoing</p>	<p>Component 17: Reform 5</p>
<p>Increase in the number of eGovernment solutions developed and implemented - first phase</p>	<p>The introduction of 2 digital solutions to life situations, namely: 1. Losing and finding a job 2. Buying a property. The solution will have features such as a unified approach to search for services, a unified design and location for the implementation of services, clear navigation, an overview of the status of the processing of the application, among others.</p> <p>Implementation is ongoing</p>	<p>Component 17: Investment 1</p>

Platform for development and addressing priority life situations	<p>Platform modernisation based on the principles of low-code components that are centrally managed for all public service providers. The platform is a prerequisite for the introduction of eGovernment solutions for life situations. The preparation of tender documents for public procurement is currently underway.</p> <p>Implementation is ongoing</p>	Component 17: Investment 1
Digital transition of public administration departments	<p>The measure will optimise and automate public administration processes and departments. Investments will be aimed at improving the quality of public services or increasing efficiency through changes in legislation or the organisation of processes. The planned deadline for the call for the digital transition of public administration departments is April 2024. Consultations with potential applicants are currently underway.</p> <p>Implementation is ongoing</p>	Component 17: Investment 2
Development and construction of a supercomputer for the national supercomputing centre	<p>The intention of the measure is to commission the computer infrastructure on the basis of functional tests and a handover protocol. The investment will finance the construction of a supercomputer, with the ambition of ranking in the top ten of the world's "Green 500" ranking of energy-efficient supercomputers. Details of the architecture will be provided in the feasibility study.</p> <p>Implementation is ongoing</p>	Component 17: Investment 3
Increasing the number of Digital Innovation Centres/European Digital Innovation Centres	<p>Networks of four European Digital Innovation Hubs (EDIHs) have been established in Slovakia, providing services to businesses to support the uptake of new technologies and innovations.</p> <p>Implemented</p>	Component 17: Investment 3
Participation in cross-border digital projects	<p>The measure will provide support for participation in two cross-border digital projects from a list proposed by the EC. The involvement in the European Blockchain Service Infrastructure (EBSI) project is delayed, with the preparation of procurement documents currently underway to ensure the full technical functioning of the EBSI. The second project is the involvement in the European Quantum Communication Infrastructure project, which is on schedule.</p> <p>Implementation is ongoing</p>	Component 17: Investment 3
Support for projects to develop and apply cutting-edge digital technologies - first phase	<p>The measure will support 19 projects in the development and application of digital solutions. Calls for proposals for funding are currently underway.</p> <p>Implementation is ongoing</p>	Component 17: Investment 4
Organization of quick grant events - hackathons	<p>Organising 17 events (hackathons) to award fast grants to the most innovative solutions to today's societal challenges. Participants in the events will include, for example, start-ups, research institutions, universities and their students or other professionals. The winning teams will provide their solutions to the public administration or the wider public. By the end of 2023, 6 hackathons have been organised.</p>	Component 17: Investment 5

	Implementation is ongoing	
Securing IT systems in the public administration environment	Securing 1000 IT systems to enhance cyber security. Early warning system tools will be integrated into the cybersecurity incident management system, implementing the necessary hardware/software elements, two-way encrypted communication and alerts. The project documentation for the IT project has been evaluated by the UHP and the documents have been prepared for the launch of the procurement.	Component 17: Investment 6
	Implementation is ongoing	
Introduction of application security audits in the public administration environment	The measure relates to the introduction of new or revised tools for auditing the vulnerability of public IT applications in the field of cyber security. The assessment shall be carried out through penetration tests and vulnerability assessment software. Priority will be given to information systems that are part of critical infrastructure. During January 2024, a CBA analysis was carried out and a draft business model for a central vulnerability management service solution was developed.	Component 17: Investment 6
	Implementation is ongoing	
Training seniors and disadvantaged people in basic digital skills	Based on the pilot project and its recommendations, the digital skills of 105 440 elderly and disadvantaged people need to be improved. This will be achieved through the completion of a training programme and the distribution of subsidised equipment. To date, 2554 elderly and disadvantaged people have been trained.	Component 17: Investment 7
	Implementation is ongoing	
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Approval of the timetable and implementation of the review of informatisation expenditure	The aim of implementing the review of informatisation spending is to improve the quality of state IT, reduce the cost of its operation and increase its efficiency. The update of the implementation plan of the Revision of Informatisation Expenditure 2020-2023 was approved by the Government on 27 July 2023. As of the end of 2023, not all measures have been implemented yet. The implementation report on the implementation of the measures for 2023 will be available in autumn 2024.	Update of the Implementation Plan of the Revision of the Informatisation Expenditure 2020-2023
	Implementation is ongoing	
Implementation of measures and recommendations under the Strategy and Action Plan for the period 2020-2024 to improve Slovakia's position in the Digital Economy and Society Index (DESI)	The aim of the measures is to improve Slovakia's position in the DESI index so that Slovakia is at least in the middle of the DESI ranking. However, despite the gradual implementation of the measures, Slovakia's position in the index is stagnating. Information on the implementation of the Strategy and Action Plan was discussed at the meeting of the Slovak Government Council for Digitisation of Public Administration and Digital Single Market in September 2023.	Strategy and Action Plan to improve Slovakia's position in the DESI by 2025
	Implementation is ongoing	

Binding unified methodology for the management, funding and evaluation of support for research, development and innovation	The final version was approved by the Government Council for Science Technology and Innovation in September 2023. The binding methodology aims to achieve clear rules for public support for research, development and innovation, while aligning these rules as far as possible with best practice in the EU. Implemented	Binding methodology
Review of expenditure, competences and staff capacity for research, development and innovation (Review)	In October 2023, the Government of the Slovak Republic took note of the information on the revision in question. The revision will allow for an even better grasp of upcoming measures such as the inter-ministerial programme or the plan for consolidation of competences. Implemented	Revision of
National plan for the Digital Decade of the Slovak Republic	The National Digital Decade Plan of the Slovak Republic is an umbrella document summarising the activities of the Slovak Republic to meet the EU's digital and general objectives. It presents a draft of the national objectives that Slovakia plans to contribute to the joint EU initiative. The objectives are divided in the document into four dimensions, which bring together related areas of digital transition. Each dimension has a set of objectives that the EU as a whole wants to achieve. Implementation is ongoing	Record of the Government Council meeting
Reform of science and research in the Ministry of Agriculture and Rural Development of the Slovak Republic (MoA)	As part of the ongoing reform, a quality audit of the professional research and innovation activities of the National Agricultural and Food Centre and the National Forestry Centre was carried out in 2023. Following the audit, an Action Plan for the implementation of the Comprehensive Strategy for Research, Development and Innovation in the Ministry of Agriculture and Rural Development until 2030 is being prepared, which will elaborate on the proposed recommendations, objectives and measures. Implementation is ongoing	

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Support for collaborative projects between companies, academia and R&D organisations	At least 1770 collaborative projects between companies, academia and research organisations will be supported. The investment is expected to lead to the creation of at least two "transformation and innovation" consortia and the award of 250 innovation and 400 digital vouchers.	Component 9: Investment 2
Support for excellent researchers	At least 650 excellent researchers will be supported. The investment is expected to lead to, for example, 15 large grants for excellent research teams, 425 fellowships for researchers at different stages of their careers, or 200 "early stage" grants for young researchers.	Component 9: Investment 3

Support for research, development and innovation projects to address the challenges of the green transition	At least 27 projects will be supported to address green transition and decarbonisation. Projects will be approved at different stages of technological readiness.	Component 9: Investment 4
Support for research, development and innovation projects to address the challenges of digital transition	At least 140 projects will be selected under thematic schemes (e.g. demand-driven calls and/or financial instruments) for thematic projects addressing digital transition challenges at different levels of technological readiness.	Component 9: Investment 5
Support for projects to develop and apply cutting-edge digital technologies - second phase	A total of at least 41 projects will be supported in the development and application of cutting-edge digital solutions.	Component 17: Investment 4
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Concept for the development of security monitoring for central government bodies	The concept will regulate the approach to security monitoring in the public administration and will define the strategy for building security surveillance centres in the public administration or the allocation of financial resources to meet its objectives.	
Simplifying citizens' and businesses' access to the State's electronic services	The reform will ensure the implementation of activities to raise the awareness of citizens and entrepreneurs on how to access the electronic services of the state in the form of new navigation in the context of solving life situations. The result will be a reduction in the time needed to deal with official acts in life situations, a significant reduction in the administrative burden placed on citizens and entrepreneurs when dealing with the state and a streamlining of communication between the authorities and end users.	
Update of the National Concept of Informatization of Public Administration (NCIPA)	The concept sets the framework for the implementation of public administration information technology projects. Ministries and central government bodies follow the principles of the Concept in the development of IT and progressively meet its objectives. The NCIPA will be updated to reflect the forthcoming National Digital Decade Plan.	NCIVS
Inter-ministerial programme for research, development and innovation	The inter-ministerial programme is established as part of the programme budgeting of the state budget. From November 2023, individual ministries create their own sub-programmes, while the gradual start-up of ministries and institutions implementing RDI expenditure to the new system is also foreseen in 2024.	
Introduction of an interim funding plan to support research, development and innovation	A pre-funding plan will contribute to the predictability of support, which will lead to more interest from researchers and companies to participate in calls and thus improve the average quality of the supported project. The plan will be developed each year for the following year, with a view to the next three years, with all funders working together to ensure synergies and complementarity of support.	
Developing a plan to consolidate the competences of ministries, existing agencies and institutions responsible for policy-making and support for science, research and innovation	The proposal for consolidation of competences is processed as part of the Review of Expenditure, Competences and Staff Capacities in Research, Development and Innovation. The consolidation plan itself will be addressed together with the preparation of the blueprint for the new RDI Act.	Draft plan for the consolidation of competences (Chapters 5 to 6 of the Revision)

Approval of the Implementation Plan for the measures proposed in the Review of Expenditure and Competences on Research, Development and Innovation	The implementation plan breaks down the individual measures into measurable tasks and assigns responsibility for their implementation within set deadlines to specific entities.	
New law on research, development and innovation	The law will extend the reform from the RRP aimed at streamlining the system of support for RDI and will trigger relevant amendments to other laws. It will also modify the competences in the field of social innovation and the relations between the different central government bodies in the field of RDI. Changes will also affect the principles for the use, modernisation and construction of research infrastructure.	
Introduction of performance contracts in the Slovak Academy of Sciences (SAS)	Performance contracts between the SAS Bureau and individual institutes will bring better planning of development activities and improved performance of the SAS institutes. The contracts will define specific objectives for these institutes with measurable indicators based on similar criteria as those applied to the non-teaching activities of universities.	

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/2 (Part 1): Improve the quality and inclusiveness of education at all levels and foster skills.
- CSR 2019/3 (Parts 2, 4, 5, 6, 8): Focus investment-related economic policy on research and innovation, digital infrastructure, energy efficiency, competitiveness of small and medium-sized enterprises. Increase the use of quality-related and lifecycle cost criteria in public procurement operations.
- CSR 2020/2 (Part 3): Strengthen digital skills.
- CSR 2020/3 (Parts 1, 2, 4, 5): Effectively implement measures to ensure liquidity for small and medium-sized enterprises and self-employed. Close digital infrastructure gaps. Promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy and resources.
- CSR 2020/4 (Part 2, 3): Ensure a favourable business environment and quality public services through enhanced coordination and policy-making.
- CSR 2022/1 (Part 2): Expand public investment for the green and digital transitions, and for energy security taking into account the REPowerEU initiative, including by making use of the Recovery and Resilience Facility and other Union funds.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2023/1 (Part 3): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.



2030 Agenda for Sustainable Development Goals

- Goal 4: Quality education
- Goal 8: Decent work and economic growth
- Goal 9: Industry, innovation and infrastructure

- Goal 13: Climate protection
- Goal 16: Peace, justice and strong institutions



European Pillar of Social Rights

- Principle 1: Education, training and lifelong learning
- Principle 8: Social dialogue and worker involvement
- Principle 20: Access to essential services

3.4 Labour market, social affairs and housing

Demographic pressure coupled with persistent brain drain and low participation of selected population groups⁴⁴ exacerbates the issue of labor shortages. Employers today are facing historically high capacity shortages when filling vacant positions. The increasing number of foreign workers over the past year has largely offset these trends and contributed up to 0.7 p.p. to the growth of domestic employment. In this context, the measures implemented under the RRP contribute to reducing barriers and attracting skilled labour. For example, in order to support the attraction and retention of highly skilled employees and students, 3 fully functional client centres (one-stop shops) will be established to provide comprehensive services facilitating the settlement in Slovakia. Adjusting the indexation of the minimum subsistence level to reflect the rising cost of living for low-income households, as well as the unfreezing of the minimum pension, have the potential to mitigate the effects of higher inflation for vulnerable groups. However, as the level of the subsistence minimum remains significantly below the poverty line, it is necessary to reconsider the entire concept of the subsistence minimum so that its amount actually corresponds to the minimum expenditure on basic necessities of life.

Outcome indicators for labour market and social affairs

		2017	2018	2019	2020	2021	2022	2023	2030 target
LFS employment rate (LFS, 20-64 years)	SK	71,1	72,4	73,4	72,5	74,6	76,7	-	76,5*
	EU	71,3	72,3	73,1	72,2	73,0	74,6	-	78,0*
ESA employment rate (ESA, whole population)	SK	43,6	44,4	44,8	43,9	43,8	44,2	-	47,4
	EU	45,8	46,4	46,8	46,1	46,8	47,6	-	47,4
Percentage of people at risk of poverty or social exclusion (after transfers, % of population)	SK	15,8	15,2	14,8	13,8	15,6	16,5	-	13,6*
	EU	22,4	21,7	21,1	21,6	21,7	21,6	-	17,7*
Employment rate of women (LFS, 20-39 years old)	SK	59,7	59,6	59,6	57,9	66,4	68,0	-	66,8
	EU	65,8	66,6	67,2	66,1	67,4	69,3	-	67,9
Employment rate of people with low education (LFS, ISCED 0-2)	SK	37,3	36,3	36,0	34,0	26,9	31,1	-	49,4
	EU	54,3	55,3	56,0	55,3	55,4	57,5	-	56,5
Household overcrowding (% of population)	SK	36,4	35,5	34,1	30,1	31,2	31,8	-	16,5
	EU	17,5	17,1	17,1	17,4	17,3	16,8	-	16,5
Housing costs (Share of total final household consumption)	SK	28,5	28,1	28,7	31,0	31,4	30,3	-	27,9
	EU	23,6	23,4	23,4	25,5	25,0	24,1	-	23,4
Proportion of the population living in rent-controlled or rent-free accommodation (% of population)	SK	1,5	1,2	1,4	1,6	1,9	2,7	2,8	4,2
	EU	9,6	9,3	9,1	9,5	9,8	10,7	-	6,7

*approved national target

Note: the methodology for setting targets at national and European level can be found in Annex 1.

The amendment to the Law on the Subsistence Minimum adjusted the indexing mechanism of the subsistence minimum in line with the growth of consumer prices. Instead of the existing calculation mechanism⁴⁵, the amendment has linked the adjustment of the minimum subsistence amounts solely to the coefficient of growth in the living costs of low-income households. This step is aimed at ensuring that the real value of the minimum subsistence amounts is maintained, especially during periods of high inflation. However, from the perspective of poverty reduction in Slovakia, this measure appears to be insufficient, as the current values of the minimum subsistence level remain significantly below the poverty line. A

⁴⁴ Mothers with small children, people in the age group 60-69, members of the MRC, long-term unemployed.

⁴⁵ The indexation of the minimum subsistence amounts has so far taken into account the growth rate of net cash income per person compared to the growth rate of the cost of living of low-income households.

comprehensive reassessment of the design of the minimum subsistence level is therefore also needed, both in terms of its level and not just its year-on-year growth.

