

# **Manifesto of the Government of the Slovak Republic**

May 2012

*In the parliamentary elections held on 10 March 2012, the citizens of Slovakia expressed resounding support for the implementation of a programme based on social stability, certainties for the people, and a pro-European orientation. The Government of the Slovak Republic (the “Government”) has been appointed based on that mandate and in compliance with constitutional procedures. As a starting point of its activities, the Government shall, in a permanent social dialogue, strive to eliminate the impacts of the crisis and ensure the consistent economic, social, political and environmental development of Slovakia.*

*Pursuant to Article 113 of the Constitution of the Slovak Republic, the Government presents itself to the National Council of the Slovak Republic and, along with a request for a vote of confidence, presents this Manifesto.*

*The Government has defined the following key tasks for the performance of its four-year mandate:*

- 1. Strengthen the certainties of the people by alleviating the impacts of the crisis;*
- 2. Consolidate public finances in order to bring the general government deficit below three per cent of GDP in 2013;*
- 3. Support economic growth and price stability;*
- 4. Reduce the high level of unemployment among the young and systematically tackle the problem of long-term unemployment and, in particular, regional unemployment;*
- 5. Enhance the enforceability of the law and systematically eradicate corruption at all levels of society;*
- 6. Consolidate the public healthcare system with a particular emphasis on its financial stabilisation;*
- 7. Strengthen Slovakia’s share of responsibility for achieving the strategic objectives of the European Union, advance the legitimate interests of the Slovak Republic in the European Union, and use EU funds effectively to modernise and develop the state and society;*
- 8. Foster the economic, social and territorial cohesion of society;*
- 9. Establish long-term trends for the economic, social, environmental, scientific and technological development of Slovakia and for the betterment of the quality of life;*
- 10. Be a government open to all segments of Slovak society, including through the newly established Solidarity and Development Council as a platform for dialogue with social partners.*

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# 1. SOCIAL STABILITY AND CERTAINTIES FOR THE PEOPLE

The Government is well-equipped to overcome the currently turbulent external developments, wants to be *a government of certainties for citizens* and wants to create the necessary conditions to improve the quality of life.

The stability of the current Government stems from the competence and practical experience of the SMER-SD party, as well as from the high level of trust it enjoys among citizens. Through its democratic and humane approach towards a permanently sustainable quality of life, the Government will guarantee social, economic and environmental stability in order for the Slovak Republic to be perceived as a trustworthy partner in the European Union and the world.

The Government does not perceive STABILITY as an unchangeable and undemocratic executive branch of power, but rather as the ability:

- to anticipate external and external changes through a profound knowledge of life and society, both at home and abroad;
- to be flexible and effective in reacting to changes and restore a balanced economic, social, political and economic development of society;
- to be responsible and know how to act and govern in order to ensure that the quality of life in Slovakia becomes permanently sustainable;
- to restore the hope of our citizens in that they live in a safe society governed by the rule of law where people cherish the humane and democratic principles of governance and abide by the law.

Recent developments have shown that globalisation, apart from accelerating the development of national economies, can also complicate it. This poses new challenges in terms of deepening the economic, social, environmental and territorial cohesion of Slovakia. The policy of the state will therefore be based on consolidated and permanently sustainable public finances on the one hand, and on an effective use and formation of the development potential of the state on the other. This will bring about progress on economic and social fronts, foster cohesion, and strengthen certainties in the life of our citizens. Apart from applying the tried and tested methods to cope with new challenges for Slovak society, the Government will base its policy, in particular, on creativity and flexibility in applying the latest global knowledge and experience.

The modernisation of the state for the universal development of society will be based on Slovakia's membership in the European Union. It is necessary to achieve a balance between the shared interests of the European Union and its Member States, and the advancement of the national and state interests of the Slovak Republic.

## **Basic approaches towards achieving the goals of the Manifesto:**

In all its endeavours, the Government will strive to ensure the unity of the economic, social, political and environmental development of Slovakia and maintain these four components in balance.

The Government will strengthen the position of Slovakia in the European Union and the world. It will support a broad discussion on bringing EU policies and the decision-making processes of EU institutions closer to the citizen. The Government will equally support efforts

by the European Union to attain sustainable development based on balanced economic growth and price stability, as well as the endeavour to develop a social market economy. It will pursue a balanced foreign policy, with a particular emphasis on advancing Slovakia's national and state interests and strengthening the economic dimension of diplomacy.

The Government will support the universal and permanently sustainable economic development of Slovakia as a prerequisite for the creation of new quality jobs and for the betterment of the material and technical conditions for all activities in society. The Government will set the main direction for turning Slovakia into a competitive economy based on knowledge, social cohesion and environmental development. This will create prerequisites for faster and sustainable economic growth, higher employment and social progress. The Government considers it essential to put in place a comprehensive system of support to 'green' growth so that 'greening' becomes a driving force of change in the production process and customer behaviour as a prerequisite for the development of modern society.

The Government will extend the scope and content and strengthen the intensity of those functions of the state which have been inadequately weakened in the recent past. It will redefine the boundaries for state interventions, as well as the irreplaceable role of the state in ensuring the provision of public services in general interest, overcoming impacts of the crisis and enhancing the quality of life in Slovakia. The Government will create conditions ensuring rigorous respect of the rule of law and law-abiding conduct, strengthening legal certainty and combating organised crime.

The Government will deploy a wide variety of means to support the development of a knowledge-based society, education and culture. Rather than catching a "modern wave", this will be done in reaction to the actual needs that are essential in terms of making the development of Slovak society more dynamic.

The Government will foster the cohesion of society as a main prerequisite for the betterment of the quality of life. The Government suggests that orientation be primarily on such values as the family, work as a source of income for a decent life, care for health, quality of life for senior citizens, education of children, housing, and social policy.

The Government will create conditions for the development of regions and for the elimination of regional disparities, particularly through investments in infrastructure and production aimed at strengthening individual regions. It will support the elimination of regional disparities within a unified Europe through the efficient and effective use of EU funds earmarked for that purpose.

## **2. STRENGTHENING THE POSITION OF THE SLOVAK REPUBLIC IN THE EUROPEAN UNION AND THE WORLD**

The membership of the Slovak Republic in the Euro-Atlantic and European structures is the main determinant of its international position in that it provides adequate opportunities to influence, in line with Slovakia's interests, those international decisions and processes which have an immediate impact on the quality of life of our citizens.

The European Union is the main context which influences everyday life and developments in Slovakia. The anchorage of Slovakia in the European Union enables our citizens to feel safe politically, economically and socially.

The Government, as *a government of certainties for citizens*, shall actively support and further all efforts aimed at ensuring a permanently sustainable development of Europe based on balanced growth, price and monetary stability, and a highly competitive social and environmental market economy. The objective is to improve the quality of life for citizens through high employment, social development, corresponding standards of environmental protection, and strong support of scientific and technological progress.

The main guarantee of security for the Slovak Republic stems from its membership in the North Atlantic Alliance (NATO). Maintenance of strong trans-Atlantic links remains in Slovakia's vital interest.

The Government will contribute towards the success and proper functioning of both groupings, the EU and NATO, for they truly underpin Slovakia's international position.

In defining its tasks in the foreign policy area, the Government also takes into account the key development trends and challenges of the 21<sup>st</sup> century.

The Government will therefore pursue its foreign policy against the backdrop of the following priorities:

- Trustworthy and respected Slovakia in Europe;
- NATO, a stable and reliable partner and the guarantor of Slovakia's security;
- Development of bilateral relations with the EU and NATO members; specifically arranged and equipollent relations between Slovakia and its neighbours;
- Support of the enlargement of the area of stability, democracy and partnership, with particular emphasis on the Western Balkans and the Eastern Partnership;
- Support of economic interests, investment, innovation and energy security;
- Responsible approach towards tackling global challenges using the potential of international organisations;
- Assistance to and protection of Slovak citizens abroad;
- Respect for and strengthening of international law and international institutions, including effective enforceability of international law as a key instrument for the protection of state sovereignty.

## **Main lines of Slovakia's foreign policy and relations with the EU**

The European Union represents the primary context for the pursuit of Slovakia's key interests. In 2014, the Slovak Republic will mark the 10<sup>th</sup> anniversary of its EU membership. The Government will analyse experiences gained so far and set priorities for Slovakia's future activities in the EU. It will base its considerations on the fact that, upon accession to the Schengen area, adoption of the single European currency and termination of the transitional periods for the free movement of workers, Slovakia has attained the maximum degree of integration.

The Government will support decision-making processes based on the common approach of Member States and EU institutions in taking decisions on the rules for the functioning of the EU. The Government will pay particular attention to the horizontal and multi-annual strategic EU issues which have a direct impact on the implementation of critical tasks in the area of public finance, economy, regional and social development, security and foreign policy of the Slovak Republic. It will focus, among other things, on the preparation of the Multiannual Financial Framework 2014–2020, implementation of the Europe 2020 strategy, stabilisation of the financial environment and the euro, on ways to support further deepening of the single market, on the development of strategies aimed at enhancing energy security, as well as on EU external relations within the context of Slovakia's foreign-policy priorities.

The Government will be a responsible and constructive partner within the eurozone. In view of the debt problems in the eurozone, the Government considers enhanced coordination of fiscal policies essential.

In tune with its clearly pro-European stance, the Government will take steps leading to the swift ratification of the three new treaty instruments: Treaty establishing the European Stability Mechanism, Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, and amendment of Article 136 of the Treaty on the Functioning of the European Union.

Based on a thorough analysis experience gained hitherto from Slovakia's membership in the EU, the Government will reassess the implementation of policies and instruments for social and regional cohesion and improve the conditions for the effective uptake of EU funds as an important tool for economic, regional and infrastructural development. The Government will strive to include all beneficiaries of support from the structural and cohesion funds in a discussion on the development of policies in this area.

The negotiations on the new EU's Financial Perspective for 2014–2020 pose a challenge in terms of making the most effective use of the added value which the EU represents on the global scene. In negotiations on the Multiannual Financial Framework (MAF), the Government will focus on those objectives that facilitate convergence and regional development in the EU, and on support to the cohesion policy. The Government will pay particular attention to removing historical imbalances and modernising the Common Agricultural Policy. At the same time, the Government will press for the highest possible added value and effectiveness of expenditures from the EU budget and focus on achieving an optimum budgetary position for Slovakia.

In the implementation of the *Europe 2020 strategy for smart, sustainable and inclusive growth*, the Government will focus attention, in the context of the MAF negotiations, on achieving a high level of employment and social protection, minimising social exclusion, providing high-quality schooling and vocational training, ensuring proper healthcare, and supporting science, research and innovation.

In the area of sectoral policies, the Government will pay primary attention to the development of EU legislative frameworks for energy, transport infrastructure, internal market development, environmental protection, and measures designed to mitigate climate change, as well as to the development of EU trade policy vis-à-vis third countries.

The Government will actively participate in the process of creating the EU Common Foreign and Security Policy, mainly in the areas of specific interest to Slovakia: the Western Balkans, the European Neighbourhood Policy and the Eastern Partnership, support to democracy and transformation, energy security, service to citizens, and crisis management. The Government will support EU enlargement with those countries that meet the criteria for accession. Slovakia will actively contribute to this process by sharing its experience from the transformation and integration processes.

One of the specific tasks for the Government in the upcoming term of office is to prepare Slovakia for its EU presidency in the second half of 2016, which the Government perceives in the context of promoting Slovakia, strengthening its position within the EU, and ensuring its broader participation in the formation of key EU policies. To this end, the Government will focus on the thematic, budgetary, personnel, logistical and organisational preparations for the presidency.

The Government will be actively communicating topical EU themes to the Slovak public in order to bring the EU closer to citizens and deepen their understanding of the integration processes following the adoption of the Lisbon Treaty. The Government is interested in promoting a broader discussion within Slovakia on the important issues of EU policies. The Government will seek to ensure a broader participation of citizens in the decision-making processes at the EU level, incorporate EU themes and topics into the curricula at schools, and support the training, preparation and secondment of Slovak nationals to EU institutions.

In order to foster a uniform and consistent European policy, the Government will continue to emphasise the need to strengthen the national coordination of processes in the development and implementation of EU strategies and policies, with the Ministry of Foreign Affairs of the Slovak Republic in the lead. For this purpose, the Government will streamline the national mechanism of “infringement proceedings” for non-compliance with EU Treaties. Strengthening the EU agenda across all ministries, including by wider participation of Slovak nationals in the work of EU institutions, remains a long-term priority.

In order to ensure continuity and rally a broad political support across party lines behind the strategic policies of the EU, and in line with the Lisbon Treaty which strengthened the role of the European Parliament and of national parliaments in the decision-making processes, the Government will closely coordinate its activities with the National Council of the Slovak Republic and relevant ministries, and cooperate with the European Parliament. The Government will ensure the dignified course of election to the European Parliament in 2014.

The Government will encourage effective participation of social partners in the preparation of EU legislation and in discussions on key EU policy papers and strategies. The Government will seek to support the activities of various business, professional, regional and other associations from Slovakia in Brussels.

