



# Legislative and Policy Updates

APRIL 2021



## Slovakia

### The new Cabinet

On April 1 President Zuzana Čaputová appointed Eduard Heger the new prime minister together with the new cabinet ministers. “An important feature of the new cabinet will be empathy, while a key word to accompany it will be recovery,” the president said. Heger expressed his hope of the ruling coalition to cooperate and said that the new government will continue in its efforts to purify and restore the country.

1/4/2021 <https://spectator.sme.sk/c/22629890/president-caputova-appointed-the-new-cabinet.html>

### Slovakia Travel

Transport Minister Andrej Dolezal announced on April 1 that a new agency named Slovakia Travel has been set up, explaining its main role is to support tourism in the country. Acting general manager Václav Vika noted that Slovakia was the only country in Europe that didn't have such an agency. Its tasks will include marketing, communication and support of important projects both in Slovakia and abroad.

1/4/2021 <https://www.tasr.sk/tasr-clanok/TASR:20210401TBB00526>

## **General census update**

The Statistics Office reported that altogether, 4,884,007 people, almost 86 percent of inhabitants of Slovakia, participated in the census by April 8. The census is not over yet. The assisted portion began on April 1 lasting for 6 weeks in each village/town. The assisted census should be over by October 31, 2021. Other data will be available in 2022, complexly processed data should be accessible by the beginning of 2024.

8/4/2021 <https://spectator.sme.sk/c/22632265/more-than-4-8-million-participated-in-the-census-which-region-had-the-highest-turnout.html>

## **Demography**

The mortality rate for Slovakia in 2020 was higher than the birth rate. The number of deaths reached 59,100 people last year, while 56,700 children were born. For the first time since 2003, mortality exceeded natality, the Statistics Office informed on April 15. In terms of population, Slovakia had 5,459,781 inhabitants at the end of 2020. The growth in population was thanks to an increase in migration, where the number of people who immigrated to the country significantly exceeded the number of people who emigrated.

15/4/2021 <https://spectator.sme.sk/c/22639264/more-people-died-than-were-born-in-slovakia-for-the-first-time-in-17-years.html>

## **Recovery and Resilience Plan - Implementation**

Slovakia inevitably needs successful and efficient implementation of the recovery and resilience plan (RRF). AmCham Slovakia published a press release on April 15 calling for the Government of the Slovak Republic to ensure the Recovery and Resilience Facility will be implemented efficiently and in a transparent way. The business community is convinced the Government should do its utmost to obtain broad social support for the plan and to ensure the consistent fulfillment of the goals set within all of its 18 components.

15/4/2021 <https://amcham.sk/press-room/news/273519-slovakia-inevitably-needs-successful-and-efficient-implementation-of-the-recovery-and-resilience-plan>

## **Economic and Monetary Development**

On April 15 the National Bank of Slovakia published its quarterly report assessing current economic and monetary developments and providing economic projections for the medium term. The current state of the Slovak economy is analyzed using quarterly and monthly data on inflation (consumer prices), the real economy (GDP, sales, industrial production, leading indicators, foreign trade), and the labor market (employment, unemployment, wages).

15/4/2021 <https://www.nbs.sk/en/publications-issued-by-the-nbs/economic-and-monetary-developments>

## **Women in business**

In order for women in Slovakia to focus more on work and careers in STEM, motivation is needed at home and at school, as well as the capture of talent at a young age. The more favorable working conditions that employers can offer their employees also contribute to this. President Zuzana Čaputová, on the occasion of the third annual Women in Business conference organized by AmCham Slovakia, underlined that it is important for every society to be able to make full use of its potential and talents in their diversity.

16/4/2021 <https://amcham.sk/press-room/news/273520-women-can-have-as-successful-a-career-in-science-and-technology-as-men>

## **Supreme Administrative Court**

The Judicial Council selected the first president of the newly-established Supreme Administrative Court. All of the 17 council members present voted for Pavol Nad'. The court was established last year, through the judicial reform authored by the Justice Ministry. It has the same position as the Supreme Court, but in the field of administrative law. It will be responsible for disciplinary proceedings against judges and prosecutors and, to a certain extent, other legal professions. It will also pass decisions on the constitutionality and legitimacy of elections to local government bodies.

21/4/2021 <https://spectator.sme.sk/c/22642984/the-newly-established-court-should-have-its-first-president.html>

## **Democracy**

The belief that the quality of democracy has a positive impact on people's living standards is more widespread among Slovakia's inhabitants now than it was five years ago. The number of those who desire Slovakia's exit from the EU has decreased, report key findings of a representative study conducted at the beginning of April 2021 on a sample of 1001 respondents by the Institute for Economic and Social Reforms (INEKO).

29/4/2021 <https://spectator.sme.sk/c/22648808/democracy-is-the-best-option-believe-an-increasing-number-of-people-in-slovakia.html>

## **Recovery and Resilience Plan - Submission**

Slovakia officially submitted its Recovery and Resilience Plan to the European Commission after it was approved by the cabinet at its April 28 session, with objections. Slovakia could receive more than €6 billion through the EU recovery package; the funds should be spent by 2026. Among the priority areas the country wants to use the money on are education, science and research, green economy, health care, public administration, and digitalization. The country has pledged to adopt dozens of key reforms and related investments and to improve the quality of life in various areas.

29/4/2021 [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_21\\_2046](https://ec.europa.eu/commission/presscorner/detail/en/IP_21_2046)

## GDP 2020

Revision of annual and quarterly national accounts for the years 2017 - 2019, including preliminary data for 2020, adjusted the data on the performance of the Slovak economy. In accordance with the national revision policy, the Statistical Office of the Slovak Republic carried out this year's first data revision in the system of national accounts, which affected both annual and quarterly data on Gross Domestic Product (GDP) and its components. Last year's decline in Slovakia's GDP was slightly lower, reaching 4.8 %.