The unfreezing of minimum pension amounts has allowed them to increase automatically. The amendment restored the linking of the minimum pension to 136 % of the minimum subsistence amount for an individual in order to prevent them from falling into a state of material deprivation. From 1 October 2023, this was increased to 145% of the minimum subsistence amount, in response to inflation and the anticipated rise in the minimum subsistence level. The change also increased the percentage valuation of qualifying years of pension insurance, thus maintaining the original intention to minimise the risk of material deprivation for individual pensioners.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Creation of one-stop shops providing comprehensive services supporting the integration of foreign nationals as well as citizens from the Slovak Republic when returning from abroad	As part of investments aimed at attracting and retaining highly skilled employees and students in Slovakia, three fully operational one-stop shops providing services to facilitate settlement in Slovakia will be built by the end of 2024. The development of the concept, including the relevant legislation, is slightly delayed due to the change of the implementing authority from the Ministry of Labour, Social Affairs and Family of the Slovak Republic (MoL SR) to the Ministry of the Interior of the Slovak Republic (MoI SR). The MoI SR prepared a meeting on the implementation of the investment, where the tasks for the different sections were assigned, and at the same time, the final version of the concept for establishing f the centres is being adjusted. Implementation is ongoing	Component 10: Investment 1
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Adjustment of the minimum subsistence indexation mechanism	A mechanism for adjusting the amounts of the subsistence minimum has been set, which from 1 July 2023, are multiplied only by the coefficient of growth in the living costs of low-income households. On the basis of the same coefficient, the amounts of assistance in material need have also been adjusted, with the effectiveness of their adjustment shifted to 1 October 2023. Implemented	Minimum subsistence level and the law on aid for material need
The unfreezing of the minimum pension	The level of the minimum pension has been re-linked to the minimum subsistence level as of 1 July 2023, while the graduation of the minimum pension according to the qualifying period of pension insurance (QPI) has also been adjusted. For an insured person with 30 years of QPI, the level of the minimum pension as of 1 October 2023 is 145% of the minimum subsistence level. Implemented	Social Insurance Act

<p>Coordination of public policies to prevent and end homelessness - adoption of a strategy and action plan</p>	<p>The National Concept for Preventing and Ending Homelessness was adopted in April 2023, and the first Action Plan is currently being developed, reflecting the need to create a separate entity (organisational component) to coordinate homelessness policies. Approval of the Action Plan by the Government is expected in March 2024.</p> <p>Implementation is ongoing</p>	<p>National Concept for Preventing and Ending Homelessness</p>
<p>Coordination of the lifelong learning system with the needs of the labour market</p>	<p>The competences of the Alliance of Sectoral Councils (ASR) will be strengthened to adapt training and retraining strategies to the needs of the labour market. The ASR should be actively engaging in creating solutions to set up a lifelong learning system. The ASR, as an interest association of legal entities, acquired legal personality in March 2023. One of the tasks of the ASR is, for example, to assess the needs of the labour market on a quarterly basis in the form of shortage occupations as well as current trends based on the needs of employers.</p> <p>Implementation is ongoing</p>	<p>Alliance of Sectoral Councils</p>
<p>Simplifying the conditions for the admission of highly skilled workers to the labour market</p>	<p>The transposition of the EU directive into national legislation will make blue cards, which serve as residence permits for highly skilled workers from third countries, more attractive. The draft law on the residence of foreigners has already been passed by the MPK and its approval would significantly simplify a number of conditions for the admission of such workers to the Slovak labour market. This includes, for example, recognition of professional qualifications or the reduction of the salary threshold required for obtaining a blue card.</p> <p>Implementation is ongoing</p>	<p>Draft law on the residence of foreigners</p>
<p>New law on lifelong learning</p>	<p>The aim is to introduce new institutions in the field of lifelong learning, to ensure the permeability of the education system, to introduce a system of recognition and validation in the field of adult learning, to introduce a new funding scheme for adult learning through individual learning accounts and to address inter-ministerial coordination of lifelong learning. Meetings have been held with external partners on the draft law and, on the basis of the outcome of these meetings, draft material is currently being prepared for the inter-ministerial review procedure.</p> <p>Implementation is ongoing</p>	<p>Action plan for a lifelong learning strategy</p>
<p>A chance to return</p>	<p>The aim of the project is to re-socialise and strengthen the key competences of convicts with the aim of their subsequent active integration into society. It is an innovative, comprehensive and systemic support for the target group of individuals in an disadvantaged social situation, focusing on reducing the risk of their social exclusion and improving their chances of integration into the labour market.</p> <p>Implementation is ongoing</p>	<p>A chance to return</p>

Social agriculture	<p>The new legislation will create a legal framework for the establishment of social farms which, as social enterprises, can engage not only in primary production but also in non-productive activities, thus contributing to rural development and the sustainability of jobs. The draft law has already been submitted to the inter-ministerial comment procedure in November 2022.</p> <p>However, due to the change of the Slovak Government, the Ministry of Agriculture and Rural Development will resubmit an updated version of the Act to the MPK in 2024, or will separate the issue of social farms into separate legislation.</p> <p>Implementation is ongoing</p>	<p>Bill on certain agricultural registers submitted to the MPC</p>
Implementation of measures from the Action Plan (Housing Policy of the Slovak Republic until 2030) - Act on Construction	<p>The Construction Act was adopted by the National Council of the Slovak Republic back in 2022 with the aim of fundamentally streamlining and speeding up the construction process. However, the new Slovak government has decided to postpone the effectiveness⁴⁶ of the adopted construction legislation in order to allow time for the necessary adjustment of the construction rules. In its programme statement, it stated that the new construction law was unenforceable as of the effective date and its implementation would lead to significant difficulties in the preparation and permitting of construction.</p> <p>Not implemented</p>	<p>Construction Act</p>

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
None		
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Coordination of public policies to prevent and end homelessness - creation of a supra-ministerial unit	Creation of an organisational unit to coordinate measures to end homelessness to ensure effective cooperation between ministries, municipalities and non-governmental organisations. The measure is based on the National Concept for Preventing and Ending Homelessness and on the process of developing its Action Plan, in which the creation of a coordinating organisational unit is planned to be translated into an activity under the responsibility of the MoL and other interested partners.	
Develop workforce skills to promote employability and adaptability in the labour market	The proposed measure fulfils the provisions of the Employment Services Act, supporting the reduction of the shortage of skilled labour. In 2024, project solutions will be introduced to support the acquisition and change of skills of jobseekers, with a particular focus on young people under 30 in NEET situations. ⁴⁷	

⁴⁶ The effective date is to be postponed from the original date of 1 April 2024 by at least a year, possibly a year and a half.

⁴⁷ „Not in employment, education or training“ - People who are not in employment, education or training are not in education or training.

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/2: Improve the quality and inclusiveness of education at all levels and foster skills. Enhance access to affordable and quality childcare and long-term care. Promote integration of disadvantaged groups, in particular Roma.
- CSR 2020/3 (Part 3): Front-load mature public investment projects.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2023/1 (section 3,7): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions. Reduce the risks related to household debt by supporting housing supply and the expansion of the rental market.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.



2030 Agenda for Sustainable Development Goals

- Goal 4: Quality education
- Goal 8: Decent work and economic growth
- Goal 9: Industry, innovation and infrastructure
- Goal 10: Reduce inequalities
- Goal 16: Peace, justice and strong institutions



European Pillar of Social Rights

- Principle 1: Education, training and lifelong learning
- Principle 3: Equal opportunities
- Principle 4: Active employment support
- Principle 12: Social protection
- Principle 15: Retirement income and pensions

3.5 Quality of institutions

The quality of the institutional environment significantly influences the efficiency of resource allocation in the economy. In the Slovak context, barriers to development in this area are particularly evident in the form of limited enforceability of property rights, lack of trust in public institutions, and regulatory and administrative obstacles for businesses. In this context, an important milestone is the launch of a new reorganised court network, which aims at streamlining court proceedings and improving the quality of court decisions. In turn, the electronicisation and speeding up of insolvency proceedings and commercial register processes will contribute to reducing administrative barriers to business. By the end of 2024, 300 specific measures will enter into force, leading to administrative savings for businesses. Environmental impact assessments will be made faster and more efficient by linking them to permitting processes. The adoption of the planned legislative changes should bring improvements to the current mechanism for the management of seized and confiscated assets. The modernisation of information systems for international police cooperation will improve the exchange of information needed to fight international crime. The aim of building shared service centres is to strengthen and improve the performance of local authorities in providing public services to citizens.

Outcome indicators for the quality of institutions

		2017	2018	2019	2020	2021	2022	2023	2030 target
Government by Law (WGI, ranking), EU median	SK	58	65	65	64	56	62	-	49
	EU	37	35	37	37	35	35	-	37
Control of corruption (WGI, ranking), EU median	SK	86	80	84	74	83	83	-	48
	EU	49	55	54	48	49	50	-	50
PMR index (target for 2028) (Index value)	SK	-	1,52	-	-	-	-	-	1,30
	EU	-	1,40	-	-	-	-	-	1,30

Note: The methodology for setting targets at national and European level can be found in Annex 1.

The reform of the court map and the related specialisation of judges aims to make court proceedings more efficient and improve the quality of court decisions. The change of the court map is a response to the fragmentation and resulting inefficiency that characterises the Slovak court system. At the same time, the reorganisation allows for the specialisation of judges in criminal, civil, family and commercial matters in the general courts and in administrative matters in the separate administrative judiciary. In this context, the Ministry of Justice of the Slovak Republic is also introducing a system of monitoring key indicators of the new court map, which will help to identify possible weaknesses and suggest future improvements to the current set-up.

Electronization and acceleration of the commercial register processes will contribute to improving the business environment. The investment of more than EUR 11 million, including funds from the RRP, will establish a modern information system that will enable entrepreneurs and courts to carry out activities related to the commercial register fully electronically. The new system will thus fully replace the existing technologically obsolete solution and ultimately speed up individual proceedings by automating the operations. A public procurement procedure for the selection of a contractor for the development of this system, including the provision of maintenance services, is currently under way, but the deadline for submitting tenders had to be extended again. A change in the relevant legislation is also being prepared to reflect the functionalities and requirements of the new information system. In order to ensure the timeliness and transparency of the data kept in the Commercial Register, the exchange of information between the various registers, databases and records kept in the Slovak Republic as well as at European level will be improved and automated.

The creation of shared service centres should contribute to the modernisation and improvement of local government performance. They will function as common centres providing public services for citizens in one place, serving several municipalities on the basis of micro-regions. Although a call for more than €11 million of RRP funds for this purpose was launched in June 2023, no applicant has applied so far. The Ministry of the Interior will therefore consider launching a new call that will be more attractive to municipalities and will allow them to meet the objective of building 22 centres in the least developed districts by the end of 2024. It also appears to be a problem for municipalities to secure financial coverage for the staff capacity to provide professional administrative services in the centres. At the same time, given the fragmentation of local government in Slovakia and the lack of decentralisation, it is important to prepare a comprehensive reform of public administration. In this context, the Government of the Slovak Republic in its programme declaration has declared its ambition to reorganise public administration in order to increase its efficiency and transparency.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
300 measures reducing administrative burdens on businesses come into force	By the end of 2024, 300 specific measures will come into force, leading to administrative savings for businesses ⁴⁸ . The first package was approved by the National Assembly of the Slovak Republic in June 2022. The second package , which should fulfil the number of 300 measures, was approved by the Government of the Slovak Republic in January 2024. Implementation is ongoing	Component 14: Reform 1
Approval of the second piece of legislation needed to reform the insolvency framework	The second part of the legislation , which mainly concerns adjustments in connection with the digitalisation of insolvency proceedings, was approved by the National Assembly of the Slovak Republic in June 2023. The first part of the legislation aimed at the resolution of impending insolvency is already effective as of 17 July 2022. Implemented	Component 14: Reform 2
Launch of a fully functional unified digitised insolvency process	The digitisation of insolvency processes will be enabled by the establishment of a public administration IT system focused on insolvency law and winding-up processes. A tender for a supplier for the development of this IT system is currently underway ⁴⁹ . Implementation is ongoing	Component 14: Investment 2
Introduction of a new network of courts	The new reorganised court network, which is expected to speed up and increase the clearance rate of court cases, was launched on 1 June 2023. In this context, the Ministry of Justice of the Slovak Republic (MoJ) is also introducing a system for monitoring key indicators of the new court map. Implemented	Component 15: Reform 1

⁴⁸ A dedicated IT application (Workflow tool) was launched in May 2023 to collect data and identify individual proposals for action, which will improve the user experience for submitters and processors.

⁴⁹ MoJ received technical assistance from the EU Technical Support Instrument programme in preparing the documents for the development of the new IT system.

Introduction of the IT system - Commercial Register	The modern IT system will enable entrepreneurs and courts to carry out activities related to the commercial register fully electronically. The project is in the process of implementation ⁵⁰ and the public procurement for the selection of the supplier of the IT system is currently underway. Implementation is ongoing	Component 15: Investment 2
Strengthening the infrastructure to fight corruption and money laundering	The Central Register of Accounts ⁵¹ at the MoF will create access to data on financial flows and assets of persons under investigation. A tool (goAML software) ⁵² for effective financial investigations will be implemented at the Financial Intelligence Unit. ⁵³ of the Office for the Protection of Whistleblowers of Anti-Social Activity will be fully operational and technically equipped. Implementation is ongoing	Component 16: Investment 1
Training of police officers in financial investigations and analytical activities	By the end of 2023, at least 240 police officers will participate in training, workshops and seminars with the participation of foreign and domestic lecturers (CEPOL and EUROPOL). As part of the approved changes to the POO , the target was adjusted and was successfully met in 2023 by training 165 staff. Implemented	Component 16: Investment 1
Automated system for detecting traffic offences	By the end of 2024, an automated IT system will be put into operation, which will make the detection of traffic offences more efficient. The contract with the hardware supplier has already been signed and the tendering procedure for the radars and the transaction module, which has already been cancelled once in the past, needs to be launched as soon as possible. Implementation is ongoing	Component 16: Investment 2
Setting up shared service centres	By the end of 2024, 22 Shared Service Centres will be established to help pool capacity at local level to deliver essential public (social) services. A call was launched in June 2023 which has not yet closed. Implementation is ongoing	Component 16: Investment 4
Measures to improve citizens' information on the expected amount of their future pensions from the entire pension system (the so-called orange envelope)	With effect from 1 January 2024, a legal framework is introduced to improve information on future pension entitlements from the statutory pension scheme. The obligation for the Social Insurance Institution to provide a pension forecast to insured persons will arise for the first time in 2026. The amendment also provides that the MoL is empowered to establish a decree setting out a model pension forecast and its content. The draft decree is expected to be submitted to the MPK in the second quarter of 2024.	Component 18: Reform 1

⁵⁰ The project is currently significantly delayed. The tender for the development of the IT system was launched on 27.6.2022, but is still pending due to repeated objections to the project.

⁵¹ The launch of the IT system Central Register of Accounts is delayed. The MoF has procured a supplier of the IT system, and the system will be deployed on the released infrastructure of the MoF. A decree specifying the conditions for sending data of financial institutions to the system was issued on 15.2.2024. On the date of entry into force of the decree, the legal deadline of 6 months for financial institutions to send complete data to the system started to run.

⁵² The launch of the IT system is delayed. The contract for the supply of software and hardware has already been concluded. Testing is currently underway on a temporary government cloud. Once the hardware is delivered, the IT system will be moved and data configuration will take place.

⁵³ The Office for the Protection of Whistleblowers is operational and equipped with the necessary hardware and software. Minor renovation of the premises of the Office is still in progress.