### **Strengthening the security of the Slovak Republic**

The Slovak Republic, as a reliable partner and ally, will actively use its membership in the EU and NATO to strengthen peace and stability in Europe and the world and prevent crises and security threats, including by active participation in peacekeeping missions.

In light of the interests and commitments of the Slovak Republic in the area of security and the need to further strengthen the trans-Atlantic link, the United States and other NATO members represent Slovakia's main allies and guarantors of security.

In the context of the North Atlantic Treaty Organization (NATO), the Government will focus on:

- active participation in the transformation process of the Alliance;
- more effective use of NATO's resources and capabilities;
- strengthening of joint defence commitments;
- development of strategic concepts with particular focus on the ability of the Alliance to respond to asymmetric threats and the cyber security issue;
- advancement of a deeper partnership and cooperation between the EU and NATO in the area of crisis management.

The Government will support the inclusion of Slovakia in multi-national projects within the Smart Defence framework.

The Government will actively advocate NATO's open door policy as a means to broaden the area of security and stability.

### **Bilateral relations and neighbourly cooperation**

The Government will develop bilateral relations based on the principles of democracy, rule of law, universality, indivisibility of human rights and fundamental freedoms, respect for human dignity, equality, solidarity, international law, and the Charter of the United Nations.

The main line for the regional dimension of Slovakia's foreign policy reflects the principles of good neighbourly relations based on partnership, equality of states and a dialogue with the Czech Republic, Republic of Poland, Republic of Austria, Hungary and Ukraine, focusing on the support of the economic and social dimensions, territorial cohesion and solidarity.

The Slovak Republic will continue to play an active role within the V4 grouping, focusing in particular on those common themes which the V4 countries can jointly advance in the EU context and on other relevant forums.

The Slovak Republic will foster a targeted, assertive and thematically clearly defined cooperation with all members of the EU and NATO. In contacts with these countries, Slovakia will be actively presenting its views with the objective of effectively contributing towards the formation of EU policy.

The Common Foreign and Security Policy provides a framework for both active and passive strengthening of Slovakia's position in international relations. Slovakia will attach particular importance to developing bilateral cooperation with countries in the EU's immediate neighbourhood – first and foremost with the countries of the Western Balkans and the Eastern Partnership.

With a view to the economic and foreign-policy interest of the Slovak Republic, and taking into account objective possibilities, goals and needs, the Government will also develop bilateral cooperation with other partners in the international community. It will specifically focus on developing relations with the Russian Federation and other BRICS countries, the so-called emerging economies (China, India, Brazil, South Africa), with Turkey, Japan, South



Korea and Australia, and also with the traditional partners in the Arab world, Asia, Africa, Latin America, and other regions of the world.

### **Global politics and multilateral relations**

The global developments of the 21<sup>st</sup> century are significantly changing the political, security and economic map of the world. These changes may also bring new opportunities to Slovakia. The Government will support the development of the international order based on multipolarism with the aim of strengthening the functioning of international institutions.

The Slovak Republic will make the best possible use of its membership in various international organisations, with particular emphasis on the UN, OSCE, CoE, OECD, WTO, FAO, ILO and others, to advance solutions based on the principles of international law and effective multilateralism. Along with other EU Member States, Slovakia will press for the strengthening of the mechanisms available to international organisations to tackle global threats and problems that jeopardise social-economic stability, peace and security.

The Government will:

- pay particular attention in the UN context to the issues of democracy, rule of law, human rights and freedoms. The Government will oppose any manifestations of extremism, racism, intolerance, xenophobia, aggressive nationalism and anti-Semitism and pay increased attention to international cooperation in the fight against drugs, human trafficking and other forms of organised crime;
- will actively support action taken by the international community in combating global security threats, such as the proliferation of weapons of mass destruction, accumulation of conventional weapons, and international terrorism. The main instruments in this area include the EU's Common Foreign and Security Policy, NATO and the OSCE platform;
- advocate active participation of the Slovak Republic in processes involving the control of disarmament, liquidation of chemical weapons, and control of exports and imports of conventional weapons and dual-use technologies;
- make effective use of its membership in the OECD, which acts as a coordinator of economic and social-political cooperation among member states, as a mediator of new investments and an advocate of global trade liberalisation with the aim of fostering further economic development, reducing unemployment, and stabilising and developing international financial markets.

The list of the Government's priorities furthermore includes:

- Strengthened energy security. At all relevant forums, the Government will continue to accentuate the areas of Slovakia's priority interest, in particular the security of energy supply (natural gas, oil) and press for the achievement of the diversification and innovation objectives;
- Environmental protection and adoption of effective international measures aimed at reducing the pace and alleviating the consequences of climate change. Specifically in the national context, the Government will exert further effort to reduce the share of energy-intensive industrial production by shifting focus to the so-called "green economy" and protection of biodiversity;

- Considerate approach towards human rights, including the rights of the persons belonging to national minorities. In this connection, the Government will support various activities aimed at preserving the culture, tradition and language of Slovaks living abroad. It will take the necessary systemic and organisational measures, use the potential of various organisations, including churches, and further the dialogue with partners abroad;
- Development and humanitarian aid provided under international commitments taken in the light of the broad spectrum of global challenges which Slovakia, as a member of the donor community, faces. The Government will focus on enhancing the effectiveness, flexibility and transparency in the provision of the Official Development Assistance (ODA) in order to create synergies with the advancement of Slovakia's economic activities. To this end, the Government will support the revision of the Act on Development Assistance.

### **Economic diplomacy**

Economic diplomacy will constitute one of the main pillars of the Government's activities in the foreign policy area. The Government will pay primary attention to promoting Slovak exports and tourism, attracting inbound foreign investments, ensuring currency stability, bringing Slovak producers up to par with other producers on the EU internal market, and fostering energy security. The Government will adopt the systemic and organisational measures necessary to achieve the objectives in this area and will put in place institutional frameworks for better coordination of all ministries in achieving the economic diplomacy objectives. The Government will cooperate with all relevant stakeholders, in particular with the Slovak Chamber of Commerce and Industry.

The Government will provide versatile and effective support to all Slovak businesses. As part of its pro-export policy, the Government will seek to tap the potential of the fastest -growing economies in terms of identifying new business opportunities and will align the priorities of the development assistance to fit this purpose. The Government will focus on enhancing the export-support capacities of *Eximbanka*.

The Government will engage business stakeholders in the planning, organisation and design of those parts of Slovakia's foreign policy that are of direct relevance to them. Through the Trade Promotion Board, the Government will ensure better interconnection and interaction among all stakeholders in the area of economic diplomacy in putting through their commercial and economic interests abroad.

In order to support economic development, enhance competitiveness and create new jobs, the Government will seek to attract foreign direct investments, mainly in areas with higher added value. It will promote the development of scientific and technological cooperation with a direct impact on the development of Slovakia as a knowledge-based economy and, to this end, will also promote the system of education and training for highly qualified experts. The Government will follow up on innovation policy projects, already existing or under preparation, and will press for a more active involvement of the Slovak Republic in international transfers of modern technologies.

On the foreign policy front, the Government will strive to maintain the position of Slovakia as an important transit territory. Given its geographical location and economic potential, Slovakia stands a good chance of developing into an internationally important logistics hub. The Government will support the project of a broad-gauge railway from Košice to Bratislava and Vienna subject to its economic feasibility.

The Government will commission its relevant Deputy Prime Minister to take the necessary systemic and organisational measures aimed at ensuring uniform steering and management of the work of bilateral intergovernmental commissions. Adequate attention will also be paid to completing the system of a synchronised presentation of Slovakia abroad, with particular emphasis on ensuring maximum synergies between cultural values, economic interests and tourism promotion.

### **Service to Slovak citizens abroad**

The Government will improve the system of defending the rights and interests and providing protection to the growing number of Slovak nationals who travel, live or work abroad, particularly through the provision of high-quality, effective and accessible consular services and assistance in various standard and crisis situations they may find themselves in. In those countries where Slovakia is not represented, the Government will cooperate with the missions of other EU Member States and with EU delegations on the ground. The Government will continue its discussions with other EU Member States on visa representation agreements.

### **Modern and professional foreign service**

Since the foreign service must always be flexible and competent in tackling various foreign-policy challenges, the Government will accentuate the responsibility and redefine the competencies of the Ministry of Foreign Affairs as a body of central administration responsible for the implementation of a coordinated foreign and European policy of the Slovak Republic.

In pursuing its foreign policy objectives, the Government will cooperate with the academic and scientific community, educational establishments, non-governmental organisations and other relevant stakeholders.

Based on the experience gained so far, the Government will evaluate and provide for a stable, professional and economically efficient performance of the foreign service. It will adopt the necessary organisational, financial and personnel measures designed to enhance the effectiveness and transparency of the financial management of the service. The Government will revise the existing network of Slovak diplomatic missions aimed at strengthening the protection of the interests and rights of the Slovak Republic and its citizens. In close interaction with the Ministry of Foreign Affairs and the Ministry of the Economy, the Government will pay significant attention to developing the economic dimension of diplomacy as an integral part of the coordinated foreign policy of the Slovak Republic.

The Government will strengthen the legislative and system framework for the activities of its foreign service by amending the Foreign Service Act in order to create prerequisites for enhancing the professionalism and expertise of the employees of the Ministry of Foreign Affairs of the Slovak Republic.

### **3. SUSTAINABLE ECONOMIC DEVELOPMENT**

#### **Factors of economic development**

The developments outside Slovakia have been exceptionally turbulent since 2008, which makes the need to provide certainty for our citizens ever more pressing.

The Government, as *a government of certainties for citizens*, will guarantee sound and sustainable economic growth through a competitive real economy in the global context, which:

- is not based predominately on cheap labour, uncertainty in industrial relations, impaired health and safety at work, agency work, speculation and fraud,
- derives its global competitiveness from employees who are able to work with state-of-the-art international technologies, methods and techniques and are capable of using them flexibly and improving them further,
- cooperates with an efficient public administration that creates the basic framework for a stable business environment,
- develops a modern and competitive infrastructure capable of communicating with the outside world,
- operates in a stable legal framework which is respected and enforceable,
- is further enhanced through open and equal social dialogue.

The Government is convinced that the economic prosperity of Slovakia and its sustainable economic growth can be achieved through a full convergence of our economy with the economies of advanced EU Member States, while preserving a sufficient level of socio-economic cohesion. The Slovak Republic must, however, meet these conditions:

- stability,
- favourable business environment,
- growing competitiveness.

The economic crisis has already consumed significant resources which have been deployed to alleviate its negative impacts; however, it has also unveiled certain deficits that have been hidden so far. Future economic development requires an increased efficiency of the public sector, while preserving the fundamental values of solidarity and cohesion.

In particular, the development of economic growth, public finances and unemployment indicate that the impact of the global crisis will be reflected in higher costs to achieve stable economic growth and preserve the necessary socio-economic cohesion. This will require a more efficient fiscal performance and better effectiveness of economic policy measures within the framework of consolidated and sustainable public finances. The fiscal and economic policies focusing on those aspects of public finances and the real economy that shape up the future development will be the main instruments in achieving a balanced and sustainable development of Slovakia's national economy. These policies will be drafted in a manner strengthening Slovakia's orientation on the values enshrined in the Constitution - sustainable social market economy, environmentally-friendly economic development, and enhancement of life's certainties for the people.

The Government will keep the general government deficit and gross government debt at levels agreed to with the European Union. It will send out a clear signal towards the financial

markets about its consolidation efforts in line with the Fiscal Responsibility Act and will increase transparency in public finances.

The Government will take measures to improve the databases used to support the administration of public finances.

In order to make the management of public finances more efficient, the Government will implement changes designed to increase the efficiency of public spending. The improvement in the overall management of public finances will be achieved through improved programme-based budgeting, maximum flow of additional public funds through the State Treasury system, and introduction of more sophisticated instruments to manage the general government debt. These measures will improve the projections of costs associated with the government debt service, make the audit of public funds more rigorous, and ensure a more robust flow of funds through the single government account, thereby increasing the amount of liquidity available for debt service.

The Government will honour its commitments towards the European Union and support enhanced cooperation within the monetary union.

The Government will oversee the planned and actual financial performance of companies with capital participation of the state in order to fully use their potential in consolidating public finances on the revenue side in the form of dividends, as well as on the expenditure side through the cost of services provided in public interest.

### **Fiscal policy**

In the absence of domestic monetary policy, the Government will focus on improving the efficiency of fiscal-policy instruments in socio-economic development, as well as in achieving consolidation and long-term sustainability of public finances.

In line with the above-mentioned objectives, this will involve a balanced and market-conform approach designed to strengthen and enhance the efficiency of the state in performing the allocating, distributing, incentivising and stabilising functions of public finances through systemic development and efficient use of budgetary and taxation policy instruments. The objective is to gradually create conditions conducive to the development of a knowledge-based society while strengthening macro-economic stability and supporting business development, with particular attention to job creation. The Government will give priority to such financial support of healthcare and social services that would enhance their efficiency and quality.

