

SLOVAKIA

Public Procurement

Ahead of the official "governmental" public hearing of candidates for the chairman of the Office for Public Procurement, the American Chamber of Commerce in Slovakia together with Zastavme korupciu, and Slovensko. Digital organized a public hearing of the candidates for this important position. Independent supervisors are key to maintaining fair competition. The credibility of these institutions depends on the ability of impartial decision-making based on facts and data, the avoidance of conflicts of interest, but also the method of selection of top representatives of these institutions, which is often subject to political or interest influence.

19/9/2022 https://amcham.sk/events/3155/public-hearing-of-the-office-for-public-procurement-candidates

Inflation

According to the Statistical Office of the Slovak Republic, the year-on-year harmonized inflation reached 13.4% in August, rising continuously for the nineteenth consecutive month. Consumer prices rose in August 2022 according to the European harmonized methodology, compared with 12.8% in July 2022. The month-on-month HICP inflation was 0.7% in August, compared to 0.2% in August last year.

16/9/2022

https://slovak.statistics.sk/wps/portal/ext/products/informationmessages/inf_sprava_detail/!ut/p/z1/tVFNU8IwEP01H DPZ5oOEY2GwLSIjYIXm4oQ0lQqkBTpV_r3B8alOOB7cy-

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New mortgage rules

On September 14, Slovakia's central bank has adjusted the rules for loans based on age. The age of clients requesting mortgages is increasing, also due to rising prices of properties. Some borrowers will not be able to repay their loans before they turn 75. The National Bank of Slovakia fears that this trend will get out of control. Not all borrowers count on the risk of an income drop after they retire and with health complications tied to old age. The result can lead to an uncomfortable financial situation, which could possibly make it impossible for them to pay back their debts.

14/9/2022 https://spectator.sme.sk/c/23008820/nbs-adjusted-rules-for-mortgages.html

Energy and electricity prices

New Economy Minister Karel Hirman claims Slovakia may take inspiration for a cap on electricity prices from the Czech Republic. The Czech government recently announced its plan to cap electricity and gas prices for retail customers. The electricity price will be capped at six Czech crowns (€0.24) and the gas price at three crowns (€0.12). Cap should be in place by October for the period of next year. Slovakia previously capped 6.1 terawatt hours of electricity at €61 per megawatt for 2023 and 2024, but only the first four megawatts would be eligible for the discounted price. All the above would be priced according to the normal regulations. Approximately 40% of the electricity price is regulated.

14/9/2022 https://www.euractiv.com/section/energy-environment/news/slovakia-may-cap-electricity-prices-following-czech-model/

Employment and average monthly wage

In July 2022, the nominal monthly wages, grew year-on-year, in all monitored sectors, but as a result of inflation, they actually decreased. Employment increased in most sectors, but in the largest sector in terms of employment, i.e. industry, the number of employees declined the fifth month in a row. High increase in consumer prices caused a decrease in real wages in all sectors. The most significant decline in real wages by almost 11% was recorded in the food and beverage service activities.

13/9/2022

https://slovak.statistics.sk/wps/portal/ext/products/informationmessages/inf_sprava_detail/!ut/p/z1/rZNPk6IwEMW_ylw8ptlkAcIRrRnURWv9g6NctkIAYUFgNMus337DuFW7cwA9DBeg0v14_foHDvEeh5Vo86NQeV2JUr8fQuvHyp7x8dhwAcYhdn822Y5nbwQLzDx6-cCvlw_w2zrfvfWc2YAM3Goj93VarXxdzvwduQFZtTwYBkEWs3COxziUFaqURk-

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New ministers in the Government

On 13 September 2022, President Zuzana Čaputová, appointed new ministers at the Presidential Palace. The Economy Ministry will be led by Karel Hirman, the Justice Ministry by Viliam Karas and the Foreign and European Affairs Ministry by Rastislav Káčer. Prime Minister Eduard Heger has been tasked with managing the Education Ministry on a temporary basis. In her speech, she praised the fact that the new ministers are experts, asking them to run their ministries in line with the Constitution and public expectations.

13/9/2022 https://newsnow.tasr.sk/policy/president-pleased-to-appoint-experts-as-new-ministers/

Referendum

On September 12, President Zuzana Čaputová announced that the opposition-initiated referendum will take place, with one question at least. The three opposition parties aim to achieve the fall of Eduard Heger's government through the first question. With the second question they want the adoption of a constitutional change, making it possible to shorten a parliament by referendum or by the parliament's decision, and enabling a snap election.

12/9/2022 https://spectator.sme.sk/c/23007246/slovakia-will-hold-opposition-initiated-referendum.html

Energy sufficiency

On September 9, commissioning of the third unit of the nuclear power plant in Mochovce began shortly after midnight when operator Slovenské Elektrárne began loading nuclear fuel into its reactor. Third unit should start generating power soon, with fourth unit due to be launched less than two years later. Once the unit is running normally, which should happen early next year, Slovakia will generate 65 percent of its electricity using nuclear power, up from about 52 percent at present.

 $9/9/2022\ https://spectator.sme.sk/c/23004808/mochovce-nuclear-power-plant-begins-loading-fuel-into-new-reactor.html$

Foreign Direct Investment in Slovakia

The recent decision of Swedish carmaker Volvo to build its new production plant near the city of Košice shows that Slovakia remains an interesting investment destination for foreign investors – including Americans. While this is a signal of confidence in Slovakia's economic potential even with war raging just beyond its borders, experts are urging the country to use foreign investment policy for its own transformation and structural reforms.