	Implementation is ongoing	
--	----------------------------------	--

Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Family business development	<p>An action plan⁵⁴ for the development of family businesses will be adopted to serve as a basic framework for the promotion of family business. Some of the measures in the Action Plan, such as the creation of a focal point for family businesses and the modification of transfer pricing rules, have already been implemented. Other measures, such as advice to family businesses on generational change, are already being implemented.</p> <p>Implementation is ongoing</p>	Draft action plan for the development of family businesses in Slovakia (MPK version 2021)
Strengthening value for money in the public procurement system	<p>The Public Procurement Office is cooperating with the OECD on a project aimed at contributing to a more efficient public procurement system in Slovakia, in particular by strengthening the application of the principle of value for money, including the most economically advantageous offers (MEAT) in public procurement procedures. This should result in the development of guidelines and templates on the use of MEAT criteria or an action plan for training in the use of MEAT criteria. For example, the project has already published a study and a strategy to promote the use of MEAT criteria.</p> <p>Implementation is ongoing</p>	Project - Responsible Public Procurement
Implementation of measures to support and optimise family law processes	<p>The project succeeded in implementing a multidisciplinary approach (MDP) in the family law agenda in almost all courts (98%), with the participation of entities providing professional assistance (guardians, social workers, mediators, experts, etc.) in the decision-making process regarding the child. Methodological procedures for the application of the MDP have been developed and the positions of coordinator and specialist with psychological training have been created and standardised. The introduction of the MDP in the courts is expected to streamline and shorten court proceedings in family law matters.</p> <p>Implemented</p>	Further description of the project
Enhancing the effectiveness of the justice system by protecting and empowering victims and vulnerable parties	<p>The aim of the project was to contribute to the efficiency and improvement of the judicial system in the field of protection of victims of crime and minors in family law disputes. This effort included training of judges and mediators, preparation of methodological materials and adaptation of specialised rooms in 8 courts.</p> <p>Implemented</p>	Further description of the project

⁵⁴ The material will be resubmitted to the MPC, as the MPC failed to address all the substantive comments from the Departments in 2021.

Strengthening and building capacity in the provision of legal aid	The project, which will be completed at the end of 2023, will result in more efficient provision of legal aid to citizens (especially to socially and economically excluded groups). The assistance is provided through the Call Centre or the newly built offices and consultation centres of the Legal Aid Centre. Implemented	Further description of the project
Implementation of a project to build and strengthen alternative dispute resolution through mediation	The project was completed by the end of 2023 and aimed to raise awareness of alternative solutions to civil and criminal litigation among judges, prosecutors, court officials and the wider public, while strengthening access to the application of alternative sanctions in practice. Implemented	Further description of the project
Modernisation of private law - recodification of company law	The aim of the recodification is to increase and simplify the involvement of shareholders in corporate governance, including the digitisation of decision-making processes. At the same time, the new legislation ⁵⁵ should set up effective mechanisms for the protection of affected entities and bring greater transparency in the identification of end-users of benefits. Work on the recodification was suspended in autumn 2023, but the Ministry of the Interior announces its resumption. Implementation is ongoing	Legislative intent of the recodification of company law
Humanisation of detention and sentencing	The legislative changes will lead to the modernisation and humanisation of detention and imprisonment. As of 1 January 2024, an amendment to the Regulations on the Execution of Imprisonment came into force, which, for example, eases the conditions for placing a convict in an open ward or simplifies the implementation of educational programmes and therapeutic activities. The planned ⁵⁶ adoption of the amendment to the Act on the Execution of Sentences has been suspended for the time being due to the intentions of the Slovak Government to change the penal policy of the State. Implementation is ongoing	Amendment to the Ordinance issuing the Regulations for the Execution of Prison Sentences
Modernising criminal codes and streamlining the state's penal policy	The aim of the intended amendment to the Criminal Code was to make greater use of modern European criminal law instruments in line with the principles of restorative justice ⁵⁷ . The draft amendment passed its first reading in the National Assembly of the Slovak Republic (May 2023) and was not further pursued. Not implemented	Draft amendment to the Criminal Code submitted to the National Assembly of the Slovak Republic
Improving the current mechanism for the management of seized and confiscated property	The legislative changes will ensure the efficient administration of confiscated property and its return in the framework of international cooperation. The remit of the Office for the Administration of Seized Assets will be reviewed in line with the transposition of the EU Asset Recovery and Confiscation Directive. A draft law on judicial cooperation in criminal matters has already been submitted to the MPK and is	Bill on judicial cooperation in criminal matters submitted to the MJC

⁵⁵ Preparation of the new Civil Code and preparation of the Companies Act.

⁵⁶ The amendment to the Act on the Execution of Sentences was scheduled to come into force in the second half of 2023.

⁵⁷ Restorative justice aims to repair the harm caused by the crime.

	<p>expected to be adopted by the Government in May 2024. An amendment to the law on the execution of decisions on seizure of property and administration of seized property will also need to be adopted.</p> <p>Implementation is ongoing</p>	
Adoption of legislative amendments to ensure direct access of the Police Force to specific records of state bodies	<p>In line with the EU Asset Recovery and Confiscation Directive, direct online access to specific information systems of state authorities is necessary for the Police Force (PF) to investigate the laundering of proceeds of crime more effectively. In 2023, cooperation on the integration of the PF IT system into the databases of the Social Insurance Institution has already started. In 2024, the MoF should provide PF with access to the Central Register of Accounts.</p> <p>Implementation is ongoing</p>	<p>Directive of the European Parliament and of the Council on asset recovery and confiscation</p>
Implementation of information systems to improve international police cooperation	<p>In order to make the exchange of information more effective in the fight against international crime, the relevant EU Directive will be transposed into Slovak legislation. At the same time, the information system for international police cooperation (CMS-Case management system⁵⁸) and the information system for searching for stolen documents and vehicles (link to the INTERPOL database⁵⁹) will be modernised.</p> <p>Implementation is ongoing</p>	<p>EU Directive on the exchange of information between law enforcement authorities of the Member States</p>
Establishment of a register of the usufruct of agricultural land	<p>The register of land use relations is a temporary solution⁶⁰ to the fragmentation and inconsistency of land ownership in the Slovak Republic. It addresses the problem of proving land use relations and should contain data on the land user, the right of use, the land used and its owner or manager. The legislative changes will also create a legal framework for the registration of existing and new land use relations and for the resolution of land use disputes. The draft law has already been prepared and is expected to be submitted to the MPK in the first half of 2024.</p> <p>Implementation is ongoing</p>	<p>Preliminary information on the draft law on the register of usufruct relations to agricultural land</p>
Speeding up and streamlining the environmental impact assessment process	<p>The amendment will speed up and streamline the environmental impact assessment process by linking it to the permitting processes. The amendment in question was submitted to the MPK in February 2024.</p> <p>Implementation is ongoing</p>	<p>Amendment to the Environmental Impact Assessment Act submitted to the MPK</p>

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Modernisation of the information system for registration of foreigners	The implementation of the new IT system modules will enable the computerisation of the procedures for granting residence permits in order to simplify the	Component 16: Investment 2

⁵⁸ The technical basis for the modernisation of this information system is currently being prepared.

⁵⁹ The Vehicle Tracing Information System is already integrated with the INTERPOL database.

⁶⁰ The long-term solution, however, is land improvements, which [are not scheduled to be completed until 2049](#).

	procedures for the public. It will have key functionalities such as application for residence, renewal of residence, registration of residence, notification modules and electronic communication during the procedure. The need for maximum interconnectivity with the systems of the EU Member States is part of the measure.	
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
New commercial register	The change in legislation will reflect the new functionalities and requirements for a modern business register information system to be introduced as part of the RRP investment. In order to ensure the timeliness of the data kept in the Commercial Register, the regular and automated exchange of information between the various registers, databases and records kept in the Slovak Republic as well as at EU level will be improved.	Commercial register information system and related services
Reorganisation of Probation and Mediation Services - Strategic Analysis	The strategic analysis will focus on the assessment of the current situation and the elaboration of alternatives for the probation and mediation service, including the specification of financial, personnel and spatial impacts.	
Amendment of the law on proof of origin of property	To combat money laundering more effectively, the law needs to be amended in line with good examples from other EU countries. In its current form, the law is ineffective and difficult to apply in practice.	Proof of Origin of Assets Act

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/3 (Sections 4, 6, 8): Focus investment-related economic policy on digital infrastructure, and the competitiveness of small and medium-sized enterprises Increase the use of quality-related and lifecycle cost criteria in public procurement operations.
- CSR 2019/4: Continue to improve the effectiveness of the justice system, focussing on strengthening its independence, including on judicial appointments. Increase efforts to detect and prosecute corruption, in particular in large-scale corruption cases.
- CSR 2020/4: Ensure effective supervision and enforcement of the anti-money laundering framework. Ensure a favourable business environment and quality public services through enhanced coordination and policy-making. Address the integrity concerns in the justice system.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2022/3 (Part 2): Accelerate the deployment of renewables by further facilitating grid access, introducing measures to streamline permitting and administrative procedures.
- CSR 2023/1 (Part 3): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.
- CSR 2023/3 (Part 3): Simplify permitting and administrative procedures for deploying renewables, including by establishing 'one-stop shops' and 'go-to' areas.



2030 Agenda for Sustainable Development Goals

- Goal 7: Affordable and clean energy
- Goal 16: Peace, justice and strong institutions

3.6 Healthcare and long-term care

As in developed countries, health spending is growing faster than the Slovak economy. At present, healthcare costs in international comparison correspond to the country's wealth, but after adjusting for demographics, they are higher than in similarly wealthy countries.⁶¹ However, the performance of the Slovak health system is still lagging behind Western European health systems as well as neighbouring Central European countries. Slovakia has one of the highest death rates in the EU from causes that are treatable or preventable. There is still considerable room for improvement in public health policies to reduce premature deaths. The Slovak health system is gradually moving towards a DRG reimbursement system for five selected groups of healthcare, representing 15-20% of the total, from 2024. A key measure in the area of hospitals is also the continuation of the reform to optimise its network. Data collection on waiting times in inpatient care is currently underway to ensure the management of patient care from the beginning of 2025. In order to improve resource allocation in the health sector, a health budget board is to be established. Under the RRP, contracts have been signed for seven major investment projects, but several are behind schedule. In long-term care, the assessment of the needs of persons with disabilities in the case of entitlement to personal assistance is expected to be standardised, as is the streamlining of assessment through digitisation.

Outcome indicators for health

		2017	2018	2019	2020	2021	2022	2023	2030 target
Life expectancy at birth (Number of years)	SK	77,3	77,4	77,8	77,0	74,6	77,0	-	80,6
	EU	80,9	81,0	81,3	80,4	80,1	80,6	-	82,9
Avoidable mortality through healthcare (Number of deaths per 100 thousand inhabitants)	SK	173,7	165,3	163,6	168,8	-	-	-	119,6
	EU	92,1	91,3	89,2	91,7	-	-	-	64,5
Preventable mortality (Number of deaths per 100 thousand inhabitants)	SK	238,8	241,3	231,2	262,4	-	-	-	173,7
	EU	160,0	158,6	154,0	180,0	-	-	-	119,1
Difference in life expectancy by education (Number of years, males aged 25, difference between ISCED 5-8 and ISCED 0-2)	SK	15,6	-	-	-	-	-	-	9,6
	EU	6,9	-	-	-	-	-	-	4,3

Note: the methodology for setting targets at national and European level and the source of the data can be found in Annex 1.

The MoH plans to improve the budgeting process by establishing a Health Budget Council. The aim of the council is to support not only the budget preparation process, but also its continuous monitoring and evaluation during the year and, on this basis, to provide flexible answers to the question of how much money is needed in the health sector. The Budget Council will involve all institutions involved, strengthening cooperation between the MoH and the MoF, health insurers and health care providers. Resource monitoring will be complemented by health sector performance monitoring (HSPA⁶²), the frameworks for which will be developed by the MoH in cooperation with the OECD and the EC under the Technical Support Facility. Comprehensive and regular evaluation is crucial for the design, development, implementation and evaluation of public health policies.

The DRG system will be implemented as a reimbursement mechanism and performance contracts according to DRG output will be introduced. For 2024, the MoH, in cooperation with health insurers and hospitals, has selected five groups of care that will be reimbursed according to DRGs, which is 15-20% of hospitals' output. Specifically, these will be births, newborn care, knee and hip replacements, and selected procedures in oncology and cardiology. Procedures relating to deliveries and physiological newborns will be covered without limit. This will support quality improvement of services to attract female patients without impacting on overall financial resources. The remaining three groups of procedures will be reimbursed with a

⁶¹ [Spending priorities for a successful Slovakia.](#)

⁶² HSPA - Health System Performance Assessment

limit. These groups today represent inpatient cases for which there are longer waiting times. Exempting these procedures from the prospective budget regime and moving them under direct DRG reimbursement will support the reduction of waiting times. To ensure predictability of the financial resources needed, a maximum limit of 120% of the expected 2024 output has been set for these groups.

As part of the optimization of the hospital network (OHN), the implementation of maximum waiting times and quality indicators will take place during 2024. These parts of the reform will benefit patients in particular. The OHN extends maximum waiting times to hundreds of procedures to ensure adequate and timely health care for all patients. Originally, the reform of patient management in inpatient care was supposed to start at the beginning of 2024. However, the OHN is currently in a transition period that allows level one hospitals to carry out a virtually unchanged scope of care. During this period, all second-tier supplementary programmes are optional for hospitals, which can provide them on the basis of an agreement with the health insurer without the need for approval. During 2024, the technical background for monitoring and evaluating waiting times as well as the economic impact of their introduction needs to be prepared. For the quality indicators identified by the experts, methodologies for their evaluation and gradual publication will be prepared during 2024. The quality information will feed into the annual network evaluation and will also be available for informed decision-making by patients when choosing a planned healthcare provider. Further, the network will be transformed in line with the OHN and a Network Design Commission will be established.

Several capital projects of hospitals funded by the RRP are delayed against contractual schedules.

The two largest projects for the construction of new hospitals in Martin and Banská Bystrica, financed from the RRP funds in the amount of EUR 611 million (excluding VAT), have not yet been awarded to a contractor. Seven hospitals have signed contracts with the Ministry of Health of the Slovak Republic on financing large investment projects in the amount of EUR 197.5 million. In the call for smaller projects (up to five million euro), 15 projects were successful with a total value of 65 million euro. The projects from the RRP are to be implemented by June 2026. The hospitals in Martin and Banská Bystrica are to be built in the rough construction stage by this date and commissioned by the end of 2028 at the latest. The vast majority of projects have already been tendered to a contractor. The overall objective is to modernise at least 1 980 hospital beds, of which at least 1 080 beds at the "rough construction" level.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Optimisation of the hospital network - second phase	The second phase of the hospital networking exercise to make it more efficient has been completed. In this phase, hospitals included in the network at the end of 2022 have been allocated complementary programmes. A Network Formation Council was established as a second-tier body in network decision-making. An update of the decree regulating the categorization of inpatient health care (IHC) was prepared in collaboration with expert working groups. Implemented	Component 11: Reform 1

Establishment of a central authority for hospital management (centralisation of management of the largest hospitals)	The role of the body is to provide the governance structure for the 19 hospitals that will comprise the network of hospitals in the pilot phase. The Authority will manage, guide and evaluate the planning and performance of the hospitals. It will also make recommendations for optimising expenditure and inventories of medicines and medical devices. The MoH is currently working on the preparation of the relevant change to the legal regulation ⁶³ . Implementation is ongoing	Component 11: Reform 3
Modification of the law on the optimal network of emergency medical services and a new definition of emergency medical care	Legislative changes ⁶⁴ have introduced a new acute care network and a new definition of urgent care. The new network will guarantee the availability of emergency services within 15 minutes for 90% of the population and is geographically and procedurally linked to the new hospital network. Implemented	Component 11: Reform 4
Support for general outpatient care clinics - pilot programme	Under the first phase of the pilot programme, 28 general outpatient clinics will be established and contracts will be signed to support them. As of 24 January 2024, 22 contracts have been signed so far. Implementation is ongoing	Component 11: Investment 1
Construction and reconstruction of hospitals - approval of the plan	The government directly supervised the construction of St. Martin's University Hospital (UNsvM) and the F.D. Roosevelt Banská Bystrica (FNsP). The balance of the allocation was allocated to other beneficiaries selected through two calls for proposals. Implemented	Component 11: Investment 2
Construction and renovation of hospitals - award of all public contracts to contractors	Contractors will be notified of the award of tenders in order to achieve the overall target of 2,200 new hospital beds. The call for large capital projects to support construction is closed, with contracts signed for 7 projects. The call for small investment projects to support the construction and reconstruction of hospitals has been closed and contracts for the provision of the Mechanism funds have been signed with all successful bidders. FNsP in Banská Bystrica and UNsvM in Martin are evaluating the bids from the bidders. Implementation is ongoing	Component 11: Investment 2
Increasing the provision of atrial fibrillation surgery	Equipping three cardiovascular disease institutes with a navigation system to perform interventions to treat atrial fibrillation, thereby reducing its average duration ⁶⁵ and increasing the number of successful interventions ⁶⁶ . The procurement for the necessary accessories has been completed and the technology is currently being installed in the various institutes. Implementation is ongoing	Component 11: Investment 3
Construction and renovation of emergency medical service (EMS) stations	Out of the total target (55), construction of all 55 EMS stations should start by the end of 2024. The project	Component 11: Investment 4

⁶³ The timely approval of the legislation remains a risk.

