

Legislative and Policy Updates

OCTOBER 2021

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SLOVAKIA

Poverty in Slovakia

Since 1992, the 17th of October has been recognized by the United Nations as the international day of the fight against poverty. Poverty fighting is a long-lasting topic for Slovakia Slovakia, even though with relatively low number of citizens under poverty thread. Incomplete households or families with high number of children belong to the list of the most endangered by the poverty risk, decreasing inter-generation social mobility. The National Bank of Slovakia announced on 18 October that 11,4% of population in Slovakia is currently endangered by poverty, counting as much as 615K people.

18/10/2021 <https://nbs.sk/sk/informacie-pre-media/tlacove-spravy/spravy-vseobecne/detail-tlacovej-spravy/viac-ako-600-tisic-obyvateľov-zije-na-slovensku-pod-hranicou-prijmovej-chudoby/d>

Innovations in healthcare

A pandemic has increased the importance of healthcare and its institutions to accelerate and expand their innovative efforts for the benefit of the patient. Innovation is driving healthcare transformation in order to improve patient care, reduce costs and make the work environment more attractive to doctors and healthcare professionals. These include innovative approaches to treatment and diagnosis, the development of telemedicine, the introduction of virtual reality into medical procedures, digitization and more efficient use and protection of health data. Medtech

and innovative research also has the potential to become an important pillar of the Slovak economy with the creation of new jobs, if innovations are created at home in Slovakia.

15/10/2021 <https://amcham.sk/press-room/news/273598-innovation-conference-slovakia-needs-to-implement-more-innovations-in-healthcare>

State budget

The Cabinet of the Slovak Republic approved the state budget for 2022 during its meeting on 14 October. Respective ministries can gain more if debt brake and pension reform will be approved by the National Council. The Ministry of Finance expects the Slovak budget revenues to attack 20 billion € next year, with more details and clarifications to be expected during the public hearing of the state budget law by MPs.

14/10/2021 <https://index.sme.sk/c/22763004/vlada-schvalila-rozpocet-ucitelov-a-lekarov-nepotesi.html>

Labor market

Employers from all sectors of the economy indicate acute lack of workers. The coronavirus pandemic continues to have a negative impact on the labor market, with the intensity in individual sectors being quite different. While during the first and second pandemic wave there was an endangering of jobs, particularly in regions where sectors like gastronomy, the hotel industry and tourism prevailed, the situation is changing now. There are still plenty of vacancies, and several employers are having problems finding qualified employees.

13/10/2021 <https://spectator.sme.sk/c/22761968/employers-indicate-acute-lack-of-workers.html?ref=njctse>

Research on disinformation

The team from the Slovak Kempelen Institute on Intelligence Technologies received an award for the best contribution to the annual ACM Conference on Recommender Systems (RecSys), held in Amsterdam. In their study, the researchers focused on how recommendation systems work on YouTube and what impact they have on spreading disinformation. They also tried to find out whether misinformation filter bubbles are created on the channel, and whether people can get out if they watch videos that disprove hoaxes.

7/10/2021 <https://spectator.sme.sk/c/22758059/slovak-research-on-youtube-awarded-in-amsterdam.html>

High School Education

On 5 October, a world-class Oxford based education event “Achievement Forum 2021” unveiled winners amongst high school institutions in respective categories of the global competition. “Excellence Quality in Education and Management” award was handed out to five high school institutions for their extraordinary achievement and work aiming to prepare graduates for their business career or further university studies. One of the five laureates is also Tatranská akadémia – the private high school based in Poprad, Slovakia. Congratulations!

5/10/2021 <https://achievements.eveon.events/speeches>

Recovery and Resilience Facility

The European Commission will receive an agreement on financing the project, signed on 1 October and amounting to €822 million, based on which Slovakia should get money for projects carried out by the ministries of health, education and justice. “A reform autumn is ahead of us,” said PM Eduard Heger, adding that the country will have to meet the first milestones and goals set by its recovery plan. The money is expected to arrive in the coming weeks, to be used for three main areas: health care, judiciary and education. The implementation of reforms will require the engagement of respective ministries.