30/4/2020 [LINK](#)

# Europe & World

## Carbon taxes

In a joint statement, the four nations, known as the BASIC countries (Brazil, South Africa, India, China), "expressed grave concern regarding the proposal for introducing trade barriers such as unilateral carbon border adjustment". The EU proposed to impose a levy on carbon-intensive products imported into the union from countries which do not have a price on carbon. Its supporters argue it is necessary to avoid carbon leakage, where producers of energy-intensive products like steel, cement and aluminum move out of the EU to countries with weaker environmental regulations.

12/4/2021 <https://www.euractiv.com/section/energy-environment/news/emerging-economies-share-grave-concern-over-eu-plans-for-a-carbon-border-levy/>

## Going for Growth policies

The COVID-19 pandemic has brought social and economic disruption worldwide, but is also providing governments with the opportunity to put economies on a more sustainable and inclusive growth path while addressing the underlying challenges, according to the OECD's **Going for Growth** policy report. [Going for Growth 2021: Shaping a Vibrant Recovery](#) analyses pre-existing weaknesses as well as those brought on by the pandemic, and offers policy makers country-specific advice to seize the opportunity for a fundamental reset.

14/4/2021 <https://www.oecd.org/newsroom/policy-reset-can-deliver-a-stronger-more-resilient-equitable-and-sustainable-post-pandemic-recovery.htm>

## Global commodity prices

Commodity prices continued their recovery in the first quarter of 2021 and are expected to remain close to current levels throughout the year, lifted by the global economic rebound and improved growth prospects, according to the World Bank's semi-annual *Commodity Markets Outlook*. However, the outlook is heavily dependent on progress in containing the COVID-19

pandemic as well as policy support measures in advanced economies and production decisions in major commodity producers.

20/4/2021 <https://www.worldbank.org/en/news/press-release/2021/04/20/commodity-prices-to-stabilize-after-early-2021>

### **Horizon Europe**

The 2021-2027 research and innovation program, adopted by MEPs on April 27, will help the EU's health systems prepare for future pandemics, and its industry to decarbonize, digitalize and innovate. The research program secures short- and long-term financing for research and innovation relating to global challenges including the fight against climate change, digitalization, and the COVID-19 pandemic.

27/4/2021 <https://www.europarl.europa.eu/news/en/press-room/20210422IPR02604/meps-adopt-landmark-research-programme-horizon-europe>

### **EU-UK Trade and Cooperation Agreement**

The EU-UK Trade and Cooperation Agreement concluded between the EU and the UK sets out preferential arrangements in areas such as trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in Union programs. It is underpinned by provisions ensuring a level playing field and respect for fundamental rights. The agreement becomes fully applicable as of 1 May 2021, coming after an overwhelming vote of consent by the European Parliament on 27 April and subsequent EU Council decision later, thereby concluding the ratification process.

28/4/2021 <http://www.amchameu.eu/media-centre/press-releases/eu-uk-trade-and-cooperation-agreement-european-parliament-vote-brings>

### **Digital Transformation**

The agreement between EIF and EIT Digital, an innovation community of the European Institute of Innovation and Technology (EIT) supporting the EU's digital transformation, has a maximum volume of €2.5 million. This financing will allow EIT Digital to offer deferred payment schemes for students and learners participating in its courses, thus improving access to education. Future EIT Digital students and learners will be able to apply for the new scheme from June 2021 onwards, it is expected that around 500 people can benefit from the scheme. The evolution of professions, rise of new technologies and digital transformation of industry and society require new educational profiles and skills sets.

28/04/2021 [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_21\\_2001](https://ec.europa.eu/commission/presscorner/detail/en/IP_21_2001)

## Taxes on wages – global decrease

The COVID-19 crisis has resulted in the largest decrease in taxes on wages since the global financial crisis of 2008-09, according to a new OECD report. [Taxing Wages 2021](#) shows that declining household incomes coupled with tax reforms linked to the pandemic are driving widespread declines in effective taxes on wages across the OECD. The report highlights record falls across the OECD during 2020 in the tax wedge – the total taxes on labor paid by both employees and employers, minus family benefits, as a percentage of the labor cost to the employer.

29/4/2021 <https://www.oecd.org/newsroom/labour-market-disruption-and-covid-19-support-measures-contribute-to-widespread-falls-in-taxes-on-wages-in-2020.htm>

## Quality of EU Public Administration

The EU Commission published analysis to highlight the quality of public administration as key success factor towards COVID-19 recovery and the green and digital transitions. Adopting its Staff Working Document “SUPPORTING PUBLIC ADMINISTRATIONS IN EU MEMBER STATES TO DELIVER REFORMS AND PREPARE FOR THE FUTURE”; it elaborates on the importance of public administrations for meeting EU’s objectives.

29/4/2021 [https://ec.europa.eu/info/news/commission-publishes-analysis-highlight-quality-public-administration-key-success-factor-towards-covid-19-recovery-and-green-and-digital-transitions-2021-apr-29\\_en](https://ec.europa.eu/info/news/commission-publishes-analysis-highlight-quality-public-administration-key-success-factor-towards-covid-19-recovery-and-green-and-digital-transitions-2021-apr-29_en)

WE FOCUS OUR ADVOCACY EFFORTS ON THE FOLLOWING FOUR PILLARS:



[www.amcham.sk](http://www.amcham.sk)