⁶⁴ [Amendment to the Health Care Act](#), [Amendment to the Health Care Providers Act](#) and [Amendment to the Emergency Medical Services Act](#).

⁶⁵ At least 30% compared to the baseline scenario (i.e. compared to the average duration of operations over the previous five years).

⁶⁶ At least 20% compared to the pre-investment baseline (i.e. compared to the average annual volume over the previous five years).

	documentation for specific sites is currently being finalised.	
Approval of the National Mental Health Programme, including the Action Plan	<p>One of the first tasks of the newly established Government Council for Mental Health is to coordinate the development of the National Mental Health Programme for 2024-2030. The material, including the action plan, is almost finalised and is expected to be approved by the Slovak Government in the first half of 2024.</p> <p>Implementation is ongoing</p>	Component 12: Reform 1
Introduction of provisions on Autism Spectrum Disorder Centres (ASCs) and psychosocial centres into the current legislation	<p>Definition of ASC centres and psychosocial centres in the legislation of the Ministry of Health of the Slovak Republic. After a legal analysis, the MoH has decided that there is no need to amend the decree, but an amendment to the MoH decree of August 2022 is sufficient.</p> <p>Implemented</p>	Component 12: Investment 3-5
Mental health staff training - phase one	<p>In the first phase, at least 84 health professionals will complete mental health training.</p> <p>Implementation is ongoing</p>	Component 12: Investment 8
New concept for financing social services	<p>The concept will introduce a new financing system based on a personal budget for the needy. The concept is currently in the working version stage. In January 2024, the intra-ministerial comment procedure was completed and the subject matter manager together with the members of the working group are continuing to finalise the concept.</p> <p>Implementation is ongoing</p>	Component 13: Reform 1
Unification of assessment activities	<p>In 2024, new legislation will come into force that will unify assessment activities, eliminate inefficiency and bureaucracy for assessors and assessors by digitising activities. At the same time, new dependency criteria will be defined to make assessment more transparent. The Ministry of Labour and Social Affairs has prepared a draft law on integrated assessment activities, but its finalisation requires further consultations with stakeholders.</p> <p>Implementation is ongoing</p>	Component 13: Reform 2
Reform of social care supervision	<p>A single supervisory system will be created with a head office and 8 regional branches, which will also provide supervision of informal home care. The necessary infrastructure will be provided during 2023 and 2024 and the selection procedures for inspectors are currently underway. The system will be operational in 2024.</p> <p>Implementation is ongoing</p>	Component 13: Reform 3
Expansion of community social care capacities	<p>In 2023, a call for capacity expansion of community-based residential services, low-capacity health and social care facilities and outpatient services was announced. In 2024, it is planned to increase the availability of new places for each service through the construction of new buildings and renovation of existing buildings.</p> <p>Implementation is ongoing</p>	Component 13: Investment 1

Expansion and renewal of aftercare and nursing care capacities	In response to the calls for nursing home care support, the first applicants to be supported in 2023 have been selected (50% of the total target of 91 supported entities). In 2024, an additional 50% of the planned target is expected to be approved. In the framework of aftercare support, a call was launched in 2023, but with only partial achievement of the target ⁶⁷ , and therefore a call needs to be re-launched. Implementation is ongoing	Component 13: Investment 2
Expansion and renewal of palliative care capacities	In 2023, 13 mobile hospices (50% of the total target) have been contracted and will be provided with new material and technical equipment. For residential palliative care facilities, the first beneficiaries will also be contracted in 2024 to create at least 135 new beds (50 % of the overall target). Implementation is ongoing	Component 13: Investment 3
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
DRG system - preparatory phase before the launch of DRG reimbursement	During 2023, the collection and processing of data from hospitals and health insurers has already been implemented as part of a standardised process. Data quality has improved due to strengthened communication and education of hospitals. Further development of methodologies and updating of DRGs for the next year was also underway so that DRG reimbursement for a selected part of the institutional healthcare could be launched in 2024. Implemented	

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Optimisation of the hospital network - third phase	The further transformation of the network in line with the OHN, which foresees the establishment of a Networking Commission and the updating of the Categorization Decree, is ongoing. There will also be the implementation of maximum waiting times for hundreds of medical services according to the categorization of inpatient health care. Methodologies will be developed for selected quality indicators identified in the framework of the categorisation of inpatient health care for individual programmes.	Component 11: Reform 1
Connecting hospitals to the central IT ERP system ⁶⁸	The ERP system will enable hospitals to centralize control and other processes. Out of the total target of 19 connected public hospitals, at least 5 hospitals are expected to be connected to the system by the end of 2024.	Component 11: Investment 3
Mental health staff training - second phase	In the second phase, at least 168 health professionals will complete mental health training.	Component 12: Investment 8
Measures beyond the SR Recovery and Resilience Plan		

⁶⁷ The overall aim is to contract refurbishment projects that will create a minimum of 650 aftercare beds.

⁶⁸ Enterprise resource planning (ERP)

Name of the measure	Further description of the measure	Link to further information
Health Budget Council	Establishing a board to coordinate the budget preparation process as well as its ongoing monitoring and evaluation throughout the year, and to respond flexibly to how much money is needed in the health sector.	
Preparation of a framework for Slovak Health Sector Performance Assessment (HSPA)	In the framework of the TSI project, in cooperation with the EC and the OECD, prepare a framework for HSPA in Slovakia.	
DRG system - launch of DRG as a reimbursement mechanism	The launch of DRG reimbursement in 2024 means that 15-20% of total hospital output will be reimbursed through DRGs. Specifically, this will be for deliveries, neonatal care, hip and knee replacements, and selected procedures in oncology and cardiology.	
Catalogue of Procedures for Specialised Health Care (SOC)	Update of the existing performance catalogue for the SOC. In the initial phase, especially for selected specialties that are currently the most underfunded, in order to rationalise and supplement the range of procedures with regard to their complexity.	

Relevant reference points



Specific recommendations of the Council of the EU for Slovakia (CSRs)

- CSR 2019/1 (Part 2): Safeguard the long-term sustainability of public finances, notably that of the healthcare and pension systems.
- CSR 2019/2 (Part 2): Enhance access to affordable and quality childcare and long-term care.
- CSR 2019/3 (Part 1,5): Focus investment-related economic policy on healthcare, and energy efficiency.
- CSR 2020/1 (Part 2,3): Strengthen the resilience of the health system in the areas of health workforce, critical medical products and infrastructure. Improve primary care provision and coordination between types of care.
- CSR 2020/3 (Part 3): Front-load mature public investment projects.
- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2023/1 (Part 3): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions.
- CSR 2023/2 (Part 1): Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.
- CSR 2023/3 (Part 5): Accelerate and incentivise deep renovations of public and private buildings.



2030 Agenda for Sustainable Development Goals

- Goal 3: Quality of health and life



European Pillar of Social Rights

- Principle 16: Healthcare
- Principle 18: Long-term care

3.7 Green transition

Russia's military invasion of Ukraine has highlighted the need to accelerate the green transition, reduce dependence on Russian fossil fuels and strengthen the resilience of the energy system across the EU. The European Commission has responded to these challenges with the REPowerEU plan. The ambition of the measures in the REPowerEU component of the Recovery and Resilience Plan is therefore to contribute to reducing dependence on fossil fuels and to a faster and wider integration of renewables in the energy mix of the Slovak Republic. Measures include, for example, simplification of permitting processes or investments in energy infrastructure, zero-emission transport and energy efficiency in buildings. The Slovakia Programme and the Modernisation Fund will also play a key role in the green transition⁶⁹. The new Climate Act, which is however withdrawn from the legislative process for the time being, should harmonise Slovakia's legislative framework with that of the EU and make a significant contribution to achieving Slovakia's 2030 climate goals, including climate neutrality by 2050 at the latest⁷⁰. Improving water management in the landscape has the potential to bring about drought mitigation and contribute to the restoration of ecosystems and biodiversity. Reforms and investments aimed at promoting alternative propulsion and increasing the share of environmentally friendly forms of transport can significantly help in the process of transition to sustainable transport and thus make a significant contribution to reducing CO₂ in transport and improving air quality. However, in the case of rail investments, the extraordinary increase in construction costs coupled with the lengthy project preparation have delayed the achievement of some of the original targets set out in the RRP, leading to some projects being reconsidered or dropped. The forthcoming Waste Strategy and Action Plan is intended, among other things, to ensure the stability and predictability of the circular and waste management environment and thus contribute to its functioning and development.

Outcome indicators for green transformation

		2017	2018	2019	2020	2021	2022	2023	2030 target
Average concentration of PM2.5 in the air (µg/m ³)	SK	17,5	16,9	13,8	-	-	-	-	8,6
	EU	14,9	14,5	12,6	-	-	-	-	8,6
Greenhouse gas emissions (Total emissions excluding LULUCF ⁷¹ , Decrease from 1990, %)	SK	-43,0	-41,7	-46,5	-54,2	-47,9	-	-	-55*
	EU	-23,0	-25,0	-28,2	-34,3	-30,4	-	-	-55*
Percentage of waste recycled (% of municipal waste)	SK	29,8	36,3	38,5	42,1	39,0	-	-	60
	EU	46,3	46,4	47,2	54,4	55,5	-	-	60
Share of RES (% of gross final energy consumption)	SK	11,5	11,9	16,9	17,3	17,4	17,5	-	19,2**
	EU	18,4	19,1	19,9	22,1	21,9	23,0	-	32**

*Common EU target agreed in the European Green Deal and legally anchored in the [European Climate Change Act](#)

** The target is set on the basis of the [Integrated National Energy and Climate Plan 2021-2030](#) or the [EU Regulation](#)

Note: the methodology for setting targets at national and European level is provided in Annex 1.

The reforms and investments under the REPowerEU chapter of the RRP aim to support and accelerate Slovakia's ending of its dependence on fossil fuel imports from Russia, as well as tackling the climate crisis. The REPowerEU initiative is the EU's response to Russia's military aggression against Ukraine and to the subsequent effects of this war on the global energy market. Actions in the REPowerEU component therefore focus on energy saving, diversification of energy supply, accelerating the deployment of renewable energy sources (RES), developing low carbon transport and green skills training. At the same time, reforms to accelerate the authorisation of renewables or to simplify processes in order to speed them up must respect nature conservation and the interests of communities. The path to such RES development

⁶⁹A list of specific measures and support schemes, including their description, allocation and estimated contribution to energy and climate targets will be provided in the Update of the Integrated National Energy and Climate Plan of the Slovak Republic.

⁷⁰ Its main objective is to clarify the legal climate framework so that it is clear that the main priority of climate policy in Slovakia is precisely the accelerated achievement of low-carbon transformation and climate neutrality, increasing climate resilience and adaptation to the adverse effects of climate change.

⁷¹ Excluding interceptions in the land use and forestry sector.

is through quality land suitability mapping and participatory setting of acceleration criteria, including with the participation of municipalities, business and non-governmental organisations. By successfully implementing these measures, Slovakia has a unique opportunity to not only achieve the above goals, but also to increase its energy security and significantly support environmental protection.

The forthcoming Strategy and Action Plan for Waste Management (SaAPOH) will contribute to the stability and predictability of the environment, which are key factors for the effective functioning of the circular and waste management. The main objectives of the SaAPOH are to increase the recycling rate of municipal waste, and to reduce the rate of landfilling. The current Waste Management Programme and Waste Prevention Programme are only valid until the end of 2025. New documents are to be adopted by that date, valid for another 10 years. The EU Waste Directive also implies that a new Food Waste Prevention Programme is to be adopted by this date. In preparing the new SaAPOH, the aim is to integrate all these documents into a single strategic document, which should have a similar structure to the RRP with clearly defined objectives, measures and other prerequisites for their implementation.

The Government of the Slovak Republic is aware of the need to adopt the first ever Slovak climate law, which would bring clarity to the legal climate framework. The importance of adopting this law stems from the necessity to harmonise the legislative framework of the Slovak Republic with that of the EU, and also from the urgency of achieving the climate goals of Slovakia and the EU by 2030, including climate neutrality by 2050 at the latest. The new Climate Change Act should clearly define that the objective of climate policy is not only to reduce and adapt to the effects of climate change, but mainly to accelerate Slovakia's low-carbon transformation and climate neutrality. The measures to be implemented by the adoption of the Climate Law should include the creation of an independent body responsible for overseeing the quality of the strategic documents adopted and their subsequent implementation. The law was already prepared and submitted to the Slovak Government in 2023, but was subsequently withdrawn from the legislative process following a decision of the Economic and Social Council of the Slovak Republic. The way forward will depend on the position of the ministries concerned as well as on the level of implementation of the elements of the Climate Change Act in the ongoing update of the Integrated National Energy and Climate Plan.