4/10/2021 <https://spectator.sme.sk/c/22756081/news-digest-slovakia-to-prepare-for-a-reform-autumn.html>

Graduates’ applicability

The opinion that school did not do much to help their graduates find a job is shared by 41 percent of the public university student respondents of the “Quarter to Quality Education” survey, carried out by the Slovak Accreditation Agency for Higher Education (SAAHE) between late April and late May 2021. On the other hand, private university students feel better prepared for life and jobs in the future, with only 15 percent saying that they feel insufficiently prepared. Meanwhile, the pandemic has made it more difficult for graduates without any practical experience to find jobs. Apart from the lack of a traineeship, the respondents complain of insufficient ways to improve their foreign language and transferable skills during studies.

1/10/2021 <https://spectator.sme.sk/c/22753576/survey-most-schools-in-slovakia-fail-to-properly-prepare-their-students-for-working-life.html>

Business centers

The sector of business services in Slovakia, despite the crisis, has remained a stable pillar of the Slovak economy. It continues to operate without significant restrictions while maintaining productivity, with more than a quarter of companies increasing their productivity even more over the last 18 months. In terms of the number of employees, the industry grew by 5.5 percent (2020)

and more than a half of centers expect a further increase of headcount due to the growth of the centers within next 12 months.

30/9/2021 <https://amcham.sk/press-room/news/273579-the-number-of-business-centers-employees-increased-by-5-5-percent-especially-in-the-area-of-it-services>

EUROPE & WORLD

International tax system

On 13 October, G20 Finance Ministers endorsed the political agreement reached the week before by 136 countries to reform the international corporate tax framework. The American Chamber of Commerce to the EU and respective AmCham network generally support the OECD Inclusive Framework deal, but urge further detailed work in order to ensure that the agreement succeeds in stabilizing the international tax system and addressing challenges arising from the digitalization of the global economy.

14/10/2021 <https://amchameu.eu/news/g20-international-tax-deal-shows-multilateralism-works>

European Social Charter

Employment, housing, health, education, social protection and welfare rights: the European Social Charter - often referred to as the Social Constitution of Europe – is celebrating its 60th anniversary as a guardian of fundamental social and economic rights. The Charter, together with the European Convention on Human Rights, are the two basic constituent parts of Europe's system for the protection of human rights. The Charter places specific emphasis on the protection of vulnerable persons such as elderly people, children, migrants and the disabled.

14/10/2021 https://www.coe.int/en/web/cm/news/-/asset_publisher/hwwluK1RCEJo/content/-/3/16695?inheritRedirect=false&redirect=https%3A%2F%2Fwww.coe.int%2Fen%2Fweb%2Fcm%2Fnews%3Fp_p_id%3D101_INSTANCE_hwwluK1RCEJo%26p_p_lifecycle%3D0%26p_p_state%3Dnormal%26p_p_mode%3Dview%26p_p_col_id%3Dcolumn-4%26p_p_col_pos%3D1%26p_p_col_count%3D2

European mobile phone roaming

EU Parliament's voted in favor of extending the "Roam like at Home" scheme for another ten years on 14 October. The updated legislation, a follow-up to the 2017 elimination of roaming fees, also makes adjustments aiming for better roaming services for travelers and businesses. According to the text adopted by MEPs, consumers would continue to enjoy the ability to use

their mobile phones when travelling abroad in the EU with no additional fees on top of what they already pay at home. In addition, they would be entitled to the same quality and speed of mobile connection abroad as at home. Roaming providers would be obliged to offer roaming conditions equal to those offered domestically, if the same technologies and conditions are available on the network in the country people are visiting.

14/10/2021 [LINK](#)

Innovation and start-ups

The European Commission's European Innovation Council has selected 65 innovative start-ups and SMEs to receive €363 million of funding for breakthrough innovations. Each company will receive a combination of grant financing and equity investment of up to €17 million to develop and scale up their ground-breaking innovations in healthcare, digital technologies, energy, biotechnology, space and other. This is the first batch of companies that will be funded under the fully-fledged European Innovation Council (EIC) Accelerator.