26/8/202 https://spectator.sme.sk/c/22990698/american-it-companies-eye-slovakia-to-relocate-operations-from-russia.html

New Slovak-Polish Gas Pipeline

On August 26 Prime Minister Eduard Heger and his Polish counterpart Mateusz Morawiecki officially opened a Slovak-Polish 164 km long interconnecting pipeline that will enable a diversification of gas supplies. The two premiers stressed

the security dimension of the new pipeline, as it will help to reduce the dependence of central European countries on Russian gas supplies significantly.

26/8/2022 https://newsnow.tasr.sk/economy/polish-and-slovak-premiers-open-interconnecting-pipeline-between-two-countries/

EUROPE & WORLD

State Funeral of Her Majesty the Queen

The State Funeral of Her Majesty The Queen took place at Westminster Abbey on 19 September 2022, paying tribute to The Queen's remarkable reign and lifetime of service as Head of State, Nation and Commonwealth.

19/9/2022 https://www.royal.uk/

European Media Freedom

The European Commission adopted last week a European Media Freedom Act, a novel set of rules to protect media pluralism and independence in the EU. The proposed Regulation includes, among others, safeguards against political interference in editorial decisions and against surveillance. It puts a focus on the independence and stable funding of public service media as well as on the transparency of media ownership and of the allocation of state advertising. It also sets out measures to protect independence of editors and disclose conflicts of interest.

16/9/2022 https://ec.europa.eu/commission/presscorner/detail/en/IP_22_5504

State of the Union

Has the European Commission delivered on its promises for the EU over the past year? And what is its plan for the year ahead? These were the questions amongst others dealt with by the EU President Ursula von der Leyen in her State of the Union speech delivered to the MEPs on Wednesday September 14. In the context of the invasion of Ukraine and soaring energy and food prices, Parliament President Roberta Metsola opened the debate in Strasbourg saying: "I think our message today will be that Europe will respond." MEPs scrutinized European Commission to ensure the EU is on the right path.

15/9/2022 https://www.europarl.europa.eu/news/en/headlines/eu-affairs/20220907STO39906/state-of-the-eu-2022-highlights-video

Cyber Resilience Act

On 15 September, the EU Commission proposed its proposal for a Cyber Resilience Act, legislation aiming to address vulnerabilities in connected devices through a security-by-design approach. Following the New Legislative Framework (NLF), the Cyber Resilience Act (CRA) will introduce cybersecurity requirements for "products with digital elements" to

be put on the EU internal market. Both hardware and software are included under the rationale that when everything is connected, everything is vulnerable.

15/9/2022 https://www.euractiv.com/section/digital/news/commission-presents-cyber-resilience-act-targeting-internet-of-things-products/

Renewable Energy

The European Parliament voted in favor of a 45% target for renewable energy in the EU's energy mix by 2030, paving the way for negotiations with the 27 member states to finalize the text before the end of the year. The Parliament adopted a new revision of the 2018 directive on renewable energies, part of EU plans presented last year aiming to reduce greenhouse gas emissions by 55% before the end of the decade.

15/9/2022 https://www.euractiv.com/section/energy-environment/news/european-parliament-to-adopt-a-45-renewable-energy-goal-for-2030/

Energy Savings

The European Commission announced two demand reduction targets for electricity, including a binding reduction goal of 5% at peak consumption times, ahead of a difficult winter caused by dwindling gas supplies from Russia. According to the Commission, reducing power demand at peak times would lead to a saving of 1.2 billion cubic meters of fossil gas over the winter. The two targets proposed by the Commission include i) a non-binding goal for EU countries to reduce overall electricity demand by at least 10% until 31 March 2023 and ii) a mandatory reduction of electricity consumption by 5% for at least 10% of high demand hours each week. The EU executive says this would impact around 3-4 hours every weekday.

14/9/2022 https://www.euractiv.com/section/energy/news/brussels-tables-5-mandatory-energy-savings-goal-ahead-of-difficult-winter/

Energy prices

The Commission is proposing an emergency intervention in Europe's energy markets to tackle recent dramatic price rises. To ease the increased pressure this puts on European households and businesses, the Commission is now taking a next step in tackling this issue by proposing exceptional electricity demand reduction measures, which will help reduce the cost of electricity for consumers, and measures to redistribute the energy sector's surplus revenues to final customers.

14/9/2022 https://ec.europa.eu/commission/presscorner/detail/en/IP_22_5489

Minimum Wage

An overwhelming majority of European lawmakers voted in favor of adopting the EU's new minimum wage directive aiming to lift minimum wages in member states and strengthen collective bargaining. The EU Council is expected to formally adopt the directive later this month, which would then give member states 2 years to implement it in national law. However, the directive will not force countries to implement a statutory minimum wage if they do not have one,

which is the case for six member states. The member states that have a statutory minimum wage will have to ensure that it is "adequate".

14/9/2022 https://www.euractiv.com/section/economy-jobs/news/eu-parliament-approves-minimum-wage-directive/

EU Data Act

The European Parliament's rapporteur for the Data Act has proposed several significant changes in her draft report, including a broader exemption for the number of companies concerned by the data-sharing obligations introduced by the regulation. The Data Act is a legislative proposal intended to open up a market for data produced by connected devices. It is the second major building block of the European data strategy, following the adoption of the Data Governance Act that defined a governance framework for trading industrial data.

8/9/2022 https://www.euractiv.com/section/digital/news/data-act-leading-mep-pushes-for-sme-exemption-from-data-sharing-obligations/

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