Adopted measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Construction of new sources of electricity from RES	The goal is to build at least 120 MW of new capacity by 2026. In 2022, the MoEN announced the first call with an allocation of EUR 39 million for the construction of new renewable energy sources (RES). In January 2024, the second call was closed with an allocation of almost EUR 64 million. Implementation is ongoing	Component 1: Investment 1
Modernisation of existing RES electricity sources ("repowering")	The aim of the investment is to ensure the modernisation of existing production capacities for the production of electricity from RES or the production of biomethane as a result of the connection of the modernised capacities to the grids under this measure by at least 83 MW. In 2022, the MoEN announced calls for the modernisation of hydropower plants (EUR 16 million) and the modernisation of biogas plants (EUR 10 million). These calls were closed during 2023. In the same	Component 1: Investment 2

	<p>way, another call for the modernisation of biogas plants (EUR 26 million) was announced and closed during 2023.</p> <p>Implementation is ongoing</p>	
Increasing the flexibility of electricity systems for higher RES integration	<p>The investment will increase the capacity of the electricity storage facilities by at least 52 MW thanks to the commissioning of new storage capacities. The scheme supports the installation of new battery capacity, electrolysis systems and an increase in the regulating capacity of hydropower plants. Meanwhile, a combined call for support for the modernisation of pumped storage hydropower plants and the construction of stationary battery systems amounting to EUR 44 million has been launched.</p> <p>Implementation is ongoing</p>	Component 1: Investment 3
Alignment of support mechanisms for the renovation of family houses	<p>The reform concerns the implementation plan, which maps out the different support schemes in order to harmonise them. The Implementation Plan was signed by the Minister and published on 16 May 2023.</p> <p>Implemented</p>	Component 2: Reform 1
Methodologies for the decision-making process of the Monuments Office of the Slovak Republic (MO SR)	<p>The aim of the reform was to develop and adopt three methodologies for the classification of listed buildings in order to increase transparency, public acceptance and speed up the decision-making processes of the MO SR. Another objective was to facilitate restoration decisions and to issue at least 1 000 building passports based on the standardised methodologies of the MO SR for the purpose of diagnosing the structural and technical as well as the energy aspects of state-owned monuments. By the end of 2023, the methodologies had been published and more than 1000 buildings had been passported.</p> <p>Implemented</p>	Component 2: Reform 2
Improving the energy performance of family houses	<p>The aim of the investment is to reduce the energy consumption of the houses. Currently, four calls for reducing the energy performance of houses have been closed and a fifth call has been announced for December 2023.</p> <p>Implementation is ongoing</p>	Component 2: Investment 1
Restoration of public historic and listed buildings - first phase	<p>The investment aims to renovate at least 93 622 m² of historic and listed public buildings by 2026, with a mandatory minimum 30% reduction in primary energy consumption. In 2022, the Ministry of Transport (MoT) launched the first call with an allocation of EUR 180 million, which was closed on 31 July 2023.</p> <p>Implementation is ongoing</p>	Component 2: Investment 2
Adoption of amendments to the Railway Act, including related decrees and regulations	<p>A small part of the reform has already been implemented in the framework of the amendment to the Railways Act (effective from 1.12.2021). The major part of the reform is brought about by the amendment to the Ordinance on the Construction and Technical Regulations of Railways, which entered into force on 1.7.2023. The remaining amendment to the Railways Act, concerning road-rail crossings, entered into force on 1.9.2023.</p>	Component 3: Reform 1

	Implemented	
Reform of public passenger transport	<p>The new law on public passenger transport, which entered into force on 1 January 2024, unified the standards of public passenger transport and streamlined its ordering, which was fragmented and poorly coordinated between the state, regions, cities and municipalities. An optimised rail timetable was also introduced in December 2023. The final objective of the reform, which is currently being implemented, is the creation of an integrated transport system that allows travel by several modes of public passenger transport on a single ticket.</p> <p>Implementation is ongoing</p>	Component 3: Reform 2
Launch of calls for new support schemes on the basis of the Intermodal Transport Development Concept	<p>On the basis of the 2030 Intermodal Transport Development Concept, calls for new support schemes aimed at the procurement of intermodal transport units and the launch of new intermodal lines were announced and published in January 2023.</p> <p>Implemented</p>	Component 3: Reform 3
Development of green passenger rail transport infrastructure	<p>Within the framework of investments in the development of railway infrastructure, it is planned to implement eight projects of modernisation or reconstruction of railway lines with a total length of at least 49.7 km by the end of 2026⁷². Of the originally two large projects of the Slovak Railways, the electrification project of the line to Humenné is under construction with a completion date in 2025. The second project (modernisation of the railway section Poprad - Tatry - Vydriňok) has been removed from the RRP and replaced by smaller railway line reconstruction projects, which are at an advanced stage of preparation and have significantly shorter construction deadlines.</p> <p>Implementation is ongoing</p>	Component 3: Investment 1
Dispatching of railway lines	<p>By the end of 2026, the dispatching of railway lines with a total length of at least 82 km will be achieved⁷³. The project⁷⁴, representing almost 50% of the target, is under implementation with a completion date of August 2025. The remainder of the target will be met by smaller projects estimated to be completed by Q2 2026 at the latest.</p> <p>Implementation is ongoing</p>	Component 3: Investment 1
Development of cycling infrastructure	<p>At least 162 km of new cycling infrastructure will be in place by 2026. In April 2022, the MoT announced the first call for cycling infrastructure development (closed in September 2022). The second call with an allocation of EUR 36 million was closed at the end of January 2024.</p> <p>Implementation is ongoing</p>	Component 3: Investment 1

⁷² As part of the RRF update, the target was reduced from the original 69 km.

⁷³ The original plan was 100 km.

⁷⁴ Electrification of the line to Humenné.

Purchase of environmentally friendly rolling stock for passenger transport	<p>The purpose of the investment is the purchase of rolling stock. The objective will be fulfilled by the delivery of 6 electric trainsets for Železničná spoločnosť Slovensko, which will be deployed for the provision of regional passenger transport in the public interest in Eastern Slovakia. The vehicles have already been contracted and are expected to be delivered in the first half of 2025.</p> <p>Implementation is ongoing</p>	Component 3: Investment 2
Adoption of a package of measures to promote alternative propulsion	<p>The reform measures aim to accelerate the development of alternative propulsion in the transport sector. These include, for example, reform of distribution tariffs or measures to simplify and speed up the process of building infrastructure for alternative drives. The package of measures in question was approved by the Slovak Government on 12 June 2023.</p> <p>Implemented</p>	Component 3: Reform 4
Support for the development of infrastructure for alternative fuel vehicles	<p>The aim of the investment is to ensure faster development of passenger and freight transport with alternative propulsion and modernisation of the fleet with alternative propulsion. In 2023, calls have been launched to support the construction of charging infrastructure for electric vehicles. The preparation of calls for the construction of hydrogen filling stations is planned for early 2024. The aim is to commission at least 3,029 charging points and filling stations for alternative fuel vehicles.</p> <p>Implementation is ongoing</p>	Component 3: Investment 4
Termination of coal-fired power generation at Nováky power plant	<p>Electricity production at the Nováky power plant ceased in December 2023. The end of support for the production of electricity from domestic coal led to the closure of the Nováky thermal power plant, which will contribute to a decrease in total CO2 emissions in the Slovak Republic. There will also be a transformation of the Upper Nitra region, which will not be dependent on coal mining.</p> <p>Implemented</p>	Component 4: Reform 1
Amendment to the Integrated Pollution Prevention and Control Act	<p>The legislative changes will shorten and streamline permitting processes for integrated plants. The material has already passed the MPK in 2022. In June 2023, the National Assembly of the Slovak Republic did not approve the bill in question. The amendment will therefore be resubmitted either separately during 2024 or as part of the amendment to the Environmental Impact Assessment Act, which is set for September 2024 in the legislative task plan.</p> <p>Implementation is ongoing</p>	Component 4: Reform 3
The operation of the industrial decarbonisation scheme	<p>Projects supported by the Industrial Decarbonisation Scheme will reduce greenhouse gas emissions by at least 1 232 926 tonnes of CO2 equivalent by 2026. In November 2022, the first call for industrial decarbonisation under the scheme was launched. Of the three successful project applications, two contracts were awarded in September 2023, but the third, key applicant (US Steel) has not yet signed a</p>	Component 4: Investment 1

	contract. Negotiations are currently underway with the new owner of the applicant. Implementation is ongoing	
Ensuring the functioning of Slovak Environmental Inspectorate processes related to decarbonisation	The investments will lead to the modernisation of the equipment as well as the facilities of the Slovak Environmental Inspectorate. The new inspection vehicles will be equipped with office and measuring equipment, in particular for the inspection of air protection, methane emissions, water protection and waste management. The investment will provide improvements to the Inspectorate's buildings. Procurement is currently being prepared for building modifications, and measuring equipment for the vehicles. Implementation is ongoing	Component 4: Investment 2
Reform of landscape planning	The new Landscape Planning Act will improve the protection of existing landscape structures, which make an important contribution to climate change mitigation and adaptation. It will link spatial and landscape planning more closely and give greater support to climate change adaptation in the landscape outside protected areas. The Landscape Planning Bill was submitted to the MPK in August 2023, but not all comments have yet been addressed. The controversy process was suspended in December 2023. The MoEN announced the need for a political decision on the way forward. Not implemented	Component 5: Reform 1
Amendment of the Water Act	The amendment will improve water management in the country by creating legislative space and capacity in organisations responsible for investments that will bring about improved water regulation and flood protection, mitigate the effects of drought and contribute to the restoration of ecosystems and biodiversity. During 2023, the Water Act was amended several times. The last amendment to the Water Act , which entered into force on 01.04.2024, was adopted by the National Assembly in June 2023. Implemented	Component 5: Reform 2
Revitalisation of watercourses	The investment aims to revitalise at least 90 km of watercourses. The revitalisation group will prepare priorities and identify the exact stretches of streams to be restored. Construction work has not yet started on any of the selected sections. In the case of the selected section of the Morava watercourse, the property-law settlement is being worked on for the implementation of the construction works. The section has been declared a major investment. Implementation is ongoing	Component 5: Investment 1
Property settlements with private landowners in protected areas	The aim of the investment is to settle privately owned land with an area of at least 23 640 ha. Calls for the purchase of land in protected areas, in particular national parks, will be issued for selected areas on a rolling basis until 31 December 2025. Currently 319 ha of land in protected areas have been purchased.	Component 5: Investment 1

	Not implemented ⁷⁵	
Renovation and construction/acquisition of new court buildings	The investment aims to construct or purchase at least 24 909 m2 of modern buildings to meet the needs of the largest courts in the judicial system and to renovate at least 111 931 m2. On 23.9.2023 a contract was concluded for the purchase of a building for the Žilina District Court. Currently, a public tender for the contractor of the reconstruction works is underway. The purchase of the building for the Municipal Court Bratislava III and IV is expected in the second quarter of 2024 at the earliest. Implementation is ongoing	Component 15: Investment 1
Training of police officers in environmental crime	The aim is to train 100% of police officers in the newly established unit to combat environmental crime. So far, the target has been met at 70% (over 150 persons trained). Implementation is ongoing	Component 16: Investment 2
Renovation of police buildings	The department plans to renovate 18 police buildings, representing almost 53,000 m2, in order to reduce their energy consumption. Currently 184 m2 are renovated. Implementation is ongoing	Component 16: Investment 2
Renovation of fire station buildings	The aim is to complete the construction work on at least 4 new fire stations and the renovation of at least 3 existing fire stations. The primary energy savings should be at least 30% on average. The construction plan and timetable has been approved and the process of obtaining the building permit is currently underway. Implementation is ongoing	Component 16: Investment 3
Entry into force of the legislative change to the Water Act	This legislative change will introduce an exemption from the obligation to pay a levy for the use of groundwater for energy purposes in the case of water-to-water heat pumps. The draft Water Act and the draft Offences Act were submitted to the Ministry of the Environment in February 2024 for internal ministerial comments. Implementation is ongoing	Component 19 - REPowerEU: Reform 1.3
Establishment of a centre for Best Available Techniques (BAT) and provision of BAT reference documents	The role of the BAT Centre will be to coordinate and ensure the acquisition, processing and exchange of information on best available techniques. This will be particularly relevant in the area of circularity in industrial processes and materials, or decarbonisation of industry and diversification of energy supply. In November 2023, the BAT Centre was established at the MoEN through an organisational change. Implementation is ongoing	Component 19 - REPowerEU: Reform 1.4
Assessment of trajectories for sustainable biomass use and biomass supply in Slovakia	The MoEN will complete and publish an assessment of the trajectories for sustainable biomass use in Slovakia and their impacts on LULUCF-related	Component 19 - REPowerEU: Reform 1.5

⁷⁵ The implementation of the measure has been suspended.

	removals ⁷⁶ , impacts on biodiversity as well as on air quality in Slovakia in the period up to 2035.	
	Implementation is ongoing	
Development and promotion of biomethane production, organic fertilisers and the circular bio-economy	A circular bioeconomy plan will be put in place to assess the potential of the SR in biogas and biomethane production and its effective integration into the circular cycle. The plan shall identify biogas plants suitable for conversion to biomethane production. In December 2023, it was approved that the National Agricultural and Food Centre (NPPC) will be the direct beneficiary of the RRP funds in this context and a direct invitation to NPPC to conclude a contract with the MoEN is currently being prepared.	Component 19 - REPowerEU: Reform 1.6
	Implementation is ongoing	
Establishment of methodologies and 2 pilot areas suitable for wind energy development	The reform aims to bring into force legislation on "go-to areas" for RES energy production and to publish a draft methodology for establishing such go-to areas. Another objective is the creation of pilot areas suitable for wind energy development, as well as the adoption and application of the final methodology. This methodology must at the same time respect nature conservation and community interests. In August 2023, a working group was set up by the Government Office of the Slovak Republic for this purpose to coordinate relevant public administration actors and civil society stakeholders.	Component 19 - REPowerEU: Reform 2.1
	Implementation is ongoing	
Publication of the Hydrogen Action Plan	The Action Plan defines priorities for the development of the hydrogen ecosystem, primarily from renewable sources, based on an analysis of the Slovak hydrogen economy. In particular, the Action Plan aims to align the supply of and demand for hydrogen from renewable sources with the EU legislative framework. The Action Plan sets out the priorities for public funding for the different segments of the Slovak hydrogen ecosystem and the deadlines for launching the relevant calls for funding. The Action Plan is also accompanied by a list of legislation to be adopted to align with the EU legal framework and a list of technical standards that support legislation in this area.	Component 19 - REPowerEU: Reform 2.2
	Implemented	
Modernisation of transmission lines	At least 225 km of transmission lines will be upgraded out of a total target of 250 km. The refurbishment is planned within the system operated by SEPS and will include upgrading components of the high-voltage electricity transmission lines.	Component 19 - REPowerEU: Investment 1.2
	Implementation is ongoing	
Modernisation of distribution systems	The goal is to achieve at least 469 MW of cumulative additional capacity for connecting RES to distribution systems in Slovakia. In particular, the projects will contribute to removing bottlenecks in the grids and to maximising the additional technical capacity to integrate new RES.	Component 19 - REPowerEU: Investment 1.3

⁷⁶ Land use, land use change and forestry sector.

	Implementation is ongoing	
Launch of a support scheme to mobilise energy savings in the public sector	A call is being prepared with a total value of EUR 20.4 million aimed at supporting the renovation of public buildings through so-called quick measures such as replacement of windows or lighting. Implementation is ongoing	Component 19 - REPowerEU: Investment 2
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Promoting sustainable transport	Promoting sustainable transport is part of the drive towards a zero carbon economy. The Slovakia Programme has therefore allocated EUR 891 million to support sustainable multimodal urban mobility (including cycling). EUR 686 million will be directed to the development of public passenger rail transport. Additional EU funds are earmarked for the development of both water and road transport. Implementation is ongoing	
Act on Climate Change and Low Carbon Transformation of the Slovak Republic	The first-ever climate law will help align Slovakia and the EU to achieve their 2030 climate goals, including climate neutrality by 2050 at the latest. The law passed the MPK in 2023, but was withdrawn from the legislative process following a decision by the Economic and Social Council of the Slovak Republic. Therefore, the MoEN SR in cooperation with relevant ministries (in particular the MoE SR, MoT SR and MoA SR) is looking for an acceptable wording for the policies of the individual ministries ⁷⁷ . Not implemented ⁷⁸	Draft law submitted to the HSR SR
Update of the Integrated National Energy and Climate Plan 2021-2030 (NECP)	By the end of June 2024, the final version of the updated NECP will be approved in the context of the new objectives of the Fit for 55 package and the REPowerEU initiative. Implementation is ongoing	Current version of the NECP 2021-2030
Update of the National Biodiversity Strategy and Action Plan (NBSAP) 2030	The aim of the updated NBSAP will be to create a coherent set of activities and measures to halt the trend of biodiversity loss and accelerate the transition to a green economy that can use natural resources more efficiently while protecting biodiversity. The MoEN expects to submit the updated NBSAP by the end of June 2024. Implementation is ongoing	Current version of the NBSAP 2011-2020⁷⁹
Reassessment of the extent and method of protection of flood-prone areas	The amended Flood Protection Act defines floodplains ⁸⁰ and creates a regulatory tool to prohibit new construction and inappropriate activities in these areas. Implemented	Flood Protection Act

⁷⁷ In August 2023, a meeting was held with the MoH to consolidate the provisions of the Act with the NECP. The way forward will depend on the position of the concerned ministries as well as the level of implementation of the elements of the Climate Change Act in the updated NECP.

⁷⁸ The implementation of the measure has been suspended.

⁷⁹ Final evaluation of the NBSAP 2011-2020 noted by the Government of the Slovak Republic in 2021.

⁸⁰ A floodplain is an area adjacent to a watercourse that is usually inundated by water spilling from the channel during floods.