In the years to come, the Government will give political priority to productive areas, with particular emphasis on education, research and transport infrastructure.

The Government will take steps to remove distortions in the system of tax and social contributions. In order to increase public revenue, the Government will review the current setup of bank levies. The revenue side of the budget will also profit from a higher tax on gambling and a more efficient financial performance of companies with capital participation of the state, yielding higher dividends for the state budget. With the aim of enhancing the motivation of the private sector to invest in research, development and innovation, the Government will consider possibilities of granting special tax benefits to businesses undertaking their own research and development.

The Government will take steps in order to ensure the financial and social sustainability of the retirement pension system as a whole, i.e., all three of its pillars. The Government expects further savings after the reform and audit of the state and public administrations aimed at

reducing expenditure and improving the quality and availability of their services through centralised procurement or by establishing a state real estate agency.

Through its fiscal and tax policies and considerable improvements in the management of state financial assets, the Government will open new possibilities to make additional funds available for the business sector and public services. The Government will coordinate the use of public funds by ensuring timely and efficient uptake of EU funds. Target-oriented and systemic tax policy will ensure sustainable socio-economic growth in the long run. The Government will introduce long-term strategic planning with the aim of enhancing the efficiency and social justice of the taxation system and, at the same time, supporting business.

For the medium-term consolidation targets to be achieved, it will be necessary to increase the share of public revenues in GDP so as to avoid cuts in public services for citizens. The Government will also strive to redistribute expenditures across the public sector in order to react in a more focused manner to the current and future needs of citizens.

The Government rejects the idea that taxes on consumption represent the only source of raising public revenue in order to achieve the deficit-reduction target. Emphasis will be placed on such taxes that have the least impact on the disposable income of citizens in low-income groups or on economic activity, or on taxes that are relatively low compared with other countries. The tax rates will be raised on a progressive basis for natural persons with above-standard income, as well as for legal persons. The Government will consider an increase in property tax and will take into account such factors as luxury or negative environmental impacts.

The Government will take steps towards spreading the tax and contribution burden between capital and labour more evenly. Taking into account the experience in neighbouring countries, the Government will consider the introduction of a financial transaction tax.

The Government will complete the tax administration reform through the UNITAS programme, which will provide additional budgetary funds by unifying the collection of taxes, customs duties and social contributions and by suppressing tax evasion.

### **Combating tax fraud**

One of the key tasks of the Government is to combat tax fraud in an uncompromising, strategic and systematic manner in line with the principles of a just and stable society and in the interest of consolidating public finances in a sustainable manner. The Government will draft an Action Plan to combat tax fraud with a detailed timetable of introducing individual measures and incentives for the involvement of the general public in this process. These measures will comprehensively address tax fraud, including customs duty fraud, both in direct and indirect taxation, through efficient legislation, but also through a set of operative instruments. The Government will adopt measures preventing fraudulent conduct in the dissolution of companies. These measures will increase the liability of the persons who act as statutory representatives of companies in the time leading to their dissolution. The Government will analyse possibilities to put in place appropriate legislative and institutional frameworks to interlink the commercial, tax and criminal laws. It will evaluate the efficiency of the currently applicable Criminal Code and the Code of Criminal Procedure and analyse a possibility of defining new crimes related to tax fraud.

### **Consolidation of public finances**

Consistent consolidation of public finances is a precondition for sustainable development of Slovakia, not only at times of uncertainty on financial markets. Reducing the general government deficit below 3% of GDP by 2013 is the primary target in this area. It is necessary

to implement measures on both the revenue and expenditure side of the government budget. The Government will focus on measures which, in an effort to reduce the deficit, will not stall economic activity and growth and will not have a disproportionate impact on the most vulnerable parts of society.

On the expenditure side, the Government will continue to exert pressure on making the functioning of the state more cost-efficient not only in the area of public procurement, but also in the setup of state institutions. It will review the current structure of state administration in order to enhance the efficiency of its work and reduce the cost of operation.

The Government will use the constitutional Fiscal Responsibility Act to strengthen long-term sustainability of the government fiscal performance in order to guarantee social and economic cohesion in society and solidarity between the current and future generations. In its budgetary policy, the Government will thoroughly apply the rules laid down in international treaties and instruments.

### **Audit and control**

The current economic crisis underscores the necessity of focusing on better quality in the provision of public services, but also on increased responsibility and better governance in the structures of public administration. A need has arisen to improve mechanisms for the early detection of hidden systemic risk within the financial management of public administration. One of the Government's goals is to create such a system of internal audit and control which provides assurance that public funds are spent wisely, efficiently, effectively and usefully. A correct and efficient setup of the system of internal audit and control is one of the important tools the Government can use to detect hidden systemic risks and prevent crime and fraud.

Corruption is a phenomenon in society that is perceived as one of the greatest threats to the stability of a democratic state governed by the rule of law, market economy, and social and economic progress. Combating corruption requires a fundamental systemic approach by which the Government reduces room for corruption across all sectors of public administration and thereby improves the efficiency of public asset management at all levels (central government, public institutions and local governments), of government subsidies, EU funds, and public procurement.

The Government will press for the cost-efficient use of public funds and will set up an effective system of sanctions. It will enact effective sanction mechanisms focusing, in particular, on breaches in the procedures and conditions applicable to public procurement, and on non-economical spending of public funds. It will make the drawing of EU funds more flexible and thus facilitate and accelerate their overall absorption in order to minimise the risk of abuse. It will create conditions for the application of the Act on Obligation to Prove the Origin of Assets.

The Government will act more decisively against continuing threats resulting from the large volume of the shadow and undeclared economic activity. It will adopt legislative and institutional provisions enabling effective fight against tax fraud, mainly by interlinking the commercial, tax and criminal laws, both in procedural and substantive terms. The objective of these measures is to facilitate the prosecution of tax fraud and, at the same time, eliminate money laundering and terrorism financing.

The Government appreciates that, in line with the Lisbon Treaty, the EU strives to achieve sustainable development in Europe based on balanced economic growth and price stability. It will therefore support the price stability of goods, services and utilities within the boundaries of EU legislation. In cases where self-regulatory market mechanisms fail, it will adopt

appropriate measures, in line with EU legislation, in order to avert undesirable price developments.

In cooperation with other EU Member States, the Government will support the adoption of an effective regulation and transparent policy in the financial sector, mainly the uniform oversight rules in EU Member States.

### **Financial market and protection of market participants**

The Government will review and, in cooperation with the National Bank of Slovakia, propose and implement an effective and appropriate scheme for the protection of consumers on financial markets. The aim will be to ensure comprehensive protection of the rights of all non-professional investors and depositors against the potential failure of financial market entities, as well as to strengthen prevention in this area. The Government will support a long-term financial-market education scheme for the general public.

The Government will create conditions to eradicate unfair practices in the financial markets by enhancing the efficiency of regulation relating to consumer credits.

### **Economic policy**

The Government will pursue an economic policy that comprises sectoral and horizontal policies as the main tool to promote the development of the real economy. It will make individual parts of its economic policy mutually consistent and complementary in order to create the maximum possible synergies.

The main task of individual economic policy components is to develop the growth potential of the economy. Particular emphasis will be placed on providing appropriate support to promising business opportunities in the knowledge-based economy. It is of key importance for the Government to revive industrial research and development primarily in these areas: nanotechnologies, digital industry technology and innovative technologies in the food industry, and innovative medicine. To this end, the Government will promote the establishment of technological platforms and their more efficient involvement in the European Research Area. In order to make a better use of the R&D potential in practice, the Government will introduce a more incentivising mechanism of acknowledging those authors whose ideas are successfully implemented. It will consider possibilities to motivate the private sector to invest in research, development and innovation.

The Government will carefully consider bringing the ongoing privatisation process to an end and dissolving the National Property Fund in an efficient manner so as to avoid additional impact on the state budget and eliminate any economic, legal and commercial risks.

The Government will reassess the number of national holidays and bank holidays and, subject to unanimous agreement of social partners, will propose appropriate reduction in their number.

### **Higher profitability of state assets and improved business function of the state**

The main goal of the policy focused on increasing the profitability of state assets and improving the quality of the business function of the state is:

- to strengthen public finances through growth in non-tax revenues;
- to improve competitive environment;
- to consolidate the stability of the national economy;
- to foster employment.



The strengthening of public finances through increased profitability of state assets and improved quality of the state's business function is of particular importance these days, when the government's cost of supporting economic growth has risen as a consequence of the global economic downturn. This requires additional revenue in the government budget to an extent that neither hampers the dynamism of economic growth nor impairs the quality of the business environment. The success in achieving this objective will largely depend on appropriate legislation, providing a transparent setup of the legislative and systemic frameworks for the state as the owner, which will foster efficiency and minimise opportunities for cronyism and fraud.

### **Business environment**

The creation of a stable environment conducive to doing business is a key task for the Government, since such an environment creates conditions for economic growth. Any non-systemic changes introduced as a result of lobbying by small groups of businesses must be avoided. The stability of the business environment will mainly be based on reduced administrative burden, effective enforceability of the law, and a consistent legislative framework which is easy to apply. In addition to simplifying the tax and social contribution rules, this will also require a new approach to granting financial and non-financial support to those businesses that provide employment in regions, as well as cooperation with large foreign investors in the areas of certification and logistics support and in the training of a qualified workforce.

In the pursuit of its economic policy, the state will influence the business environment also by enhancing its "organisational" function through the development of individual policies and, in particular, through their efficient and effective coordination. Apart from economic measures, the Government will also support legislative initiatives aimed at facilitating doing business. The Government will continue fine-tuning the rules and conditions designed to streamline and speed up the setting up of businesses. It will support the activity of integrated one-stop-shops which provide businesses with a single interface in their dealings with public administration.

The Government will facilitate doing business by streamlining the tax and social contribution requirements. It will speed up and streamline the enforcement of law in business relations. The Government will create conditions enabling the temporary swap of overdue taxes and social contributions for an equity stake as one of the ways of overcoming the momentary insolvency of otherwise promising businesses. The Government will seek to improve bankruptcy and liquidation proceedings.

The Government will focus on unifying the rules and contractual terms and conditions, taking into account European standards and practice in advanced EU Member States, and will implement Directive 2011/7/EU on combating late payment in commercial transactions.

In order to improve the quality of the legislative process, the Legislative Council of the Slovak Government will expand to include representatives of the social partners.

### **Small and medium enterprises**

Fostering small and medium enterprises (SMEs) is a key precondition for the creation of jobs in the regional context. Development of transport infrastructure and accessibility are essential in terms of ensuring commuter mobility of workers. At the same time, promoting professional and territorial mobility is one way to foster regional employment.

SMEs have to be more involved in the manufacturing networks of supranational corporations. The state will create a stable business environment, including incentives for SMEs to successfully participate in global network structures. The Government will extend the

application of EU principles for the development of small and medium enterprises (SBA – Small Business Act). SMEs must be the backbone of development in regional employment and will mainly utilise local natural resources.

As part of its economic policy, the Government will improve the economic, fiscal and institutional frameworks in order to speed up the development SMEs in all industries of the national economy as a key factor to boosting employment. The Government will support the business environment by reducing the administrative burden through systemic regulations related to the scope of statutory accounting, financial statements and annual reports.

In order to ensure proper administration, obtain reliable information on the actual situation and future trends in the business sector, and also to increase employment, the Government will devise a comprehensive analytical system. The system will focus mainly on the micro-monitoring of the business environment, evaluation of legislative changes, monitoring of undesired imports and their impact on the economy, and efficient public spending on job creation and regional development.

### **Reviving investment activities**

The Government will create conditions for an attractive investment climate for local and foreign investors. The Government will propose a reduction in the minimum eligible amount of investment specified in the Investment Aid Act and, concurrently, evaluate the threat of new investment to local manufacturers. As for the inbound foreign investments, the economic policy will mainly focus on supporting investors already present in the country in expanding their activities in Slovakia through post-investment services and their more intensive involvement in industrial research and development. The Government will promote those investments that entail the best available technologies with a minimum environmental impact. The Investment Agency will be converted into an inter-institutional entity that will intensify the search for new high-quality investors in all areas. These areas will include the manufacturing of materials, logistics, energy, tourism and services, but mainly support to local R&D units of supranational corporations.

### **Employment**

The economic policy of the Government in the area of employment is based on the fact that the labour market may not be regarded solely as a system behaving flexibly and reacting quickly to the changes on the market with goods and services. The strategy of job creation and future employment relations must create such an internal and external environment that will be able to continuously reinstate the balance between the economic needs of businesses and society on the one hand and the capacity and efficient motivation of employees on the other. Strategies of businesses have to be based on their capacity to weather short-term cyclical fluctuations in the sale of labour, goods and services. This can be achieved mainly by applying flexible technological and management processes, along with the ability to anticipate changes in a global environment and to react strategically.

