

SPRING 2019 REFORM BAROMETER – SLOVAK REPUBLIC

European Semester - Overall assessment of 2018 cycle

	To what extent do you agree with these statements:		Detailed comments
1.	The National Reform Programme submitted by your Government (March 2018) is appropriate.	To a large extent	National reform programme tackles the key challenges identified as the hurdles for the future development of Slovakia. In some areas, such as the changes in the education, the support for the research and development or the preparation for the digital revolution.
2.	The Commission's country specific recommendations for your country are appropriate.	Yes, absolutely	The country recommendations are appropriately defined and focus on the most important problems facing the country in the current situation and in terms of the possible challenges going forward.
3.	The Commission assessment of reform implementation the year before is appropriate.	To a large extent	The evaluation tackles the key weaknesses of the Slovak administration including the lower pace of reforms in education or labour market and the structural problems in the pension and health care systems, which are accepted points. Other issues are less crucial to tackle but it is good to keep a record of them.
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	No reply	

Assessment of Country Specific recommendations 2018 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	Ensure that the nominal growth rate of net primary government expenditure does not exceed 4.1 % in 2019, corresponding to an annual structural adjustment of 0.5 % of GDP. Implement measures to increase the cost effectiveness of the healthcare system and develop a more effective healthcare workforce strategy.	Important	Satisfactory	Government has clearly stated intent to fully balance the budget within 2 years, and set the path to achieve this. However, the efforts have been achieved mostly through the increasing government revenues and not through the reform of the spending. These measures are needed to avoid a slip into deficits once the GDP growth slows down.
CSR 2	Reinforce activation and upskilling measures, including quality targeted training and individualised services for disadvantaged groups, in particular by delivering on the action plan for the long-term unemployed. Foster women's employment, especially by extending affordable, quality childcare. Improve the quality and inclusiveness of education, including by increasing the participation of Roma children in mainstream education from early childhood onwards	Extremely important	Mixed	The process of the upskilling of the disadvantaged groups is picking up very slowly alongside with the measures such as the affordable and available childcare. The problems arise for the employers which have problems to find suitable employees or keep the existing ones.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Increase the use of quality-related and lifecycle cost criteria in public procurement operations. Tackle corruption, including by ensuring enforcement of existing legislation and by increasing accountability at the level of police and prosecution. Improve the effectiveness of the justice system, in particular by safeguarding independence in judicial appointment procedures. Reduce the fragmentation of the public research system and stimulate business innovation, including for small and medium-sized enterprises.	Important	Mixed	There has been some progress in this area. However, it has not been sufficient to ensure confidence in the processes overall.

Reform Progress in your Member State in 2018

How would you assess reform progress in 2018, for the following broad areas:

Taxation and Public Finances	Satisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Satisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Excellent

Reform priorities for 2019

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	R&D and Innovation	Government needs to define the key areas of investment in the physical and digital infrastructure and set the standards on which the Industry 4.0 as well as Smart Cities.	no
Priority 2	Consolidation of public expenditures	Identifying the necessary inefficiencies and reduce the overall unsystematic spending to prepare the budget for potential future recession.	no
Priority 3	Pension and health care reforms	Strengthen the position of the second and third pillar as the alternative saving schemes for retirement and increase their attractiveness.	yes
Priority 4	Business Environment - Regulatory barriers to entrepreneurship	Increased efficiency of local and central government and decreased number of bureaucracy necessary to run a business.	yes
Priority 5	ICT	Support the development of solid education reform in the area of the ICT to prepare graduates of high schools and Universities for the market opportunities and match them with employers' needs	no