Revision of payments and charges for water use	In line with the Water Policy Concept , a new system of payments for the provision of water services, including charges for pollutants discharged into water, will be introduced, allowing better enforcement of the polluter pays principle. An amendment to the Government Regulation setting the level of charges is expected to be submitted in the first quarter of 2024. Implementation is ongoing	The current wording of the Slovak Government Regulation setting the amount of fees for water use
Adoption of a concept for combating environmental illegal activities	The concept aims to bring about a streamlining and modernisation of control and accountability processes, including effective remediation of environmental damage. The document has passed the MPK, but due to a number of contradictions its approval by the Government of the Slovak Republic is not foreseen. Not implemented⁸¹	Draft concept submitted to the MPK
Approval of the Roadmap for a Circular Economy	The aim of this strategic material is to support the transition of the Slovak economy to a circular model. The proposed measures will focus on construction, food and bio-waste, economic instruments, sustainable consumption and production. A project in cooperation with the Ministry of Environment, the EC and the OECD was successfully completed in 2022, the conclusions of which will serve as analytical basis for the development of a national roadmap for a circular economy ⁸² . Implementation is ongoing	OECD study
Action plan for the protection of waters in the Žitný Island Protected Water Area	The aim of the action plan is to ensure preventive and effective protection of the waters of Žitný ostrov, which is the most important source of drinking water to the population in Slovakia. The Action Plan was adopted in June 2023 by the Government. Implemented	Action Plan
Modernisation Fund - State aid scheme for the decarbonisation of industry	The scheme is intended to contribute to the reduction of greenhouse gas emissions ⁸³ through support for industrial decarbonisation projects. These projects will lead to primary energy savings, reduce final energy consumption and introduce the use of advanced environmental technologies in industrial production. The call for decarbonisation of industry was announced closed on 30 June 2023, with the original allocation of the call (EUR 350 million) increased to just under EUR 470 million. An indicative list of projects was published as of 30.11.2023. Implementation is ongoing	Modernisation Fund

⁸¹ The implementation of the measure has been suspended, and the Slovak Environmental Inspectorate as the gestor of the material proposes to postpone the concept, or to rework or cancel it.

⁸² The conclusions of the OECD study are currently being compiled into the basis for the preparation of the strategic material.

⁸³ In line with the aim of achieving national, European as well as global climate targets under the Paris Agreement.

Planned measures

Measures from the Recovery and Resilience Plan of the Slovak Republic		
Name of the measure	Further description of the measure	Link to further information
Development of intermodal freight transport	The investment aims to purchase 1,000 intermodal transport units expressed in TEU (Twenty-foot Equivalent Unit). These will be articulated trailers, swap bodies, and containers.	Component 3: Investment 3
Technical assistance to speed up and improve the quality of environmental permitting procedures	With 115 additional staff, technical assistance will be provided to speed up the environmental permitting procedures for RES. Of these 115 staff, at least 100 should work directly on the issuance of permits under the EIA Act.	Component 19 - REPowerEU: Reform 1.1
Entry into force of legislative and procedural changes to speed up the issuing of environmental permits	The aim is to adjust the thresholds for installed capacity or depth of geothermal wells in the EIA Act to speed up the whole environmental impact assessment process for geothermal and wind energy.	Component 19 - REPowerEU: Reform 1.1
Passportization of geothermal boreholes	Passporting of at least 60 geothermal boreholes shall be carried out. This will ensure public access to information on geothermal sites in Slovakia.	Component 19 - REPowerEU: Reform 1.2
Measures to promote hydrogen deployment	As part of the favourable conditions of the Hydrogen Action Plan, the Slovak authorities will adopt legislative measures, secondary legislative measures and binding technical measures concerning the production of hydrogen from renewable sources, standards for hydrogen storage, its industrial and energy use and its various modes of transport.	Component 19 - REPowerEU: Reform 2.2
Integration of RES into the electricity grid	The aim of the reform is to improve the use of available capacities for connecting RES to the grid and their further development. The result will be achieved through a set of selected mandatory measures.	Component 19 - REPowerEU: Reform 2.3
Modernisation of the electrical station	The investment will result in the start of operation of the power station of the Slovak electrization transmission system operator (SEPS). The modernisation will include the replacement of transformers, including an increase in transformation capacity of at least 150 MVA and a changeover from the 220 kV voltage level to the 400 kV level. The investment will also enable remote control of the power station from the Slovak Power Dispatching Centre with automatic measurement and data collection and sending them to the dispatching centre or to other SEPS databases. The project also includes the installation of compensating chokes, which will increase the ability to regulate the voltage in the transmission system.	Component 19 - REPowerEU: Investment 1.1
Energy Data Centre	The aim of the investment is to start the production operation of the Energy Data Centre, which will enable to streamline and accelerate the access of new participants to the electricity market (RES integration), and thus to achieve an effective securing of the rights of new entities on the electricity market.	Component 19 - REPowerEU: Investment 1.4
Establishment of a database and data exchange system on the energy performance of public buildings	The aim is to complete the collection of data related to energy performance certificates and building renovation passports for at least 4,100 public buildings, of which at least 1,000 have a floor area of	Component 19 - REPowerEU: Reform 3

	more than 2,000 m ² . The data will be uploaded to a new functional data platform.	
Strategy for the management of government buildings	The strategy for the management of public administration buildings shall define tools and procedures for: i) optimising the stock of public administration buildings and their more efficient use, ii) increasing energy efficiency, achieving energy savings and increasing the use of renewable energy and environmentally friendly solutions, and iii) reducing the overall costs associated with the use of buildings. The strategy will also include a study to map the systems and tools to support renovation, together with proposals for their optimisation and recommendations on in-depth renovation and energy management practices.	Component 19 - REPowerEU: Reform 4
Restoration of public historic and listed buildings - second phase	Implementation of the renovation of at least 29,500 m ² of additional historic and listed public buildings to achieve the final target of at least 123,122 m ² .	Component 19 - REPowerEU: Investment 3
Support for the renovation of households at risk of energy poverty	Of the total target of 3,400 houses renovated for people at risk of fuel poverty, at least 3,060 houses will be completed by Q3 2025.	Component 19 - REPowerEU: Investment 4
Electrification of trolleybus lines	The investment will bring an additional 10 km of unidirectional single-track electrified trolleybus lines as part of the overall infrastructure.	Component 19 - REPowerEU: Investment 5
Purchase of environmentally friendly rolling stock for passenger transport	The aim of the investment is the delivery of 6 electric sets (complete units) for Železničná spoločnosť Slovensko and 10 new unidirectional trams for the Bratislava Transport Company. The vehicles have already been procured and both beneficiaries have options in their contracts to deliver the necessary number of vehicles. The options are expected to be exercised in the first quarter of 2024. The delivery of the vehicles is expected in the second half of 2025. The financial execution is likely to be split between 2025 and 2026.	Component 19 - REPowerEU: Investment 6
Skills for a green transformation	The updated curriculum as well as the teacher training programme will be developed in accordance with the ESCO (European Classification of Skills, Competences, Qualifications and Occupations) Green Skills Classification. The updated curriculum will be approved by the secondary vocational schools, and the teaching programme will be approved by the Ministry of Education of the Slovak Republic.	Component 19 - REPowerEU: Reform 6
Provision of school equipment and teacher training in the field of RES and electromobility	The investment aims to provide equipment and adaptation of premises in 13 schools for the purpose of theoretical and practical teaching of secondary vocational school students and teaching staff. It will also enable the provision of 180 training courses for teachers and instructors of secondary vocational schools in the field of RES and electromobility. The ambition of the investment is to have at least 565 third year students and graduates with a certificate of completion of the new modules in RES and electromobility at the end of the 2025/2026 school year.	Component 19 - REPowerEU: Investment 7

Communication activities related to the implementation of the REPowerEU chapter	Conduct six communication campaigns to support the implementation of the REPowerEU chapter thematic areas: i) energy and RES permitting processes, ii) building renovation and management, and iii) skills for green transformation. To this end, NIKA will adopt a communication strategy on the basis of which communication activities and campaigns will be implemented. NIKA will recruit eight additional staff for this purpose for the period from Q3 2023 to Q2 2026. A dedicated behavioural communications team will also be established within NIKA.	Component 19 - REPowerEU: Investment 8.1
Measures beyond the SR Recovery and Resilience Plan		
Name of the measure	Further description of the measure	Link to further information
Waste management strategy and action plan	The Strategic Framework and Action Plan will propose objectives and actions for a 10 to 15 year period. The main objectives of the strategic framework are to increase the recycling rate of municipal waste, and to reduce the rate of landfilling.	
Amendment of the Nature and Landscape Protection Act	The aim of the amendment is primarily to promote the protection and restoration of terrestrial ecosystems and to ensure their sustainable use. The amendment deals with sustainable forest management, combating desertification, and halting biodiversity loss and reverse land degradation.	Current text of the Nature Conservation Act
Amendment of the Environmental Fund Act	The Act will be amended in order to make the provision of support from the Environmental Fund more efficient and to respond more flexibly to the requirements of the Ministry of the Environment of the Slovak Republic, EU legislation and beneficiaries of support in the field of environmental protection.	Current version of the Environmental Fund Act
Social Climate Fund	The Fund aims to address and compensate for the social and distributional impacts on the most vulnerable groups of population resulting from the introduction of emissions trading system (ETS 2) in two new sectors (buildings and road transport) from 2027. The implementation of the Fund is expected to last from 2026 until 2032. In order to benefit from the Fund, each Member State must draw up a social and climate plan and submit it by the end of June 2025.	Regulation of the European Parliament and of the Council

Relevant reference points



Specific Council of the EU Recommendations for Slovakia (CSRs)

- CSR 2019/3 (section 3,5,8): Focus investment-related economic policy on transport (notably on its sustainability) and energy efficiency. Increase the use of quality-related and lifecycle cost criteria in public procurement operations.
- CSR 2020/3 (sections 5,6,7): Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy and resources, sustainable public transport, and waste management.
- CSR 2022/1 (Part 2): Expand public investment for the green and digital transitions, and for energy security taking into account the REPowerEU initiative, including by making use of the Recovery and Resilience Facility and other Union funds.
- CSR 2022/1 (Part 4): Make the tax mix more efficient and more supportive to inclusive and sustainable growth, including by leveraging the potential of environmental and property taxation.

- CSR 2022/2 (Part 1): Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021.
- CSR 2022/3: Reduce overall reliance on fossil fuels and diversify imports of fossil fuels; accelerate the deployment of renewables by further facilitating grid access, introducing measures to streamline permitting and administrative procedures; and modernising the electricity network; reduce reliance on natural gas in heating and industry; adjust renovation policies to accelerate and incentivise deep renovations of buildings.
- CSR 2023/1 (section 3,5): Preserve nationally financed public investment and ensure the effective absorption of RRF grants and other EU funds, in particular to foster the green and digital transitions. Make the tax mix more efficient and more supportive of inclusive and sustainable growth, including by leveraging the potential of environmental and property taxation.
- CSR 2023/2: Maintain the momentum in the steady implementation of the recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.
- CSR 2023/3: Reduce the economy's reliance on fossil fuels, in particular natural gas in industry and heating, and diversify imports of fossil fuels. Accelerate the deployment of renewables, particularly for wind, solar, geothermal and renewable gases, in line with relevant sustainability criteria; Simplify permitting and administrative procedures for deploying renewables, including by establishing 'one-stop shops' and 'go-to' areas. Modernise the electricity network and make the procedures for connecting renewables to the grid more efficient and less burdensome. Accelerate and incentivise deep renovations of public and private buildings, address energy poverty through housing renovations for low-income households, and step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition.



2030 Agenda for Sustainable Development Goals

- | | |
|---|---|
| • Goal 2: Zero hunger | Goal 11: Sustainable cities and communities |
| • Goal 3: Good health and well-being | Goal 12: Responsible consumption and production |
| • Goal 6: Clean water and sanitation | Goal 13: Climate action |
| • Goal 7: Affordable and clean energy | Goal 14: Life below water |
| • Goal 9: Industry, innovation and infrastructure | Goal 15: Life on land |

4 EU cohesion policy

The EU's cohesion policy is one of the fundamental pillars of the European Union's functioning and one of its main investment instruments. Its aim is to support projects that help to eliminate social and economic disparities in the development of regions, increase their competitiveness and improve the quality of life of all citizens. Financial assistance is primarily used to increase economic growth and reduce social, economic and environmental inequalities between countries and regions. In 2022, the Partnership Agreement for 2021-2027 and the Slovakia Programme were approved by the Slovak Government and the EC, which constitute the basic framework for the disbursement of resources under the fourth programming period.

Programme period 2014-2020

Under the 2014-2020 programming period, almost 90% of the total of almost €17 billion⁸⁴ has been spent by the end of 2023⁸⁵. The total volume of contracted projects reached 108.5% of the total allocation. Measures have been taken to speed up implementation while maintaining transparency and value for money. As requested by the Prime Minister, the monthly contracting and spending plans of the line ministries were also requested and submitted in January 2023 and were regularly reviewed on a monthly basis in 2023. In 2023, the departmental contracting plan was 114% executed and the disbursement plan was 94% executed.⁸⁶

Table 4: Status of disbursement and contracting of projects as at 31 December 2023

Operational programme	Managing Authority	Allocation from EU sources in million euro	Contract rate in million euro (%)	Disbursement in million euro (%)
Human Resources	MoL	2 996,5	3 250,4 (108,5)	2 850,7 (95,1)
Integrated infrastructure	MoT	6 009,9	8313,9 (138,3)	5 513,6 (91,7)
Environmental quality	MoEN	2 832,5	2 947,4 (104,1)	2 197,4 (77,6)
Integrated regional OP	MoINV	1 935,7	2 304,4 (119,1)	1 864,7 (96,3)
Efficient public administration	MoI	354,7	363,5 (102,5)	340,5 (96)
Technical assistance	MoINV	159,1	159,1 (100,0)	158,1 (99,37)
Fisheries	MoA	7,7	4,7 (60,4)	2,6 (33,7)
Interreg V-A SK-CZ	MoINV	90,1	92,4 (102,6)	81,5 (90,4)
Interreg V-A SK-AT	MoINV	75,9	75,2 (99,1)	62,9 (82,8)
PS INTERACT III	BSK	39,4	39,4 (100)	39,1 (99,3)
Total		14 501,5	16 331,9 (112,6)	13 111,1 (90,4)
Rural Development Programme ⁸⁷	MoA	2 276,1	1 502,2 (82,3)	1 421,6 (62,5)
Total		16 777,6	18 204,0 (108,5)	14 532,6 (86,6)

Source: MoF, ITMS, MoA, MoINV

The implementation of standard EU funded projects was negatively affected by the onset of the COVID-19 pandemic, but the uncommitted funds helped to mitigate the effects of the pandemic. In

⁸⁴ All operational programmes, including the Rural Development Programme.

⁸⁵ Disbursement in the form of approval of summary payment requests continues in the first half of 2024. Managing authorities have the possibility to submit summary payment requests to the MoF by the end of April or May. Beneficiaries of EU funds had to actually complete their projects and pay the last invoices to suppliers by 31.12.2023 at the latest.

⁸⁶ This is an assessment of the annual contracting and spending plans of the ROs for 2023. The table "Status of spending and contracting of projects as of 31 December 2023" shows the cumulative values for contracting and spending of the individual operational programmes.

⁸⁷ The Rural Development Programme is one of the pillars of the Common Agricultural Policy and is not an integral part of the Cohesion Policy.

2020, MoINV, in collaboration with the MoF, prepared a paper⁸⁸ proposing COVID-19 measures, for which over a billion of uncommitted EU funds were allocated⁸⁹. Another measure to eliminate the impact of the pandemic was the creation of the REACT-EU support system, which increased the total allocation of available resources by EUR 722.25 million. At the end of 2023, over EUR 786 million (108.94%) of this allocation had been contracted and approximately EUR 512 million (70.90%) had been spent.

The ongoing military aggression of the Russian Federation and the resulting migratory flows have compounded the negative effects of the pandemic on Slovakia's economy. To address the migration crisis related to the conflict in Ukraine, the EC adopted a comprehensive aid package called "Flexible Assistance to Territories" (FAST-CARE). Slovakia used the EU funds available at the time, amounting to more than EUR 300 million, to cover these expenses related to the initial reception of refugees and their integration into society. Of the available allocation of 339.56⁹⁰ million euro, over 352 million euro (103.83%) had been contracted and approximately 277 million euro (81.65%) had been disbursed as of 31.12.2023.