High-quality jobs are created in the process of improving human work. That is another reason why the employment policy of the Government will focus on creating such conditions, using market-conform instruments, which allow the economy to not only use labour efficiently but also to enhance its quality. This is related to sustainable growth in the quality of workers' life, based not only on short-term but also on long-term certainty. The main short-term objective of the Government is to reduce high unemployment, with a particular focus on youth unemployment and unemployment of new graduates, as well as addressing long-term unemployment. Unemployment has to be reduced through an economic policy based on long-

term integrated policies aimed at job creation. To this end, the Government will draft separate programmes within the framework of its economic policy:

- Employment of young people, their preparation for a smooth entry into the job market, including a better correlation between the needs of the economy and the education of graduates. Reallocated funds from the EU structural funds will be used to this end in order to promptly turn around the negative situation in youth unemployment;
- Solutions to long-term unemployment using a structure of active labour market policy instruments, mainly increasing their efficiency for certain specific target groups;
- Enhancing the monitoring of the labour market accompanied by a systematic evaluation of the effectiveness of programmes adopted while improving the participation of social partners in their drafting and implementation;
- Targeted support of life-long learning in order to develop human and social capital at the level of companies, especially in small and medium enterprises;
- Reducing the administrative burden on the business sector, including a simplification in the tax and social contributions system;
- More regionally-differentiated support to small and medium enterprises;
- Creating green jobs in the areas of water and waste management, construction, the energy sector and in research, development and innovation, in environmentally-friendly technologies and production processes;
- Expanding the production of Slovak companies supplying their output to strategic manufacturers in Slovakia, in the V4 countries and in Austria.

The implementation, audit and development of these programmes will be a dominant task of the newly established Solidarity and Development Council of the Government of the Slovak Republic and of the partners in social dialogue.

## **Industry**

The growth of industrial production is and will remain a dominant factor of economic growth in Slovakia. It is of key importance in terms of ensuring certainty for the people and stability for Slovak society. The goal of the Government's economic policy is to ensure that the manufacturing sector develops at a pace necessary to bolster the convergence of the Slovak economy with the advanced EU Member States both in terms of speed and quality. The Government will strive to enhance the competitiveness of the manufacturing sector by supporting innovation and encouraging investment in state-of-the-art technologies with high added value. The manufacturing sector must get involved in the global economy through its own activities, supported by the state, not only through multinational monopolies operating in our country.

In order to achieve this goal in the most efficient way, the Government will mainly focus on:

- gradually reducing the vulnerability of Slovak industry to the fluctuations of the global economy by supporting state-of-the-art and promising manufacturing sectors with high added value, for instance mechanical engineering for the energy sector;
- supporting goods and services with high added value by increasing the innovation potential of the science and research sector and its better integration with the industry based on a comprehensive research strategy for the industry;

- reducing the energy and raw-material consumption of the economy;
- creating conditions for efficient, rational and sustainable use of local non-renewable resources such as magnesite;
- minimising negative environmental impacts of manufacturing.

## **Energy**

In the energy sector, the Government will follow up on the Energy security strategy of 2008. This is a key factor influencing all sectors of the national economy and the functioning of the entire society. Energy security constitutes an integral part of strategic security.

The Government regards sufficient energy security for the economy and an undisrupted life in households as one of the critical elements of the security of the state. The Government will thus foster the development of a new energy architecture based on the single energy policy of the EU. The Government will create conditions for self-sufficiency and export capacities in electricity production, an optimal energy mix, with emphasis on low-carbon technologies and increased energy efficiency. Given its geographic location, the Slovak Republic could become an important link in providing energy stability not only in its territory, but also for the EU. The Government will speed up the preparations for the construction of a new nuclear site in the area of Jaslovské Bohunice and will use all possibilities to speed up the completion of the 3<sup>rd</sup> and 4<sup>th</sup> unit of the nuclear power plant in Mochovce. The main priority of the Government (in the nuclear energy sector) will be to attain high security standards for all nuclear facilities.

The Government will enhance the security of supplies and independence from a sole supplier, thus improving the competitive environment by intensively developing links with gas networks, including the use of LNG and links with electric grids in the neighbouring countries.

It will further strive to improve the quality of energy services and supplied goods in order for every customer to be provided with electricity, gas and water as requested and at fair prices.

When implementing measures from the EU's Third Energy Package, the Government will first and foremost take into account the economic interests of the Slovak Republic, the protection of vulnerable customers, and the fight against energy poverty. Furthermore, it will update the state energy policy with emphasis on cross-border cooperation in the Central European area.

In the sector of energy and network industries, the Government will mitigate the negative impact of opaque and misguided privatisation in order for natural monopolies to have less room to abuse their dominant position. The implementation of the liberalisation measures within the Third Energy Package will significantly extend the powers of the state in overseeing regulated entities, in addition to fostering the development of competition and transparency of the energy market in Slovakia.

The Government will create conditions to ensure a stable, predictable and transparent regulatory framework in order to maintain competitiveness of industry and preserve manufacturing production and employment. At the same time, it will create conditions for the Regulatory Office for Network Industries to have the relevant tools to review the cost structures of regulated entities and guarantee fair regulation and reductions in network fees.

In the area of renewable energy, the Government will optimise the energy mix and increase the use of local energy potential, including the construction of hydro power plants and biomass power plants, in order to create new jobs and attain positive synergies in regional development, agriculture, energy security and environmental impacts. As regards the use of

renewable energy resources, the Government will take into account their impact on the end-user price of electricity, as well as on the security and stability of the electricity grid.

The Government will support a rational use of local energy raw materials in order to reduce dependence on imports. It will create incentives to save energy.

### **Construction sector**

In the construction sector, the economic policy of the Government will focus on supporting economic development by means of a timely and high-quality preparation of construction projects, especially in transport infrastructure, housing construction, environmental infrastructure, and in repair and renovation of the housing stock.

The Government deems it necessary to create conditions for the construction sector to attain such standards that will make Slovak companies competitive both locally and on EU markets. As the construction sector develops, the overall volume of housing construction will grow in order to improve citizens' access to adequate housing. The Government will support the construction of national and regional transport and technical infrastructure. In order to spend public funds more efficiently, and to implement the most important strategic projects smoothly and rationally, the Government will ensure continuity between the preparation and implementation phases of projects.

The Government will create conditions for the entry of private capital into the construction of rental apartments. It will consider the possibility of supporting affordable and energy efficient buildings and housing. It will focus on revitalising housing estates, improving the housing environment and enhancing the quality of life in cities and villages.

The new building and construction law, which the Government will propose, will significantly reduce and simplify the administrative requirements for the approval of construction plans and projects and will set deadlines for competent authorities of state administration to issue decisions in the building and land-use permit proceedings. This will prevent arbitrary deferral of decisions and the cumbersome handling of builders' requests by the building authorities. The Government will propose stricter sanctioning mechanisms for breaches of the law, in particular in relation to unauthorised buildings, and will prohibit their ex-post approval if they are in breach of the zoning plan.

The conditions for the drawing up of zoning plans will include the principle of flood prevention, landslides and other undesired geodynamic processes.

The Government will create conditions for the use of local raw materials in construction projects, will support "green" mining, recycling of gravel, and production of "green" construction products ("green" buildings).

The Government will propose long-term energy saving targets and their regular evaluation, taking into account the economic capacities of the Slovak Republic.

### **Agriculture**

The Government will support rural development and improvement in the living conditions of the rural population. Agriculture is a comprehensive system with a joint state strategy for agriculture, food industry, forestry and the downstream wood-processing industry. It is equally important from the perspective of economic and social policies. The support of rural development and efficient landscape management requires the integration of all critical activities into one functioning system. The Government will also focus on the support of all other positive externalities in the agro-food sector, including the maintenance of cultural

landscape, protection and development of the environment, and acceleration of the development of rural economy.

The Government will respect the programming documents of the EU, focusing on the promotion of economic growth and economic performance in agriculture and forestry while respecting the principle of balance between economic and environmentally-friendly farming. This is a precondition for the sustainable development of a social market economy in rural areas.

When negotiating the reform of the EU Common Agricultural Policy for the period of 2014-2020, the Government will do its utmost in the decision-making process of EU bodies to achieve non-discriminatory conditions for our farmers in terms of support funds and other instruments available within the framework of support to farmers.

In this respect, the Government will push for the simplification of the cross-compliance rules and an overall simplification of the Common Agricultural Policy. The Government will adopt only such national rules and regulations applicable to local producers of basic foodstuffs that do not go beyond the framework of harmonised EU legislation.

In accordance with the rules of the Common Agricultural Policy, the Government will intensify its support to sectors that may create jobs, in particular animal husbandry, fruit and vegetable farming, and viticulture, but also the food industry. Particular support will be provided to livestock farming and sheep farming in less favoured mountainous and submontane areas.

The Government will support the drafting of measures related to the adaptation of farming to climate change, using such farming methods that increase water retention in the countryside, and prepare an effective policy to maintain and develop hydro-melioration facilities (irrigation and drainage).

The Government will support economical use of farmland resources, create conditions to protect farmland against unjustified use for non-farming purposes, and consider the use of appropriate mechanisms for the purchase of land for farmers.

The Government will create conditions to speed up the settlement and consolidation of land ownership rights in order to guarantee efficient use of farmland and forest land by the respective owners. It will speed up the process of settling restitution claims.

Among the measures adopted to enhance Slovakia's self-sufficiency in terms of basic foodstuffs and food security, the Government will support the renewal and modernisation of the local food industry, where primary producers may hold a stake, significantly contributing to employment, creation of added value and an increased share of local products in shops. At the same time, it will support higher standards and better organisation of inspection authorities in the food sector in order to thoroughly apply and inspect the application of the national and European standards applicable to agricultural and food production.

In agricultural and food production, the Government will promote the pre-processing and final processing of products of local origin, also by means of better promotion and sales support for local foodstuffs. It will use all available economic and legal instruments to support the final processing of products on farms and the sale of fresh foodstuffs by these holdings directly to the end consumer.

The support for sustainable forest management will increase the competitiveness of forestry. The Government will create legal and economic conditions in order to compensate owners and managers of forest assets for environmental services provided in general interest. In increasing employment in the poorest regions of Slovakia that are predominantly covered by

forests, the Government will deploy various economic and legislative instruments to support the development of the non-state forestry sector as a strategic partner of the state. The Government considers forests to be strategic state assets and thus guarantees that they may not be privatised.

The Government will develop mechanisms for the completion of the system of forest management, including a continued funding of forest management programme development, and will adopt systemic measures related to the institutional setup for these activities.

The Government will support the reforestation of land not used in farming and other degraded non-forest areas, with a priority to reforesting land exposed to an extreme risk of water erosion and slope deformations. The goal is to protect land against floods and create new jobs in rural areas.

The Government will focus on the development of wood-processing capacities, for wood is the most important local, environmentally-friendly and renewable resource for end-products. The goal will be to create new jobs in rural areas and increase the added value of goods made of wood. Equal attention will be given to developing an environmentally-friendly economy in order to make a more efficient use of local renewable resources, contribute to reducing the environmental burden by reducing greenhouse gas emissions and improve social standards of the population by enhancing the quality of the environment and by creating jobs. The Government will support the development of biological resources production in agriculture, forestry and water management for the traditional processing sectors of the food and wood processing industry, but also for new sectors of biotechnology, energy and chemical industry.

In the relevant science and research sector, the Government will support public-private partnerships focused mainly on innovation in agriculture, food industry, and forestry.

### **Transport, post and telecommunications**

The Government, as *a government of certainties for citizens*, will secure the development of quality, accessible and integrated transport infrastructure, competitive transportation services that are user- and environmentally-friendly, energy efficient and safe. Its efforts will primarily focus on the more robust development of the motorway network, compared to the current situation, with the Government seeking to provide balanced tender conditions in order to avoid any unfinished sections and devastation of an entire chain of business entities. The well-proven form of PPP projects will be used for this purpose. A motorway connection between Bratislava and Košice remains a prerequisite to removing regional disparities. The Government will strengthen the role of inland waterways as part of the transport infrastructure.

As regards the operation and development of a 1<sup>st</sup> class road network, the Government will concentrate on accident-prone areas, critical states of bridges, and constructing city municipality bypasses in order to reroute transit and address the insufficient transport performance at selected crossroads. Technical conditions of 1st class roads will be improved through financing their cyclical maintenance and repairs to meet the required standards, primarily on roads of international importance (E-roads) used in transit which do not run along the existing motorways and expressways.

The Government will support construction and development of intelligent transport systems and enhancing transport and traffic safety.

With respect to the fact that EU funds to be used for transport development, as currently set, will probably not be spent in full by 2015, the Government will introduce mechanisms to ensure that these funds are used to the greatest possible extent.

Discontinued construction of motorways goes hand-in-hand with discontinuing the preparation of motorway construction projects. The Government will therefore make the necessary effort to provide construction permits with the aim of creating a sufficient pool of projects. If necessary, the Government will reconsider adoption of a special regulation in compliance with a finding of the Constitutional Court in order to speed up this vital process.

Delays in crucial motorway and expressway construction projects and railway system modernisation projects are caused by extremely fragmented land ownership in Slovakia. The Government will explore solutions used in other EU countries and seek to find a definite solution on how to substantially simplify the settlement of ownership titles to land for the construction of transport infrastructure both for the state and the affected landowners.