14/10/2021 https://ec.europa.eu/commission/presscorner/detail/en/IP_21_5225

Unemployment

The OECD area monthly unemployment rate fell for the fourth consecutive month, albeit slightly, in August 2021, to 6.0% (from 6.1% in July). While the rate remains 0.7 percentage point above the pre-pandemic rate as at February 2020, this latest update represents a continuation of the downward trend since the peak of 8.8% in April 2020, with the exception of April 2021. However, some care is needed in interpreting the fall in the OECD area unemployment rate when compared with the April 2020 peak, as it largely reflects the return of temporary laid-off workers in the United States and Canada, where they are recorded as unemployed. The number of unemployed workers across the OECD area continued to fall (by 1.0 million) in August 2021, reaching 39.7 million, still 4.3 million above the level in February 2020.

13/10/2021 <https://www.oecd.org/newsroom/unemployment-rates-oecd-update-october-2021.htm>

EU pharmaceutical policy

Members of European Parliament (MEPs) call for national and EU measures to guarantee all patients have safe and timely access to essential and innovative medicines. The Committee on the Environment, Public Health and Food Safety adopted on 12 October its recommendations on the implementation of the EU's pharmaceutical strategy and upcoming revisions to the legislative framework. MEPs highlight the need for increasing the affordability and availability of medicines. This means addressing the root causes of shortages, increasing transparency on prices and public R&D funding, promoting collective price negotiations, and introducing measures to support a greater market presence for generic and biosimilar medicines. MEPs insist that the Commission,

member states and the European Medicines Agency should develop an early warning system for medicine shortages, based on a transparent and centralized digital European platform.

12/10/2021 [LINK](#)

Consumer prices

Inflation in the OECD area rose to 4.3% in the 12 months to August 2021, compared with 4.2% in July, continuing the upward trend beginning in December 2020. In the euro area, annual inflation picked up strongly to 3.0% in August 2021, from 2.2% in July, but remained lower than in the OECD area as a whole, particularly compared with the United States, where annual inflation stood at 5.3% for the same period. Energy prices in the OECD area rose at a faster pace in August (18.0%) than in July (17.4%) reaching the highest rate since September 2008. Food price inflation also increased sharply to 3.6%, compared with 3.1% in July. Excluding food and energy, OECD annual inflation remained stable at 3.1% for the third consecutive month.

5/10/2021 <https://www.oecd.org/newsroom/consumer-prices-oecd-updated-5-october-2021.htm>

Trade & Technology

On 29 September, the EU and the US formalized their cooperation on emerging trade and technology issues, following an inaugural Trade and Technology Council summit in Pittsburgh. The EU and US agreed on areas for common action and the Council's attention must now turn to yielding swift results in order to strengthen the world's largest trade and investment relationship.

29/9/2021 <https://amchameu.eu/news/trade-and-technology-council-significant-step-transatlantic-partnership>

AI and financial sector

Governments, financial regulators and firms should step up their efforts to work together to address the challenges of developing and deploying trustworthy artificial intelligence (AI) in the financial sector, according to a new OECD report. The OECD Business and Finance Outlook 2021 says that investment in AI finance is on the rise. The financial and insurance sector has consistently been within the top 10 industries in terms of the amount of VC investments in AI start-ups, investing over USD 4 billion worldwide in 2020. Almost 65% of VC investments in the sector went to American AI start-ups.

24/9/2021 <https://www.oecd.org/newsroom/more-efforts-needed-to-boost-trust-in-ai-in-the-financial-sector-says-oecd.htm>

Transatlantic travel

Wider business community on both sides of the Atlantic welcomes the decision by the US Administration to lift travel restrictions for vaccinated travelers from the EU and other countries as of November. This announcement is an important step for many citizens, but also for global companies that rely on travel for their operations. Transatlantic cooperation on the re-opening of our economies, including lifting restrictions in a safe and coordinated manner, is critical to a strong recovery on both sides of the Atlantic. This positive decision can also help strengthen EU-US relations overall.

21/9/2021 <https://www.amchameu.eu/news/us-lifts-restrictions-transatlantic-travel>