In order to address the problems linked to the significant increase in energy prices due to the conflict in Ukraine, the European Commission has adopted the SAFE initiative. This initiative has made it possible to provide assistance to vulnerable households to cover the costs of energy consumption, thus making use of the remaining unspent resources of the 2014-2020 EU funds. On the basis of the analysis, it was the compensation of increased gas or electricity supply costs for vulnerable households that was identified as the most appropriate support measure under the SAFE initiative. SAFE resources were used to reimburse the compensation of the difference between the market price of energy and the limit set by the Government of the Slovak Republic, which was provided to energy suppliers from the state budget during 2023. Based on the last update as of 23 February 2024, the allocation amounted to EUR 1.033 billion. By the end of 2023, over EUR 990 million (95.80%) of the above amount had been contracted and approximately EUR 500 million (48.38%) had been spent, with a forecast of EUR 427 million to be spent through the *Operational Programme Environmental quality* in March. The SAFE initiative has succeeded in reducing the financial risks and negative impacts on the state budget resulting from compensation measures in the energy sector. The maximization of measures to minimize the decommitment by MoINV as the department responsible for the coordination of EU funds and the failure to take risks into account had the unintended effect of exceeding the tolerable limits of over-contracting and a real over-expenditure of EU funds in the *Integrated regional OP* with a negative impact on the state budget.

Programme period 2021-2027

The Slovakia Programme 2021-2027 is a key investment instrument for the growth of the living standards of the population and increasing the competitiveness of the Slovak Republic. The programme sets out the conditions for the use of EU cohesion policy funds for the 2021-2027 programming period. The programme makes investments from the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund and the Fair Transformation Fund. The programme thus replaces the previous 6 operational programmes that operated in the Slovak Republic for EU funds in the 2014-2020 period. The intention of creating a single programme was to respond more easily and quickly to current geopolitical, economic and social challenges. However, the enormous number of priorities in the programme with no obvious concentration of resources, the complexity of the processes and the broad structure of

⁸⁸ [Full text of the material.](#)

⁸⁹ Support for maintaining employment: €410.26 million (OP HR), support for the health system: €204.30 million (IROP, OP II), support for micro, small and medium-sized enterprises: €512 million (OP II), support for the components of the integrated rescue system: €51.00 million (OP EQ) and other measures to mitigate the impact of COVID-19: €109.30 million (OP HR).

⁹⁰ During the year 2023, the allocation within the OP HR was increased by EUR 24.3 million.

providers, as well as certain limitations in terms of the general EC legislation, eliminate the integration objectives, as evidenced, for example, by the delay in implementation compared to neighbouring countries.

The Integrated Territorial Investment (ITI) mechanism aims to address the complex challenges of diverse territories. It is a pilot approach for multi-level strategic planning and prioritisation of investment support, based on best practice in other EU Member States, replacing traditional demand competitions between municipalities. Under the Slovakia 2021-2027 Programme, 18.5% of funding is allocated through the ITI. The project plans with the greatest responsiveness to the main territorial challenges and specific needs identified in the approved Integrated Spatial Strategies are implemented through the ITI. The main challenge is to fine-tune the ITI system in such a way that the Partnership and Cooperation Councils ensure territorial development in a participatory manner and contribute through integrated solutions to the proper implementation of cohesion policy objectives within Slovakia.

Out of the total allocation of almost EUR 13 billion, only 75 calls with an allocation of EUR 2.3 billion (18.23%) have been announced by the end of 2023. In comparison, the Czech Republic has contracted €5.28 billion out of a total allocation of €20.67 billion in the same period, representing 25.6% of the allocation. In the fourth year of implementation, the uptake in the Slovak Republic is at a low level. The situation is therefore critical and requires the adoption of systemic, operational but also strategic measures to eliminate the risk of decommitment in 2025. The process of crisis management will be ensured through monitoring of the so-called "Euro-governments", which will cover the issue of EU funds and funds from the RRP in regular cycles, as well as through intensified coordination of individual implementing intermediary bodies in a systemic regular mode. The topic of the discussions will be not only the monitoring of implementation, but in particular measures to streamline the procedural and legislative environment, including increasing the efficiency of cooperation between the responsible state and public institutions. However, these measures will be implemented at a time of necessary consolidation of public finances and the stimulus effect of European resources will be weakened by this.

Table 5: Status of implementation of the Slovakia 2021-2027 Programme as of 31 December 2023

Policy objective	Objectives of the Slovakia Programme	Allocation EU source in million euro	Challenges		Contractability of projects		Disbursement - beneficiary level (advance payments paid)	
			Number of calls	Allocation EU source in million euro (%)	Number of projects	EU source in million euro (%)	Number of applications	EU source in million euro (%)
1	A more competitive and smarter Slovakia	1 890,15	12	68,07 (3,60)	2	5,48 (0,29)	-	0 (0,00)
2	A Greener Slovakia	4 197,55	12	742,99 (17,70)	-	0 (0,00)	-	0 (0,00)
3	A more connected Slovakia	2 003,13	1	30,97 (1,55)	-	0 (0,00)	-	0 (0,00)
4	A more social and inclusive Slovakia	3 251,6	32	1 141,1 (35,09)	11	619 (19,04)	13	74,45 (2,29)
5	Europe closer to citizens	400,41	1	34,3 (8,57)	-	0 (0,00)	-	0 (0,00)
FST	Fair Transformation Fund	440,66	6	217,04 (49,25)	-	0 (0,00)	-	0 (0,00)
TP	Technical assistance	410,23	11	60,97 (14,86)	-	0 (0,00)	-	0 (0,00)
Total Programme Slovakia		12 593,74	75	2 295,43 (18,23)	13	624,48 (4,96)	13	74,45 (0,59)

Source: ITMS2014+ (2021-2027)

A mid-term review of the Slovakia Programme 2021-2027 is planned for 2024. Slovakia is interested in making use of the cohesion flexibilities included in the STEP Regulation, which is part of the mid-term review

of the EU's Multiannual Financial Framework 2021-2027. The approval of the STEP Regulation creates the conditions for the preparation of a specific review of the Slovakia Programme with the aim of strengthening the development and production capacity of critical technologies of industry and reducing the risk of potential decommissioning. Slovakia plans two revisions of the Slovakia Programme in the next 12 months. The first technical revision will use the possibilities of the so-called General Regulation to modify the programmes in the framework of transfers and related changes which are not considered to be substantial and do not require a Commission decision to approve the programme modification. The second will be a systemic review, taking into account the priorities of the Government as set out in the Programme Declaration, the results of the mid-term review of the implementation of the Slovakia Programme and the flexibilities allowed by the approved STEP Regulation.

Coordination of synergies across different mechanisms and instruments is essential to achieve added value of EU funds and avoid double funding of operations. MoINV continued to assess calls from the Slovakia Programme, RRP and other support instruments in line with the system of implementation of synergies and complementarities. A total of 176 calls were assessed for synergies and complementarities in 2023. As an additional element in assessing the elimination of the risk of potential duplications in the financing of operations, MoINV introduced a risk flag, which is assessed on the basis of defined dividing lines and potential overlapping of activities, eligible applicants, eligible territory, or other assessed parameter of the draft calls. MoINV plans to jointly coordinate with the Office of the Government of the Slovak Republic (NIKA) the announced changes in the Slovakia Programme and the RRP, in the interest of greater efficiency of the funds spent and at the same time with a tangible synergistic and complementary effect.

5 The institutional framework of the NRP

The NRP provides a summary report on the status of implementation of the measures by which the SR responds to the EU Council's specific recommendations for Slovakia, irrespective of the source of funding for these reforms and related investments. The basic orientation of the measures included in the NRP is also determined by the sectoral strategies and the comprehensive prioritisation approach at national level. To this end, the Institute of Financial Policy (IFP) ensures the identification of sources of growth underperformance in the Slovak economy and reviews them annually. The measures⁹¹ included in the NRP should have a clearly defined objective and delivery method. Analytical departments in individual ministries are working on the development of proposals for quality reform measures, aligning them with the results of expenditure reviews and specific recommendations of the EU Council. Financing of the measures in the NRP should be ensured within the established limits of expenditure and staffing of the state budget chapters. Important sources for the implementation of the measures are the funds from the RRP and EU funds earmarked for the programming period 2021-2027.

The obligation to prepare and publish NRP is imposed by European legislation. At EU level, the NRP is a key part of the European Semester cycle and, alongside the Stability Programme, plays a central role in facilitating collective monitoring and a multilateral debate on policy challenges and how to address them. The NRP charts the status of the CSRs (from 2019, 2020, 2022 and 2023) and also reports on annual progress in the implementation of the CSRs, including the roadmap for the implementation of actions in the coming period. The NRP also monitors progress towards meeting the 2030 Agenda for Sustainable Development and the principles of the European Pillar of Social Rights.

The process of preparation of the NRP is completed with the approval of the Government of the Slovak Republic. The coordinator of the document preparation is the Ministry of Finance of the Slovak Republic and in the whole process it cooperates closely with the National Implementation and Coordination Authority (NIKA), which, as the responsible authority at the national level, monitors and evaluates the status and results of the implementation of the OPD. Important assistance is also provided by MoINV, which oversees the translation of reform priorities into investment instruments under the EU Cohesion Policy. The ministers responsible for the economic, social, education, health and environmental agendas are primarily involved in the preparation and implementation of the NRP. The remaining ministers, Government Plenipotentiaries and representatives of other government departments are involved in the development of the document in the framework of cooperation in selected areas. At the same time, the NRP is submitted as non-legislative material to the standard inter-ministerial comment procedure, which gives representatives of regional governments, social partners, the third sector or the public the opportunity to submit comments on the proposed text.

⁹¹ The overview of actions counted refers to actions that have been implemented or should have been implemented in 2023 or in the first quarter of 2024. The overview of actions planned refers to actions that are expected to see significant progress in terms of implementation in 2024 or in the first quarter of 2025.

Annex 1: Targets and indicators

Methodology for setting European and national targets in 2030

It is advisable to set targets for the identified key indicators and to regularly assess their achievement. In the past decade, part of the targets were set by the EC in the framework of the Europe 2020 strategy. These targets have been regularly counted down in the NRP as part of the Country Specific Recommendations countdown. After 2020, the EC has not yet set any target values for strategic indicators for countries, with exceptions (e.g. green energy and environment targets or employment targets). However, for economic and budgetary policy setting, it is advisable to set targets, to count them regularly and to take the necessary corrective measures in time in case of unwanted deviations from the trajectory to the target.

The targets were first set for the 2022 NRP following the methodology explained in detail in the Reform Compass analytical document⁹². In NRP 2024, these target values are adopted without change⁹³. The targets set by the methodology used fill the space in the absence of target values from the EC. The key principle is the combination of ambition and realism, so that in the case of a below average position of Slovakia, the progress of countries with the highest rate of improvement over the past period in a given area is used to set the national target. This means that an ambitious target can be considered achievable. Targets are proposed for a horizon of ten years until 2030.

The calculation first estimates the EU27 average in 2030. Where the EC has set long-term targets for 2030 in strategic indicators, these are used. Otherwise, for the weighted EU27 average, the trend is extrapolated based on the development over the previous decade 2010-2020⁹⁴. Exceptions are indicators with a shorter time series or with a lower reporting frequency (e.g. PISA since 2006, DESI since 2015). In the absence of a weighted average for the EU27, e.g. due to fewer countries entering the calculation, an arithmetic average is used (e.g. PISA). For the indicators that determine the ranking, the values of the indicators for each country are extrapolated and then superimposed in the ranking.

In a second step, target values are set for the national targets. Three situations are considered. If the latest available figure by 2020 for Slovakia is above the weighted European average, the target is to maintain an above average position. In this case, the extrapolation for Slovakia replicates the growth for the EU27, taking into account the convergence of the countries by adjusting the resulting value for Slovakia by the share of standard deviations at the first and last time points. At the same time, if there is a national target set by an approved strategy paper, this is used instead of extrapolation.

If Slovakia is lagging behind the EU27 average, the national target will be set on the basis of the past performance of the five most improving economies in the EU. The average growth of the five fastest improving economies over the last decade is used to set the target for Slovakia, whereby if the European average is reached during the trajectory, further growth follows the EU27 average dynamics⁹⁵. Taking advantage of the trend of improvement in the most advanced countries presupposes that their experience is transferable to the Slovak context. This can be realised, for example, by further analysis of the specific

⁹² At the time of the preparation of the 2022 NRP, the methodology was subject to the review process of the Reform Compass analytical document. The analysis was approved by the Expert-Methodology Committee and the document was officially published in August 2022. NRP 2024 adopts the methodology approved in this document. A detailed description of the methodology together with data and calculations for each indicator is published on the IFP website.

⁹³ With the exception of the targets for the ranking of the SR in the EIS and Business R&D expenditure as a share of GDP. The targets have been revised in the light of the approval of the National Strategy for Research, Development and Innovation

⁹⁴ Extrapolation in this case uses a multiple of the average annual improvement in the absolute value of the indicator. This is the absolute improvement in the units in which the indicator is measured, mostly improvement in percentage points.

⁹⁵ The exception are the indicators in the long-term sustainability of public finances, for which the targets are set by the Constitution (debt) and the recommended value (S2).

policies implemented by these countries and their possible transferability. This key step in setting national targets combines Slovakia's ambition to improve and catch up with the European average, and at the same time this ambition is offset by the realism of achieving these targets based on concrete data.

The third step is to determine the trajectory of reaching the target by interpolation. While this step is not necessary for the purpose of setting targets in the context of the NRP, it is important for future countdowns. At the same time, it is not recommended to update the targets depending on future developments; rather, it is recommended to use the evolution of the values in the indicators to reflect on the success of the policies adopted and implemented.⁹⁶ If the target is achieved, resources and reform efforts can be redirected to areas still showing underperformance. In setting the trajectory, the first year is set to be in line with the expected effectiveness of the implementation of reform measures. At the same time, the ministry in charge of the indicator (possibly in cooperation with other ministries) may propose a justified change in the trajectory, while maintaining the value of the target. The interpolation at this stage is linear from the first year of the expected effectiveness of the implementation of the measures in the area.

Last but not least, it is important to monitor the trajectory of the indicators, i.e. whether they are moving towards or away from the target values. To assess the trend, we take inspiration from the 2030 Agenda methodology and use the method of comparing the trajectory necessary to reach the target (Compound Annual Growth Rate - CAGR_r) with the actual trajectory (CAGR_a)⁹⁷. Then the value of the share (CR) is compared with the semaphore for a qualitative assessment of the achievement. If the CR value is equal to or greater than 0.95 we speak of significant progress (green), if between 0.5 and 0.95 progress is moderate and acceleration of reform efforts is needed (yellow), below 0.5 and above -0.1 limited or no progress (orange) and below -0.1 it is a deterioration in the area (red).

Table 6: Overview of the indicators used

		2016	2017	2018	2019	2020	2021	2022	2023	2030 Target	Trend	
Quality of institutions	Government by Law	SK	67	58	65	65	64	56	62	-	49	↗
	(WGI, ranking), EU median	EU	36	37	35	37	37	35	35	-	37	
	Control of corruption	SK	82	86	80	84	74	83	83	-	48	→
	(WGI, ranking), EU median	EU	49	49	55	54	48	49	50	-	50	
PMR index (target for 2028)	SK	-	-	1,52	-	-	-	-	-	1,30	↘	
	(Index value)	EU	-	-	1,40	-	-	-	-	1,30		
DESI index	SK	*	20	20	21	21	22	23	-	14	↘	
	(ranked out of 27 EU countries)	EU										
Productivity	European Innovation Scoreboard (EIS)	SK	21	21	22	22	23	23	23	23	13	↘
	(order)	EU										
	Business expenditure on research and development	SK	0,40	0,48	0,45	0,45	0,49	0,51	0,56	-	1,2	↗
(% OF GDP)	EU	1,39	1,44	1,46	1,49	1,52	1,50	-	-	1,73		

⁹⁶ The exception would be later European targets, which would be agreed at national level.