Other Government priorities in this area include stabilisation of the share of railway transport in the transport market and preferential treatment of public transport through maintaining payments for transport services provided in the public interest. The Government will reconcile passenger railway transport and bus transport services by increasing their competitiveness, culture of travel and safe operation of passenger railway transport and intelligent transport system solutions. It will also seek to reduce the number of uncontrolled railway crossings and promote development of combined freight transport. The Government will analyse the possibilities of bringing in a strategic partner to the state-owned freight rail transport operator in order to reinforce its market position, improve its business opportunities through synergies, and acquire additional funds for its further development.

For the sake of sustainable development of air transport services in compliance with the European transportation policy and international commitments, the Government will encourage safety and security improvements in air transport and safety and protection of civil aviation. The Government will create a system to support air transport services provided in the public interest. Further development of the Bratislava airport as the most important air transport hub in Slovakia, and the development of regional airports as tools to enhance and facilitate regional development and tourism, are also important aspects of air transport development in Slovakia.

The Government will also encourage development of non-motorised, especially bicycle, transport.

The main ways to ensure the fulfilment of the aforementioned priorities will involve effective spending of funds in the transport sector, multi-source funding of transport infrastructure, symmetrical development of individual types of transport, and protection of Slovakia's interests in drafting relevant EU legislation. The Government thus intends to build up quality and accessible transport infrastructure that will facilitate social inclusion by connecting less advanced regions and reinforce Slovakia's international competitive advantage by utilisation of its geographical potential as a transit country.

The Government will ensure the drafting of a sectoral strategy on transport infrastructure development until 2030. In the context of cohesion policy beyond 2013, the Government will ensure the preparation of a sectoral operational programme for the years 2014-2020 which will reflect national priorities defined under the transport infrastructure development strategy.



The Government will create conditions to merge and integrate independent regulatory authorities in road, rail, air and water transport, as well as in the construction, post and telecommunications sectors. This will significantly reduce the number of budget-funded organisations in the transport sector and the size of administrative staff, which will result in considerable savings in budgetary costs.

Other objectives under economic policy in the area of transport, post and telecommunications will primarily include:

- liberalisation and enhanced functioning of the postal market through balanced market and business conditions in the sector of postal services;
- balanced competition in the electronic communications market and development of accessible high-speed networks;
- extra attention paid to environmental impacts of the transport sector in strategic decision-making.

## **Trade**

In trade, the economic policy will concentrate on:

- implementation of all instruments under the common trade policy; promotion of Slovakia's interests in the EU and the World Trade Organization (WTO); market protection in compliance with applicable rules; and measures to reinforce competitive production in the territory of the Slovak Republic;
- aligning Slovakia's national legislation with that of the European Union applicable in the area of consumer protection and the mechanism for collective enforcement of consumer rights;
- advocating measures at the European level to prevent the abuse of the economic power of chain store operators;
- improving coordination of market surveillance and assessment of the situation on the internal market, including price monitoring;
- consumer education and awareness-raising;
- preparation of a Consumer Code to remove fragmentation of the existing consumer protection laws.

## **Tourism industry**

The economic policy objective in tourism will involve increasing the competitiveness of the tourism industry while fully utilising its potential in order to remove regional disparities and generate new job opportunities. To achieve this objective, it will be necessary to:

- review institutional structures in the management and coordination of activities performed by entities responsible for the development of tourism at all levels;
- prepare a new strategy to revive the tourism industry, improve its quality and boost competitiveness;
- encourage better utilisation of Slovakia's potential in tourism;
- increase the effectiveness and transparency in the use of public funds to support development of the tourism industry, including through a more effective use of EU funds;

- insist consistently on the observance of moral and ethical principles in the area of trade policy;
- consider introducing active tourism support programmes for airports and air carriers in order to provide direct support to the development of air transport and facilitate aviation industry development also as part of the tourism industry.

## **Services**

Under its economic policy, the Government will create conditions to step up the development of services as an important sector to generate new jobs. Its goal is to extend, considerably improve and make affordable the entire portfolio of services for the wider population, older people in particular.

The Government will promote formation of the so-called silver economy as a segment of the national economy that serves the needs of older people, or that part of this segment which produces assets and services intended primarily for older age groups - seniors.

The Government will increase the share of education-related services, as well as that of healthcare and social services, through appropriate organisation and management of the entire system of the provision of services and through efficient division of labour between public and private service providers.

The Government will encourage creating conditions for the development of knowledge-intensive services for enterprises.

## **Boosting economic development using resources from European Union funds**

In connection with the fulfilment of strategic objectives under the cohesion policy, the Government desires to achieve a higher degree of convergence towards the EU-15 in terms of economic performance. It will concentrate on the implementation of changes to enhance Slovakia's competitiveness and improve the quality of life. It considers crucial to accomplish the strategic objective set under the National Strategic Reference Framework of the Slovak Republic for 2007-2013, with key areas in this respect including the objectives laid down for infrastructure development and accessibility to regions, a knowledge-based economy and human resources.

As regards the implementation of assistance and support from EU funds, the Government will create all the necessary conditions to facilitate more effective coordination of cohesion and agricultural policies, with a focus on the use of interventions in support of employment sustainability and generation of new jobs. It will design measures that will contribute to mitigating the adverse effects of the global economic crisis on employment.

The Government will ensure processes and procedures towards a real and efficient use of funds allocated under operational programmes by the end of the 2007-2013 programming period, in compliance with their objectives and priority areas. It will promote the common line of action defined under the EU Cohesion Policy beyond 2013. The main priority areas with respect to sustainable growth and employment in the implementation of the Europe 2020 strategy will include creating measurable values by basing growth on knowledge and innovation, empowering people in inclusive societies with high employment, and creating a competitive and greener economy that uses resources in an effective and sustainable manner. In this context, the Government will provide conditions to draw up the next generation of

operational programmes complying with the conditions and goals of the Common Strategic Framework 2014-2020, building on the experience of all aid recipients in the previous programming periods.

## **Environmental protection**

The Government considers achieving and maintaining high quality of the environment, with the protection and rational utilisation of natural resources while respecting the principles of sustainable development to be of utmost national concern to the Slovak Republic.

A crucial and decisive instrument to ensure sustainable development is to concentrate economic efforts on consistent production which is in balance with social as well as environmental demands of society. The Government will pay special attention to the utilisation of available work force in regions with underdeveloped environmental infrastructure.

The underlying priorities of the Government's environmental policy will include implementation of programmes to prevent climate change and mitigate its consequence as part of the measures adopted under the climate energy package by providing necessary organisational, economic, legislative and institutional conditions.

In order to preserve the indispensable asset of the Slovak Republic in the form of its high-quality sources of water, and to minimise the risk of flooding in the upper sections of water courses, the Government will create conditions to enable the granting of financial support from EU funds to municipalities with populations of less than 2,000. Increased attention will also be given to municipalities located in protected water management areas and measures to protect water sources will be introduced. In the area of flood prevention, the Government will encourage consistent implementation of efficient flood-prevention measures and programmes to reinforce the landscape's ability to retain water by all available ecological and technical means, including through construction of hydropower plants as an integral part of water course management.

Increased attention will be given to the protection of and improvements in the quality of water, their optimum utilisation and protection against their harmful effects. Equally so, attention will be paid to the protection and rational utilisation of mineral, healing and geothermal groundwater.

The Government will concentrate on optimising the spatial arrangement and functional use of the landscape, as well as on the protection of natural and cultural heritage. For this purpose, it will propose a new landscape management system. It will support the development of a uniform environmental monitoring and information system, environmental awareness-raising among the people, and provision of information about the environmental situation.

An emphasis will also be placed on ensuring the sufficient quantity and quality of water for public and environmental services and business activities.

The Government will support rehabilitation of landslides and prevention of geological hazards. It will take measures to remove environmental burdens and to encourage the purposeful use of reclaimed lands with an emphasis placed on the reduction of uptakes of agricultural land.

In order to reduce the volume of air pollutants, the Government will introduce supporting instruments to reduce the volume of emissions produced by the industry and energy sectors and mobile sources, and to encourage the use of low-emission motor vehicles.

The Government will adjust the rules applicable to waste management, including by encouraging separate waste collection to also include textile wastes, and development of waste processing capacities, in particular those that use the best available waste recycling technologies to produce finished goods. It will adopt measures to encourage the promotion of goods made of recycled materials.

The Government will pay special attention to the rational use of domestic raw materials and the support to enterprises which mine and process minerals using the best available technologies with a minimum impact on the environment. A prerequisite to eliminating environmental risks will be the supervision and monitoring of environmental safety and environmental condition of buildings, facilities and products. The Government will promote an environment-friendly use of the landscape.

The Government will prepare new rules on the environmental protection and reassess the existing network of protected areas in compliance with international commitments, and will restore and ensure the zoning of protected areas in order to complete a uniform national and international system of protected areas at various levels while respecting the current conditions and demands on sustainable regional development, including national parks and the European Natura 2000 network of protected areas. The Government will prepare a package of instruments to address compensation for restrictions faced by the owners of land in protected areas under the applicable nature protection rules, as well as due to the implementation of programmes of care of protected areas with respect to all aspects of human activities.

The development of social and economic activities must respect and support preservation of the existing historical, cultural and natural values as a key prerequisite to the development of ecotourism and ecotravel. The Government will promote the development of an environmental awareness-raising and regulated tourism industry, which will require further development in infrastructure taking into account the protection of nature and landscape, extension of the network of educational trails, geoparks, information and training facilities.

The Government will more considerably encourage activities by municipalities, business operators and non-governmental organisations towards the recovery and rehabilitation of the damaged environment and the protection and revitalisation of ecosystems in areas exposed to environmental burdens, as well as in protected areas, in order to improve the provision of ecosystem services as non-productive functions of agricultural, forestry and urban landscape. It will also speed up the implementation of a programme favouring residential housing construction and amenities development in built-up urban areas and manufacturing facilities built on reclaimed sites in order to gradually integrate them into a well-arranged, valuable, aesthetic and cultural urban and rural landscape, along with completion of environmental infrastructure.

In consultations with the representatives of towns and municipalities, and in cooperation with the Association of Towns and Communities of Slovakia (ZMOS) and other partners, the Government will reconsider the fulfilment of the commitments the Slovak Republic undertook under the Treaty of Accession to the EU (2003), especially in the area of environmental infrastructure and completion of communal waste water drainage and

purification facilities, in order to considerably reduce the current high rate of construction works in progress.

## **4. ROLE OF THE STATE AND PUBLIC SECTOR**

### **Electoral system**

The Government will initiate discussion on the need to change the existing electoral systems for individual types of elections and, subject to agreement by relevant political stakeholders, will propose their modification. It will seek to unify the underlying concepts in the applicable election laws and introduce uniform terminology, transparent rules for election campaigns, and consistent control of funds spent on campaigning by entities running for the election, including their public control.

A broad public discussion is also required to reassess the existing system of financing of political parties in order to introduce more accurate and transparent rules of their financing, identification of their donors and sponsors, and public disclosure of their financial information. Legislative changes will result in more effective control procedures and rules, as well as in the increased responsibility of representatives of political parties for their transparent financing, which the Slovak Republic is also required to ensure under its international commitments. The Government will explore possibilities to establish permanent electoral authorities to perform an independent oversight of the financing of political parties, and propose effective penalties for violations of election rules.

### **Exercise of public authority**

The Government's objective is to optimise the role of the state in eliminating the consequences of the crisis and creating appropriate conditions aimed at improving the quality of life in Slovakia. The state and public authorities must maintain in good order all socially significant functions of the public sector that affect the life of the people and society as a whole. They must identify any imbalanced processes and restore their balance primarily with respect to disruptions caused by global development.

The problems caused by the financial and economic crisis continue to send economic and social tremors across the international community. Especially, as this is not a standard cyclical or structural crisis, but rather a crisis of values, priorities, global polarisation and global consumption.

The state must primarily eliminate any adverse external and internal phenomena and processes, while effectively safeguarding economic interests and guaranteeing national defence, safety and protection of citizens' lives and health, public order, social certainties and public services.

The Government will propose reinforcing the content, scope and intensity of interventions of the state whose functions have recently been inappropriately undermined. It is necessary to redefine the scope of state interventions and its irreplaceable role in overcoming the crisis and addressing problems that are typical of the beginning of the 21<sup>st</sup> century. Conditions will thus be created to shift towards a modern system of governance in compliance with the fundamental values and goals of the EU.

The Government will introduce a more comprehensive and systematic approach to the performance of certain state functions. They include, in particular:

- the economic function of the state in the market economy;

- the function of organising and managing structural relations within society;
- the function of creating political, legal and economic conditions to encourage the development of individual spheres in the life of society;
- the function of ensuring respect for the law and combating organised crime and corruption.

These functions must be performed in a balanced and market-conform manner so as to create conditions for a better quality of life for citizens.

Important areas for state interventions:

- guaranteeing the functioning of a state governed by the rule of law;
- bringing the state closer to the citizen, including policy- and decision-making activities of EU institutions;
- creating conditions conducive to doing business;
- making the public sector more effective with the aim of making public finance sustainable, while pursuing an efficient social policy;
- strengthening the role of the state with respect to optimal public consumption as a factor of a permanently sustainable growth;
- reinforcing a comprehensive perception of individual components of security;
- while respecting the key role of trade unions and employers' associations, changing the way in which social dialogue is conducted and engaging intellectual circles, churches and religious communities in decision-making processes of importance to society;
- supporting active dialogue with civil society and representatives of the non-profit sector, including its multisource financing and individual donorship, as well as the development of volunteerism.

### **Strategic dimension of governance**

During the entire transition process, the Slovak Republic was unable to break free from the problems caused by an absolute underestimation of long-term projections, trends and decisions. The solution is to improve our ability to respond to changes in an appropriate manner and accordingly adjust the goals pursued by society, knowledge tools and management methods.

The Government emphasises the need for a strategic dimension of governance, creating conditions for the preparation of development projections, prioritisation and development of strategic governance to become permanent components of the functioning of the state and public dialogue. Efficient preparation of high-quality visions and strategies is a prerequisite to accomplishing this objective. This is in keeping with the requirements of the European Commission on application of strategic planning and programming.

The Government expresses political support to strategic governance as the underlying condition for the application of this concept. We prefer an environment of political stability and strong and stable government that concentrates not on a large number of operative tasks, but rather on strategic, systemic and effective work.

The Government deems it necessary to build up scientific capacities focused on research into the future of the country. It will also consider establishing a centre for strategic management at the Cabinet level. The Government will gradually implement a system of strategic planning and management in state administration and ensure its linkage to the system of financing. It will make sure that sectoral strategies and concepts are interrelated in terms of their substance, scope and time. It will also encourage better integration of these documents into the strategic objectives pursued by local and regional governments. It will intensify involvement of scientific capacities (universities in particular) in strategic activities of state administration authorities.

It is absolutely necessary to accentuate the need to improve the coordination of policies and better link social, economic and environmental objectives and policies for their accomplishment.

The Government will continue to work on a comprehensive strategic orientation for the country, building on Slovakia's scientific potential.

### **State and the economy**

The consequences of the global financial and economic crisis have effectively defied the *laissez-fair* approach which overemphasises the role of the market and downplays the role of the state in the economy. This automatically requires a more comprehensive view of the role of the national economy on a nationwide level.

The Government places emphasis on a truly comprehensive economic policy, better use of a systematic approach and measures focused on the coordination of economic policy, especially with respect to improving conditions for the operation of the key performance factors of the national economy. The same also holds true with respect to addressing the issues of sustainable economic growth, including consolidation of the labour market and boosting employment. All these measures are market-conform.

The Government underscores the need to ensure the integrity of Slovakia's economic, social and environmental development. To that end, the economic functions of the state in the market economy need to be reinforced.

The Government considers the continued building of a balanced market environment and reconciliation of public and private interests, while guaranteeing social justice, a prerequisite to social and economic prosperity and welfare.

### **Importance of the public sector**

The Government is fully aware of the fact that Slovakia needs a proper public sector as a product of the state's public policy, which provides high-quality and well-functioning educational, healthcare and social security systems through the effective management and use of public funds. Only a well-functioning and efficient public sector is capable of supporting the qualitative development of society, ensuring social and economic equilibrium, and providing life's certainties to citizens.

Depending on the nature and urgency of the issue at hand, the Government will forthwith embark on reforms in the educational, healthcare and social security systems. An emphasis will be placed on improving their effectiveness and quality, while respecting the possibilities determined by the long-term sustainability of public finances. In doing so, the Government



will focus on better accommodation of citizens' needs and the needs of a knowledge-based society as it continues to develop.

### **Tasks of public administration**

Modernisation and efficient performance of public administration are essential to making the necessary changes that will substantially improve effective functioning of the state in all its dimensions.

The general objective of the Government in the management of public administration is to improve the quality of public administration entities and public services in order to boost Slovakia's social and economic development and improve the quality of life of its citizens. The pillars on which this objective will be built include economisation, information and personal development across all structures and at all levels of public administration.

The citizens and satisfaction of their needs must be at the centre of attention in organising the way in which public administration works. At the same time, the public administration system needs to be made more transparent for citizens, enabling them to adequately and reasonably participate in its decision-making and control. It is important that they be able to have a majority of their needs accommodated at a single contact point, in keeping with the principle "information should move around, not the citizen".

In order to accomplish the aforementioned objectives, it is essential to systematically improve the legislative framework governing public administration. Its implementation in practice should not place a disproportionate bureaucratic burden on citizens, nor should it complicate the workflow and procedures in public administration authorities. The legal system and law enforcement authorities must be more vigorous in suppressing the negative phenomena that have long prevailed in the social and economic sphere.

The Government will gradually implement a system of strategic planning and management in state administration and ensure its interconnection with the system of financing.

The Government will propose legislative measures to create a new structure of state administration authorities at the local level, the key principle of which will be integration of the competences of the so-called specialised state administration into a single state authority headed by an official appointed by the Government. This structure will preserve professional and personnel management and responsibility of the central government over individual sectors. The goal of the single state administration authority is to simplify communication between citizens and state administration and; such a structure complies with the principles of transparency, responsibility for decision-making processes, effective spending of public funds, and effective control. Citizens and businesses will then be able to handle their administrative formalities through a single service point, or a "one-stop-shop". The Government will also analyse the cases in which such integration has not proved effective.

Economisation in public administration will be based on reviewing the cost-effectiveness of individual products and/or activities delivered by public administration. This analysis will also serve as a starting point for the streamlining and centralisation of the state assets management system. The measures taken by the Government, coupled with streamlined management structures of state administration at the local level, will make the management more effective and enable the deployment of freed-up human resources to strengthen professional performance so that a reduction in the number of employees in order to save

public funds is not the only outcome of economisation in public administration. The Government will encourage professional training and education of public servants and introduce such admission rules and criteria that will bring the quality of testing the applicants' professional qualification to a higher level. A uniform system of human resources management in public administration will be gradually implemented in the management processes of the Government.

The Government is determined to considerably streamline the structure of central government authorities. The Government will carry out an in-depth cost analysis on decision-making and managing activities of these authorities, including the state assets management, in order to enhance the effectiveness of all ongoing processes. Subsequently, the Government will propose measures to simplify the structure of central government authorities in order to remove their existing fragmentation and any duplicity that may exist in the performance of their tasks.

Under the ongoing implementation of the "Municipal Administration Modernisation Concept", the Government will support the building of a network of "Joint Municipal Offices" and ensure they are equipped with high-quality information and communication technologies. They should constitute a basic network for "citizen to government" communication at the local level. At the same time, they would contribute to a streamlined and improved performance of local government activities.

The Government will engage in a permanent dialogue with local government authorities in order to find ways to improve the quality of their performance and will use the results of a comprehensive public administration audit to make appropriate suggestions. Several years of experience with the transfer of competencies from central to local government have revealed a number of drawbacks in the existing system. Irrespective of the level of government audited, the underlying criterion will be the quality of services delivered to citizens and businesses, effective spending of public funds, and professionalism and transparency in the performance of public administration tasks. The Government considers it necessary that local government officials be represented on its advisory bodies.

The Government will enhance the transparency standards of public administration and public access to information available to public administration by, for example, extending the functionalities of publicly accessible databases, such as the Cadastral Portal, the Business Register and the Central Register of Contracts. The Government will intensively use the data.gov.sk open data portal in order to facilitate public access to information. The Government will propose amendments to the Act on Free Access to Information in order to remove, while preserving the existing standard of the right to information, the shortcomings that prevent both the effective access to information and the effective work of public administration authorities.

Persistent unlawful activities must not go unnoticed without an adequate response by the state. The Government will propose measures under which some of the benefits and other payments by the state will not be provided to persons involved in unlawful activities, or they will be provided in alternative forms.

The Government will consistently enforce preventive and repressive anti-corruption measures in order to minimise the number of corruption opportunities and to put an effective sanctioning system in place. It will make sure that the quality of state registers and the

activities of supervising institutions improve the overall business environment and, at the same time, creating conditions to increase public revenues.

The Government will propose legislative measures to enhance the information value of asset declarations submitted by public officials.

The Government will make sure that the competent authorities pay more attention to removing the omnipresent shortcomings and serious negative phenomena in public procurement processes at all levels of government. For this purpose, an electronic public procurement system will be put in place and gradually centralised, in order to prevent the circumvention and manipulation of public tenders. The Government will simultaneously propose changes in public procurement to make it transparent and simple on the one hand, while sufficiently flexible on the other.

The Government will review legislative, substantive and financial aspects of all non-transparent contracts concluded in the past, with a view to streamlining activities performed by public authorities. The Government will adopt a systematic solution for the compensation of damage caused by the conduct of public authorities. The courts currently apply inconsistent approach to proceedings concerning actions for damages, as illustrated by conflicting court decisions, and unforeseeable criteria for determination of the amount of non-material damage.

The Government will create conditions for a more effective recovery of claims by the state in order to secure their uniform and centralised recovery. The Government will also introduce a central management system for immovable state assets in order to enhance their effective use, remove existing duplicity and improve the cost-effectiveness and cost-efficiency of future investments and maintenance. The Government will propose the establishment of an independent Central Construction Supervision Authority to supervise and monitor the quality of construction projects delivered for the public sector. The most important information about immovable property owned or used by the state will be publicly available.

## **eGovernment**

The Government's strategic objective is to build up fully functioning e-Government services, which involves the comprehensive and effective digitisation of administrative, decision-making and management processes, as well as policy-making across all sectors and forms of government.

The Government will use e-Government functionalities and the possibilities offered by information and communication technologies to considerably improve the quality of public administration services. It will take measures to simplify and speed up communication between citizens and all levels of government through enhanced automation of communication by means of advanced information and communication technologies. It will speed up the handling of administrative formalities and reduce the administrative burden on citizens and businesses through electronic services, including by building a network of integrated one-stop-shops.

In the implementation of the Information Society projects, the Government will consistently follow the principles of public-oriented services in line with the National Concept of eGovernment in order to minimise the number of in-person visits in various authorities, while providing as many services in one place as possible.

The crisis caused by the collapse of the tax information system must be resolved both expeditiously and systemically. The Government will stabilise the situation so that the proper functioning of the state is not put at risk, and propose and implement a solution to ensure that permanent and sustainable information and communication technologies serve not only the employees of the financial administration, but all citizens.

## **Justice**

The Government, as *a government of certainties for citizens*, understands that further development of society is not possible without putting a flexible law-making system in place that responds to changes swiftly. The legal system must not only be able to respond to, but also foresee the development of society, its interests, concerns and needs. However, it must also remain stable and guarantee the optimum degree of legal certainty, since any change in applicable laws affects the day-to-day lives of individuals and the entire society.

The Government will reinforce the links between the economic, social, environmental, scientific and technical development forecasts, the decision-making on measures taken to tackle fundamental economic, social, interior and foreign policy issues, and the development of a comprehensive vision of the objectively necessary legislative changes. It will encourage the adoption of measures to restore confidence in the rule of law and create conditions to enhance the quality and stability of the legal system. This is a prerequisite to improving the quality of decision-making by courts and other public authorities, ensuring the effective protection of fundamental rights and freedoms, improving enforcement of rights, removing delays in proceedings, and ensuring the development and prosperity of the state and society.

Any important changes will be preceded by a dialogue of equals, involving all stakeholders, social partners, professionals and general public, including through participation of representatives of social partners in the activities of the Government's Legislative Council.

In order to avoid the misuse of fast-track legislative procedures, the Government will introduce more stringent rules on law-making.

## **The judiciary**

The Government will draw up a new strategy for the stabilisation and modernisation of the judicial system to serve as a basis for the adoption of a new law. At the same time, it will reassess the changes made in the judicial system in the years 2010-2011 in order to make sure that all laws and regulations governing the judiciary are in full compliance with the Constitution of the Slovak Republic and recommendations issued by international institutions.

All fundamental changes in the judicial system will be implemented by the Government in consultation with relevant stakeholders, professional organisations of judges, and representatives of the scientific and academic community.

The Government will create legislative, organisational, personnel, material and technical conditions to:

- restore confidence in the judiciary and provide the public with information on the overall performance of the courts;
- ensure the right of everyone to an independent and impartial trial;
- improve enforcement of rights;
- stabilise the judiciary - in institutional and personnel terms;

- ensure the proper functioning of the judiciary;
- ensure smooth and dignified judicial proceedings and eliminate delays in proceedings.

In order to make the judicial system more effective, the Government will adopt systemic measures to reinforce the citizens' right to timely judicial decisions, in particular through a substantial revision of the Code of Civil Judicial Procedure.

Efforts to introduce electronic services in the work of courts will be stepped up for the convenience of parties to the proceedings. The Ministry of Justice will carefully consider the project for electronic service of court decisions to mandatory data boxes in order to restrict the room for obstruction, while ensuring appropriate protection of the procedural rights of all parties to the proceedings.