⁹⁷ [Technical manual for measuring SDG progress.](#)

Labour market and social affairs	LFS employment rate	SK	69,8	71,1	72,4	73,4	72,5	74,6	76,7	-	76,5	↗
	(LFS, 20-64 years)	EU	70,1	71,3	72,3	73,1	72,2	73,0	74,6	-	78,0	
	ESA employment rate	SK	42,7	43,6	44,4	44,8	43,9	43,8	44,2	-	47,4	↗
	(ESA, whole population)	EU	45,1	45,8	46,4	46,8	46,1	46,8	47,6	-	47,4	
	Percentage of people at risk of poverty or social exclusion	SK	17,1	15,8	15,2	14,8	13,8	15,6	16,5	-	13,6	→
	(after transfers, % of population)	EU	23,7	22,4	21,7	21,1	21,6	21,7	21,6	-	17,7	
	Employment rate of women	SK	58,8	59,7	59,6	59,6	57,9	66,4	68,0	-	66,8	↗
	(LFS, 20-39 years old)	EU	64,6	65,8	66,6	67,2	66,1	67,4	69,3	-	67,9	
	Employment rate of people with low education	SK	35,9	37,3	36,3	36,0	34,0	26,9	31,1	-	49,4	↘
	(LFS, ISCED 0-2)	EU	52,5	54,3	55,3	56,0	55,3	55,4	57,5	-	56,5	
Education	Proportion of children in pre-primary education	SK	73,4	74,9	77,6	77,8	78,1	77,4	-	-	94,6	↗
	(from 3 years to the beginning of compulsory primary education)	EU	92,5	92,5	92,3	92,9	93,0	92,5	-	-	94,6	
	PISA	SK	-	-	466	-	-	-	458	-	473	↘
	(grade point average in reading literacy, maths and science)	EU	-	-	484	-	-	-	473	-	481	
	Percentage of pupils below basic level in reading	SK	-	-	31,4	-	-	-	35,4	-	28,0	↘
	(PISA)	EU	-	-	22,5	-	-	-	26,2	-	21,3	
	Percentage of young early school leavers	SK	7,4	9,3	8,6	8,3	7,6	7,8	7,4	-	6,0	↘
	(% in the 18-24 age group)	EU	10,6	10,5	10,5	10,2	9,9	9,8	9,6	-	6,0	
	Average ranking of the best university in TOP rankings	SK	651	651	668	784	835	834	784	851	706	↘
	(average ranking in Times, Shanghai rankings and QS), EU median	EU	384	316	319	336	334	353	356	421	353	
Housing	Percentage of people participating in adult education	SK	2,9	3,4	4,0	3,6	2,8	4,8	12,8	-	7,0	↗
	(age 25-64; last 4 weeks)	EU	10,3	10,4	10,6	10,8	9,1	10,8	11,9	-	10,6	
	Household overcrowding	SK	37,9	36,4	35,5	34,1	30,1	31,2	31,8	-	16,5	→
	(% of population)	EU	17,9	17,5	17,1	17,1	17,4	17,3	16,8	-	16,5	
	Housing costs	SK	29,6	28,5	28,1	28,7	31,0	31,4	30,3	-	27,9	↘
	(Share of total final household consumption)	EU	23,8	23,6	23,4	23,4	25,5	25,0	24,1	-	23,4	
	Proportion of the population living in rent-controlled or rent-free accommodation	SK	1,6	1,5	1,2	1,4	1,6	1,9	2,7	2,8	4,2	↗
	(% of population)	EU	9,7	9,6	9,3	9,1	9,5	9,8	10,7	-	6,7	

	Life expectancy at birth	SK	77,3	77,3	77,4	77,8	77,0	74,6	77,0	-	80,6	→
	(Number of years)	EU	80,9	80,9	81,0	81,3	80,4	80,1	80,6	-	82,9	
	Avoidable mortality through healthcare	SK	168,3	173,7	165,4	163,6	168,8	-	-	-	119,6	→
	(Number of deaths per 100 thousand inhabitants)	EU	93,2	92,1	91,3	89,2	91,7	-	-	-	64,5	
Health	Preventable mortality	SK	243,9	238,8	241,3	231,2	262,4	-	-	-	173,7	↓
	(Number of deaths per 100 thousand inhabitants)	EU	162,5	160,0	158,6	154,0	180,0	-	-	-	119,1	
	Difference in life expectancy by education	SK	14,9	15,6	-	-	-	-	-	-	9,6	↓
	(Number of years, males aged 25, difference between ISCED 5-8 and ISCED 0-2)	EU	6,3	6,9	-	-	-	-	-	-	4,3	
	Average concentration of PM2.5 in the air	SK	14,7	17,5	16,9	13,8	-	-	-	-	8,6	↗
	(µg/m3)	EU	14,6	14,9	14,5	12,6	-	-	-	-	8,6	
Green transformation	Greenhouse gas emissions	SK	-44,9	-43,0	-41,7	-46,5	-54,2	-47,9	-	-	-55	→
	(Total emissions excluding LULUCF, Decrease from 1990, %)	EU	-24,9	-23,0	-25,0	-28,2	-34,3	-30,4	-	-	-55	
	Percentage of waste recycled	SK	23,0	29,8	36,3	38,5	42,1	39,0	-	-	60	↗
	(% of municipal waste)	EU	45,9	46,3	46,4	47,2	54,4	55,5	-	-	60	
	Share of RES	SK	12,0	11,5	11,9	16,9	17,3	17,4	17,5	-	19,2	↗
	(% of gross final energy consumption)	EU	18,0	18,4	19,1	19,9	22,1	21,9	23,0	-	32	
Public finance	Government gross debt	SK	52,3	51,5	49,4	48,0	58,9	61,1	57,8	56,7	40	↓
	(% OF GDP)	EU	84,3	81,9	79,8	77,7	90,0	87,4	83,5	83,1	-	
	S2 - long-term sustainability indicator	SK	2,4	2,4	2,5	3,8	7,7	10,6	11,3	9,9	2	↓
	(value)	EU	2,1	1,9	2,3	2,4	2,4	3,0	2,7	2,9	-	

Table 7: Description of result indicators

Name of the indicator	Definition and source
Government by Law	The rule of law reflects the perception of the extent to which individual actors trust and abide by the rules of society; in particular, the quality of contract enforcement, property rights, police and courts, and the likelihood of crime and violence are monitored. Source : http://info.worldbank.org/governance/wgi/
Control of corruption	Control of corruption reflects the perception of the extent to which public power is exercised for private gain, including petty and grand forms of corruption, as well as the "capture" of the state by elites and private interests. Source : http://info.worldbank.org/governance/wgi/
Product Market Regulation Index (PMR)	Country ranking in the Product Market Regulation Index. It measures regulation and barriers in three areas: state control, barriers to business, and barriers to trade and investment (each with a weighting of one-third). The Product Market Regulation Index does not focus only on the business activities of ordinary enterprises, but measures broader regulation (e.g. regulation of network industries). Source : https://www.oecd.org/economy/reform/indicators-of-product-market-regulation/
DESI index	The Digital Economy and Society Index measures progress in five areas - internet connectivity, human capital, use of internet services, integration of digital technologies and digital public services. Source : https://digital-strategy.ec.europa.eu/en/policies/desi
European Innovation Scoreboard	An index assessing the position of countries in a number of areas affecting innovation (human capital, attractiveness of the scientific environment, digitalisation, financing, IT, intellectual assets, etc.) Source : https://ec.europa.eu/info/research-and-innovation/statistics/performance-indicators/european-innovation-scoreboard
Business expenditure on research and development	Business R&D expenditure as a percentage of GDP Source: Eurostat: [rd_e_gerdtot]
LFS employment rate	Employment in the 20-64 age group Source: Eurostat [lfsa_ergan]
ESA employment rate	Total employment (domestic concept) without age limit Source: Eurostat [nama_10_pe]
Percentage of people at risk of poverty or social exclusion	Proportion of the population at risk of poverty (after social transfers) and/or living in severe material and social deprivation and/or in households with very low labour intensity Source: Eurostat [ilc_peps01n]
Employment rate of women	Employment rate for women aged 20-39 Eurostat: [lfsa_egan], [lfsa_pganws]
Employment rate of people with low education	Employment rate of people with primary and lower education aged 20-64 (ISCED 0-2) Source: Eurostat [lfsa_ergaedn]
Proportion of children in pre-primary education	Proportion of children in pre-primary education from 3 years of age to the start of compulsory schooling Source: Eurostat [educ_uoe_enra21]
PISA	An international standardized assessment of the knowledge and skills of 15-year-olds. It assesses pupils in three areas in mathematics, reading and science. The index is the average of the scores in each domain. Source : https://pisadataexplorer.oecd.org/ide/idepisa/
Percentage of pupils below the minimum level in reading	Proportion of pupils below basic level (level 2) in PISA reading literacy Source : https://pisadataexplorer.oecd.org/ide/idepisa/
Percentage of young early school leavers	Proportion of the population aged 18-24 with low educational attainment (ISCED 0, 1, 2, 3C) not in further education or training Source: Eurostat [edat_lfse_14]
Average ranking of the best university in TOP rankings	The average ranking of the best university in the country across the Times, ARWU and QS rankings Source : https://www.universityrankings.ch/
Percentage of people participating in adult education	Percentage of people in education and training in the last four weeks Source: Eurostat [trng_lfs_01]
Household overcrowding	Percentage of the population living in an overcrowded household. An overcrowded household is defined as a household that does not have a minimum number of rooms equal to: one room per household, one room per couple in the household; one room for each single person aged 18 years and over; one room for a same-sex unmarried couple aged 12 to 17 years; one room for each single person aged 12 to 17 years not included in the previous category; one room for a couple of children aged 12 years or younger. Source: Eurostat [ilc_lvho05a]
Housing costs	Share of housing costs in household final consumption according to national accounts Source: Eurostat [nama_10_co3_p3]

Proportion of the population living in rent-controlled or rent-free accommodation	Proportion of the population living in rent-controlled or rent-free accommodation Source: Eurostat [ilc_lvho02]
Life expectancy at birth	The average number of years that a newly born child will live, assuming that the current mortality rates in each population year are maintained. Source: Eurostat [demo_mlexpecedu]
Avoidable mortality through healthcare	The healthcare-preventable mortality rate, or in other words the treatable mortality rate, includes deaths that can be averted by early and effective diagnosis or adequate healthcare intervention and treatment for people up to 75 years of age. Defined as the number of deaths per 100,000 population. Source: Eurostat [hlth_cd_apr]
Preventable mortality	Preventable mortality rates, mainly through effective public health interventions and primary prevention (i.e. before the outbreak of diseases/injuries, to reduce their incidence) for people under 75 years of age. Defined as the number of deaths per 100 000 population. Source: Eurostat [hlth_cd_apr]
Difference in life expectancy by education	Difference in life years between men with the highest level of primary education and men with a university degree at age 25 Source: Eurostat [demo_mlexpecedu]
Average concentration of PM_{2.5} in the air	The indicator measures the population-weighted average annual concentration of particulate matter in urban agglomerations. It is measured in µg/m ³ of air as an average value per year. Fine particles (PM _{2.5}) are those with a diameter of less than 2,5 micrometres. Source: Eurostat [sdg_11_50]
Greenhouse gas emissions	Percentage change in non-ETS GHG emissions (expressed as CO ₂ equivalent) compared to 2005. The indicator captures trends in aggregated anthropogenic emissions of CO ₂ , NO ₂ , CH ₄ , HFCs, PFCs and SF ₆ , collectively referred to as GHGs (expressed as CO ₂ equivalent). The total does not include emissions from the emissions trading and land use and forestry (LULUCF) sectors. Source: Eurostat [env_air_gge]
Percentage of waste recycled	Percentage of municipal waste recycled Source: Eurostat [CEI_WM011]
Share of RES	Share of final energy consumption from renewable energy sources (RES) and gross final energy consumption. RES final energy consumption is calculated as the sum of RES gross final electricity consumption, RES gross final energy consumption of energy for heating and cooling and RES final energy consumption of energy for transport. Source: Eurostat [nrg_ind_ren]
General government gross debt	Public sector gross debt as a share of GDP Source: Eurostat [gov_10dd_edpt1]
S2	Indicator S2 measures how much the structural primary balance needs to change permanently (in % of GDP) for the present value of future structural primary balances to cover today's level of debt. Source: Debt Sustainability Monitor 2022

Annex 2: List of abbreviations

AES	Adult Education Survey
ASD	Autism spectrum disorder
ASR	Alliance of Sectoral Councils
BAT	Best Available Technologies
BSK	Bratislava self-governing region
CAGR	Compound annual growth rate
CBA	Cost benefit analysis
CEPOL	European Police College
CSRs	Country Specific Recommendations
DESI	Digital Economy and Society Index
DRG	Diagnoses related groups, diagnostic groups
EC	European Commission
EDIH	European Digital Innovation Hubs
EIA	Environmental impact assessment
EIS	European Innovation Scoreboard
EMS	Emergency Medical Service
EPSR	European Pillar of Social Rights
ERP	Enterprise resource planning
ESA	European System of National and Regional Accounts
EU	European Union
EU-LFS	Labour Force Survey
EUROPOL	European Police Office
FAST-CARE	Flexible Assistance for Territories
GO	Government Office of the Slovak Republic
HSPA	Health system performance evaluation
IFP	Institute of Financial Policy
IPEX	International exchange of information on the EU
IRA	Internal Governing Act
ISCED	International Standard Classification of Education
LFS	Labour Force Survey
MDP	Multidisciplinary approach
MEAT	Most economically advantageous tender
MoA	Ministry of Agriculture and Rural Development of the Slovak Republic
MoE	Ministry of Economy of the Slovak Republic
MoE	Ministry of Education, Research, Development and Youth of the Slovak Republic
MoEN	Ministry of the Environment of the Slovak Republic
MoF	Ministry of Finance of the Slovak Republic
MoH	Ministry of Health of the Slovak Republic
Mol	Ministry of the Interior of the Slovak Republic

MoINV	Ministry of Investment, Regional Development and Informatisation of the Slovak Republic
MoJ	Ministry of Justice of the Slovak Republic
MoL	Ministry of Labour, Social Affairs and Family of the Slovak Republic
MoT	Ministry of Transport and Construction of the Slovak Republic
MPK	Inter-ministerial comment procedure
MRC	Marginalised Roma communities
MW	Megawatt
NBSAP	National Biodiversity Strategy and Action Plan
NCIVS	National Concept of Informatisation of Public Administration
NDDP SR	National Digital Decade Plan of the Slovak Republic
NECP	National energy and climate plan
NEET	Not in Education, Employment or Training
NIKA	National implementation and coordination authority
NPC	No policy change scenario
NR SR	National Council of the Slovak Republic
NRP	National reform programme
LSE	Lower secondary vocational education
ODP	Period of pension insurance
OECD	Organisation for Economic Co-operation and Development
OP	Operational programme
PF	Police Force
PISA	Programme for International Student Assessment
PMR	Product Market Regulation
PPP	Purchasing power parity
PSK	Programme Slovakia
PU	Public universities
MO SR	Monuments Office of the Slovak Republic
QPI	Qualifying Period of Pension insurance
RDI	Research, development and innovation
REACT-EU	Recovery Assistance for Cohesion and the Territories of Europe
RES	Renewable energy sources
RRP	Recovery and Resilience Plan of the Slovak Republic
SEP	State education programme
SEPS	Slovak Electricity Transmission System
SME	Small and medium-sized enterprises
SO SR	Statistical Office of the Slovak Republic
SOC	Specialised outpatient care
SR	Slovak Republic
SSI	State School Inspection
UN	United Nations
UHP	Value for money unit

VAT	Value Added Tax
OHN	Optimising the hospital network
WGI	Worldwide Governance Indicators