The Government will consolidate activities of the Centre for Legal Aid.

The Government will improve conditions ensuring the independence of judges in their decision-making: both their independence from other branches of the government and their independence from court management and administration bodies. The judiciary itself must hold to account judges for their ethical or professional failures. With respect to the protection of the independence of judges in decision-making and to statutory regulations on the accountability for their failures, the Government will draw on the recommendations made by international institutions (the Venice Commission, the International Association of Judges), international best practices and consultations with national organisations of judges.

Through specifically targeted changes in the criminal-law policy, the Government will seek to ensure effective and prompt prosecution of crimes in order to reinforce the authority of the courts and whittle down the room for obstructions by the accused. Any revision of criminal sanctions will be preceded by an in-depth statistical analysis of the sentences handed down and the crime development. In analysing the possibilities to improve situation in the prison system, the Ministry of Justice will pay special attention to the possibility of imposing alternative penalties.

The Government considers it important to prepare laws which will create more favourable conditions for free and safe business, remove administrative barriers, and protect consumers.

The Government will redefine the scope for state interventions in the area of family protection.

In order to accomplish its priorities, the Government will provide conditions for high-quality performance of the judicial functions and, in addition to the measures already described, it will:

- adopt measures designed to provide more information to the public about court activities;
- improve the premises, subject to budgetary constraints, of those courts which are considerably undersized in terms of space;
- review the existing system of assessment of judges so that it objectively reflects their performance and quality of their decision-making with the objective of bringing the judicial profession up to the highest professional standard;
- adopt anti-corruption measures and, in particular, set up a permanent hotline where anyone can report corruption practices of judges and court employees, adopt

legislative measures to evaluate reports of corruption practices and the filing of criminal complaints and petitions to initiate disciplinary proceedings, and will also propose further necessary measures;

- reintroduce the concept of judicial candidates, tighten the rules for candidates' practice and adopt effective measures for proper professional training for the performance of judicial profession;
- consider measures to stabilise court administration in terms of staffing;
- analyse and implement measures to facilitate the proper enforcement of claims secured by a pledge and a proper conduct of voluntary auctions, and prevent their misuse;
- make the ownership of real estate in the Slovak Republic more transparent through publicly accessible services, also in the interests of property owners' protection;
- strengthen the status of victims in criminal proceedings;
- further ensure consistent harmonisation and adjustment of the national criminal laws to the legal acts of the EU, and in compliance with Slovakia's international commitments;
- assess the effectiveness of the applicable Penal Code and the Code of Criminal Procedure and propose solutions to remove outstanding deficiencies in their application;
- pay increased attention to the issues of criminology and crime prevention.

### **Prosecution service**

The Government will reassess the legislative changes made to the position and competences of the prosecution service in 2011, which allow for direct and indirect interventions of the executive branch in the activities of the prosecutor general and other prosecutors. Adopted legislative measures will guarantee the independent position of the prosecution service in the Slovak Republic. In line with the recommendations and conclusions adopted by the European Commission for Democracy through Law, also known as the Venice Commission, in the Report on European Standards as Regards the Independence of the Judicial System, the Government will reinforce the functional autonomy of the prosecutor general.

The Government will support the adoption of such legislative changes which:

- will introduce and guarantee the independent position of the prosecution service within the system of state authorities;
- will guarantee the functional autonomy of the prosecutor general in the performance of his office;
- will modernise the existing law as regards the autonomy of the prosecution service, which will gradually be linked with the public oversight over the activities of the prosecution service in keeping with the conclusions of the Venice Commissions;
- will guarantee that prosecutors are appointed to office for an indefinite period of time, and lay down procedures and reasons for the termination of their office;
- will guarantee the right for prosecutors at all levels to perform their duties independently of other state authorities.

The Government will create legislative, organisational, personnel, material and technical conditions to:

- restore confidence in the prosecution service and provide the public with information on prosecutors' overall performance;
- improve the effectiveness of performance of the prosecution service and ensure more effective protection of the legally guaranteed rights and interests of natural persons, legal persons and the state;
- ensure smooth and dignified criminal proceedings and eliminate delays in proceedings.
- improve enforcement of rights;
- extend the powers of the prosecution service focused on the protection of property and other rights of the state.

In order to accomplish its priorities, the Government will provide conditions for high-quality performance of the prosecution functions; in particular, it will:

- adopt measures to provide more information to the public about activities of the prosecution service;
- adopt anti-corruption measures and, in particular, set up a permanent hotline where anyone can report corruption practices of prosecutors and staff of the prosecution service, adopt legislative measures to evaluate reports of corruption practices and the filing of criminal complaints and petitions to initiate disciplinary proceedings, and will also propose further necessary measures;
- preserve the concept of prosecutor candidates, tighten the rules of their practical training and adopt effective measures for the proper professional training for the office of a prosecutor;
- propose that the prosecutor general be entitled to file a complaint with a court for a breach of law against an effective judicial decision issued in criminal proceedings by which the law has been breached or which has been issued on the basis of an erroneous procedure.

### **National order and security**

Every country built on the principles of democracy and rule of law protects its national order and security as vital factors for the building of a well-ordered society, where unlawfulness is replaced by respect for the law, and where lives, health, property, rights and freedoms of its citizens are protected. It is of paramount importance for the Government to convince the Slovak public through its deeds of the ability of the state to build a stable and well-ordered society. The Government will encourage the police to perform their official duties as a service to the public on the one hand, and to be firm towards those who break the law on the other.

The Government will do its best in order to secure the safety and protection of individuals and families and a peaceful life in municipalities and towns, following on its positive achievements from the years 2006 to 2010. It will place emphasis on reducing all types of crime and on increasing the crime detection rate. The number of police officers in local police units will increase in view of the fact that a higher number of officers on the streets contributes to lower rates of crime and road traffic accidents. In this respect, the Government will primarily reinforce the traffic police and street patrol police departments, as well as the ranks of investigators. It will promote crime prevention as a crucial component in the protection of lives, health and property of individuals, especially by funding effective projects under a subsidy policy.

The Government will implement measures to reinforce fight against corruption and serious economic crimes, especially tax fraud, primarily by enhancing the effective performance of specialised police departments. At the same time, it will propose new legislative measures and provide technical equipment to considerably help in detecting and solving this type of crime, which poses a severe threat to society. It will reinforce the protection of corruption whistleblowers, including through the adoption of new legislative measures.

The Government will retain an uncompromising stance to any manifestations of extremism, racism, intolerance, xenophobia, anti-Semitism and aggressive nationalism. It will primarily concentrate on the systematic education and training of relevant groups of professionals who have a positive influence on the prevention of extremism and racially motivated crime, on the raising of legal awareness and information among the general public, and on the implementation of obligations arising under international treaties to combat extremism and racially motivated crime. The Government will step up its efforts to combat such dangerous phenomena as computer crime and Internet abuse. Employing effective and advanced means and methods, it will contribute to reinforcing cyber security within the European Union.

With respect to road traffic safety, the Government undertakes to continue implementing measures to reduce the number of people killed and injured in car accidents and the number of car accidents as such, to protect all polite and responsible drivers, and to strongly fight chronic traffic violators. It will also concentrate on the free flow of traffic, which is a prerequisite to safety and a reduction in car accident rates.

The Government will seek to stabilise the system of social security for the members of the police and other armed services so that they become a solid pillar of society and the social prestige of their profession is reinforced. It will continue creating conditions for the provision of religious services in the military forces of the Slovak Republic.

The Government will ensure that the quality of professional training of police officers is enhanced through the application of the most recent expertise and scientific knowledge, and will encourage linking scientific research with the practice of security services with the maximum support from European Union programmes.

The Government will carry on with the modernisation of security services, especially by replacing outdated technical equipment and gear and reconstructing buildings and premises of the Police Corps and the Fire and Rescue Corps, using European Union funds to the largest possible extent. When implementing innovation and modernisation programmes for security services, the Government will seek cooperation with Slovak research and development establishments and manufacturers operating in the relevant sectors.

The Government will continue implementing all measures necessary for the adequate protection of the Slovakia's section of the European Union external border for the sake of protection of the public order and national security of the Slovak Republic, bearing responsibility for the common objectives of the European Union. It will actively participate in the development of European Union policies to improve standards of protection on the external border while, at the same time, facilitating legitimate travel by third-country nationals. In the area of visa policy, the Government will primarily seek to ease visa requirements for Slovak nationals, while preserving and attaining reciprocal conditions regarding visa regimes with third countries.



The Government will propose new legislation to unify, in legal and organisational terms, all components of crisis management, including civil defence and economic mobilisation. It will adopt measures in order to complete the building of a functional Integrated Rescue System on a par with the currently applicable European standard.

The Government will provide more massive support to the cooperation of volunteer fire squads to fully utilise the potential of thousands of their members who are ready to aid in the protection of lives, health and property.

The Government will take measures to build up the alertness of Mountain Rescue Service members for search and rescue operations in mountainous regions, and create conditions to improve the performance of rescue operations in mountains with a focus on the safety of both the rescuers and those in need of rescue. The Government will create conditions for the performance of supervisory and preventive actions in mountainous areas with the aim of reducing injury rates and improving the quality of rescue services delivered in mountainous areas and ski resorts.

The Government will prepare changes in the functioning and management of intelligence services in order to avoid confidential information leaks and boost confidence in intelligence agencies. The Government will propose the merger of military intelligence services and more effective supervisory and control mechanisms over intelligence services and other agencies operating under a similar regime.

### **Armed forces**

The Government, as *a government of certainties for citizens*, considers national defence one of the essential and irreplaceable functions of the state. It will take a comprehensive approach to completing an integrated security system of the state, and make the defence system more effective. At the same time, it will put consistent emphasis on cost-effectiveness and transparency in the use of public funds. All organisational structures of the Ministry of Defence will be streamlined in order to make its operations more effective. With respect to procurement procedures, common armament projects will be implemented in cooperation with other national security and defence services, as well as with foreign partners. The Government will preferentially spend the funds thus obtained on the development of the Armed Forces of the Slovak Republic.

The Government will review the quality of Slovak military forces, their modernisation and further development to ensure their capability to:

- protect the territory and civilian population of the Slovak Republic against military and non-military threats;
- provide for engagement of the Slovak Republic in international operations led by NATO, the EU and the United Nations.

The Government will also reinforce the involvement of the military in dealing with the consequences of natural disasters and other similar events.

The Government will preserve the continuity in the fulfilment of Slovakia's allied and other international commitments. It will contribute to the strengthening of NATO's defence capabilities, since the Government considers the Alliance the crucial guarantor and safeguard of the national defence and security for its citizens. The Government will continue its active participation in the preparation and implementation of the EU's Common Security and

Defence Policy. It will encourage Slovakia's effective participation in multinational defence capacity building projects.

Not even under the intricate circumstances caused by austerity measures in fiscal consolidation may the preparedness and combat readiness of the military forces be allowed to further deteriorate. By the end of 2012, a defence sector development plan through 2014 will be prepared, including for the Armed Forces of the Slovak Republic, to enable the development of military capabilities necessary to address potential future threats and fulfil allied and other international commitments of the Slovak Republic. In order to overcome the long-term deficits in the development of the armed forces, the Government will support multi-annual stability in defence expenditures within the confines of the available public funds.

The Government will draw up a plan for the engagement of the Armed Forces of the Slovak Republic in the ISAF operation up to 2014 and beyond. Applying a comprehensive approach, the Government will prepare a new framework for the deployment of Slovak troops in international crisis management operations and missions. It will create conditions to retain the best military professionals. It will provide for the possibilities to train and deploy military reserves to perform the tasks of the armed forces in peacetime.

The Government will provide conditions to carry out a reform of the military intelligence service to support decision-making at all levels of the national defence management and to improve military intelligence oversight.

In order to ensure more effective aid and assistance to public authorities in the protection of lives and property of the citizens and the state in emergency situations in the territory of the Slovak Republic, the Government will intensify joint exercise of individual components of the military crisis command along with emergency committees and rescue services.

The Government will maintain and protect the necessary defence infrastructure and make the performance of state-owned defence industry entities more effective. It will encourage the marketing of Slovakia's security and defence industry products abroad, including through the industry's involvement in multinational projects.

The Government will provide conditions for a wider public and political dialogue in order to seek consensus on fundamental and long-term issues of relevance to national defence. It will seek to maintain a strong public confidence in the military forces by responsible performance of tasks in the defence sector and public disclosure of the results achieved.

### **National statistics**

The Government considers reliable and credible national statistics crucial to the preparation, implementation and updates of state and private sector programmes in both national and international context, as well as with respect to natural and legal persons. It will support steps towards bolstering the reliability, objectiveness, impartiality and professional autonomy of national statistics and the Statistical Office of the Slovak Republic.

The Government will join in the commitment of the governments of EU Member States to ensure the quality of, and trust in, the statistics in compliance with the Communication from the Commission to the European Parliament and the Council entitled "Towards robust quality management for European statistics".

## **5. KNOWLEDGE-BASED SOCIETY, EDUCATION AND CULTURE**

The Government considers training, education, science, research and innovation, development of e-services and digitisation the main pillars of a knowledge-based society and economy. Training and education must lead people towards humanism, tolerance, solidarity, cooperation and a responsible approach to life, and provide for a systematic transfer of shared cultural and democratic values between generations.

The Government will concentrate its efforts on improvements in the standards and quality of education for all citizens, with the focus on young people, and on the development and utilisation of their knowledge and creative potential, while increasing demands on the adaptability and proficiency of individuals. The Government is aware that Slovakia's competitiveness depends on the competitiveness of its people who are educated, skilled, creative and flexible.

The Government will build up a comprehensive educational system, from the pre-school level to lifelong learning. The Government will promote the development of an educational system directly linked with practice, with the focus on social and technological modernisation. The Government will provide conditions to boost education in natural sciences and technologies. It will promote development of financial education.

Measures in this area will be linked to the Europe 2020 strategy, with the main objective of maintaining solidarity and social cohesion and building a society based on learning and new knowledge.

With respect to the school system, the Government considers it crucial to bolster the importance and social status of teachers at all levels of the system; therefore, in addition to professional and social aspects, their position in society must be reinforced, e.g., through political, professional and general public support, and, of course, coupled with adequate financial remuneration, and the social prestige of their profession must be alleviated. To that end, the Government will introduce system solutions to improve the remuneration of pedagogical and non-pedagogical staff and experts, depending on the quality of their performance and the possibilities of the state budget.

The Government understands that restoring discipline at elementary and secondary schools based on the natural authority of teachers and improving the quality of training of future teachers and experts at tertiary schools are also essential to further development of the educational system.

As far as feasible under existing circumstances, the Government will seek to increase the volume of state budget funds spent to boost education, science and research, with the aim of enhancing their quality and effectiveness.

In its approach to education, the Government will take into consideration not only the ambitions of students, but their capabilities as well, and will create legislative conditions to force school founding authorities or schools to prepare educational plans that respond to the demands and needs of the labour market.

With respect to the funding of schools and school facilities, the Government will implement measures to make sure that educational services are not merely a lucrative business financed by taxpayers; therefore, it will make the existence and funding of schools primarily

conditional upon the success rate of their graduates in the labour market in the fields they have studied, and will provide legislative arrangements for employers to conclude contracts with students to also secure the enforcement of their obligations.

The Government will promote the establishment of a so-called four-partite platform as part of the building of a society based on new knowledge in science and technologies, research, development and innovation by extending the existing tripartite format of employees, employers and the government to also include representatives of the scientific and research community and universities.

In addition to traditional areas of national security, increased attention will be paid to so-called intellectual security. The structure of basic and applied research will be reinforced and streamlined, and support will be provided to the commercialisation of the results of scientific, research and development efforts; enhanced innovation, establishment of knowledge and technology transfer centres and development of national technology platforms will create conditions for a functional and modern national innovation system.

The Government will continue building the information society, in particular through the development of public e-government services, digitisation of repository institutions, and access to broadband Internet.

### **Regional schools**

The Government will gradually update national educational programmes to comply with the new priorities under the national educational policy, starting from pre-school education, and with the current demands in pedagogical practice - reconciling the content of education and practical training with existing labour market needs. In lifelong learning, increased attention will be paid to supporting citizens' digital competencies.

In order to increase employment rates of secondary school graduates, the Government considers it of utmost importance to pay special attention to the quality of their knowledge and career development and consultancy until the end of their education and practical training. In this respect, the Government will encourage the introduction of educational processes to develop working skills of pupils at elementary schools to facilitate their decision-making concerning their future professional careers, especially towards studies at secondary vocational schools. For the sake of reconciling education and practical training with labour market needs, the Government will create conditions for a flexible exchange of the most recent information among schools, employers and the business sector, both at the regional and national level.

The Government will encourage further improvements in the quality of education of pedagogical staff and experts in the educational system. This will primarily involve:

- simplification and facilitation of the credit system and removal of excessive red tape and administrative burdens;
- stronger support for lifelong learning at schools through the engagement of several professional entities into this process.

The Government will guarantee more independence for the State School Inspection, creating better personnel, material, technical and legislative conditions to ensure a high degree of quality and professionalism in its performance, including through methodological assistance.

The Government will set up a new management and financing system for regional schools, as it will:

- clearly define educational competences of local government, state administration and institutions managed directly by the Education Ministry, including a focus on their coordination with non-state schools;
- gradually implement a model of financing according to the quality of the class, not only per pupil; through financial instruments and qualitative criteria for admission to grammar schools, it will ensure that the numbers of students at grammar schools are brought closer to realistic numbers;
- find a solution to the funding of non-state schools and school facilities by local government, including with respect to local government competences to found and dissolve such schools and facilities;
- reconsider existing normative financial allocations to vocational secondary schools taking into account higher economic costs of practical vocational training;
- boost interest in studying at vocational schools; for example, through multi-source funding;
- take action to encourage the private sector to participate in the funding of education, especially of vocational education and practical training;
- reassess the system of financial remuneration for the quality of performance of employees in the educational sector;
- introduce uniform conditions for all school founders with respect to securing human resources;
- ensure pragmatic and transparent funding of after-school courses, schools' capital expenditure, physical education and sports activities.

The Government will make sure that school system reform is thoroughly reviewed; by means of innovative processes in management and education, it will provide for qualified restructuring of state and public administration in the school sector, and improve the quality in the implementation of EU projects.

The Government will concentrate its efforts on the development and improvements in the quality of human resources, in particular by raising professional and personal competencies of employees in the school sector. It will increase the quality of educational processes by means of new teaching materials, equipment and technologies with digital support. It will promote improving the competencies of children and students to increase their competitiveness under European assessment standards, e.g., PISA.

With respect to the development of minority schools, the Government will promote high-quality education in native languages and an excellent command of the official language, as an important characteristic of a modern, inclusive civil society.

The Government will reconsider the possibility of reintroducing boarding schools for children from marginalised communities on a voluntary basis.

An emphasis will be placed at all levels of the school system on educating children in line with national, historical and cultural values and traditions, and knowledge of and respect for civil, national and Christian traditions and values. Patriotism will be encouraged through

modern educational forms and methods, and more attention will be paid to education on the Holocaust and racially and ethnically motivated violence.

In order to raise pupils' interest in technical fields of study, the Government will more vehemently promote teaching of mathematics and natural sciences.

The Government will support a more robust involvement of the business sector in the entire school system in order to boost its competitiveness and sustainability in the global environment.

### **Tertiary schools**

The Government will guarantee that students can take one regular tertiary study programme at a public tertiary school free of charge, and support considerable improvements in the quality of training of their graduates.

Through changes in the funding of the tertiary schools, the Government will encourage their differentiation by the quality and results achieved in education, scientific research and in their linkage to social and economic needs with a view to setting up scientific and technology parks and delivering innovative outputs. Based on analyses, the indicative allocation of funds on tertiary education, research, development and infrastructure of tertiary schools will be refined over a longer time framework.

The Government will initiate changes in the appointment of professors, which will require their excellent creative and teaching capabilities and achievements, including the moulding of scientific and artistic schools of international reputation. Compliance with the uniform criteria of pedagogical and creative performance will be required for individual fields of knowledge.

Primarily through changes in the requirements in the profile of graduates of bachelor's study programmes, the Government will create conditions for the full recognition of the first level of tertiary education, the bachelor's degree, in practice. In the same vein, the Government will also reconcile educational outputs on other levels of tertiary education (master's/engineer's degree, Ph.D. programmes) with prevailing trends in the social and economic development in Slovakia and with the current level of knowledge and expertise in individual fields of study.

The Government will provide conditions for the Accreditation Commission to better consider the quality of tertiary school graduates, monitored by means of internal quality assurance systems which will be transparent, based on international standards, and which will provide enough objective information on the success rates of the graduates of particular programmes, fields of study, faculties and tertiary schools.

The Government will pay special attention to creating systematic conditions to retain or win back Ph.D. graduates from abroad and to reinforce the status of post-Ph.D. graduates at universities and in the Slovak Academy of Sciences. It will promote improvements in the quality of work with Ph.D. students and their participation in domestic and international scientific projects and educational activities.

In line with its priorities, the Government will support tertiary education, research and innovation, with a special focus on natural and technical sciences and linked to social needs and economic development, as well as the mobility of students, tertiary school teachers and research workers.

## **Research and development**

The Government recognises that research and development is among the most crucial factors of Slovakia's further development and growth in the quality of life of its citizens, even amid the current economic, social, financial and moral crisis.

The Government will encourage cooperation between the research community and business, as well as with institutions from the European research area, thus contributing to the building of links between domestic research and technological and innovative progress and research development in the European Union and other advanced countries of the world.

The Government understands that, without higher total research and development expenditures and better involvement of the business sector, no considerable achievements can be made in the area of innovation, in boosting the competitiveness of domestic economy, and in their practical application in manufacturing and technological processes in cooperation between research and development in the Slovak Republic.

In research and development, the Government will support:

- transformation of the Slovak Research and Development Agency (SRDA) into a public institution and strengthening its super-sectoral position;
- establishment of an implementing agency to finance industrial research, experimental development and innovation in industrial companies;
- continued implementation of the Modernisation programme Slovakia 21 with the use of best recommendations for practical applications;
- financing of new innovative activities by means of venture capital;
- continued participation in the European Commission's 7th Framework Programme and the future 8th Framework Programme known as Horizon 2020;
- formation of a framework and conditions to reduce "brain drain" from Slovakia, or to increase the chances for the return of excellent scholars and researchers, along with the possibilities to further develop international cooperation, while seeking to ensure state of the art laboratory equipment and excellent working conditions at universities, scientific facilities, research facilities of the Slovak Academy of Sciences (SAS) and some sectoral workplaces - for example, in agriculture and food quality;
- further integration of education and science - universities and the SAS in order to set up joint scientific and research teams and to improve SAS' participation in Ph.D. study programmes;
- assessment of the results of the research centres of excellence in Slovakia in order to form a national and international network of the common European educational and research area and centres of excellence in the EU;
- implementation of research projects linked to Slovak and EU priorities in the area of research, development and innovation with a clear supra-sectoral and inter-disciplinary focus, e.g., in energy sectors, green technologies, transport materials and systems, biomedicine, biotechnology, IT, machine engineering and the electronics industry;
- legislative changes to provide such conditions which will attract excellent third country students and researchers to study and work in Slovakia;
- improved information exchange and communication among scientific and research structures within the EU, a better institutional linkage with our permanent representation to the European Union;

- creation of legislative conditions to increasingly encourage the private sector to raise its spending on research, development and innovation;
- creation of a functional national innovation system, knowledge and technology transfer centres, scientific and technology parks, and a knowledge-based environment under the implementation of the Danube Strategy, a European supra-regional project.

## **Youth and sport**

The Government will support and promote the creation of conditions to facilitate sports activities of the general public, as well as the social and educational function of sports and its positive impact on health, and pay attention to the position of young people in society and their involvement in numerous domestic and international projects.

To that end, the Government will:

- promote conditions for national teams, training of talented athletes and the building of sports infrastructure;
- participate in the project and multi-source funding for the construction of the National Football Stadium in Bratislava;
- draw up new laws concerning the establishment, activities and funding of sports schools and sports classes;
- prepare a new National Sports Development Programme of the Slovak Republic, a model of financing and a draft act on sports;
- submit a new strategy on work with talented young athletes;
- as regards children and youth, support and promote conditions to improve the quality of their life, social justice, equal opportunities, right to their own identity, employment opportunities and public participation;
- pay special attention to supporting child, youth and academic sports development in cooperation with regional and local authorities.

## **Culture**

The Government, as *a government of certainties for citizens*, considers culture a core foundation of society, one that shapes its values and contributes to creating its unique national, ethnic or local identity. Culture has the ability to humanise, cultivate and convey an aesthetic quality to life, while nurturing creativity and originality in people. It also forms an important part in the process of education and upbringing and leisure activities of the population while fostering social cohesion. Moreover, culture has an appreciable potential to contribute to economic and social development within society.

The Government is aware that culture has been neglected and its importance underestimated in the long run, and realises the lack of systemic changes facilitating adequate conditions for its development. A policy that would recognise the social importance of culture and provide a more ample support is necessary. This is not a sector where spending should be curbed in years to come. However, financial support for culture must stay within the real economic limits of the country, yet it should suffice in meeting the realistic targets, priorities and expectations of the cultural community.

Culture is seen as a creative sector that can contribute its part to the development of a knowledge-based society, overall competitiveness and, ultimately, to Slovakia's social and



economic growth. It is an integrating element for the entire Slovak society. The Government will prepare the Culture Development Strategy for 2013 – 2020, the contents of which will emanate from a broad dialogue leading to the creation of a programme accepted by the entire society, one that will serve as the basis for the state cultural policy and gradual systemic changes in the culture sector.

The Government will set up a Government Council for Culture which, in its capacity as an advisory body, should promote the importance of culture and underscore the need for day-to-day dialogue and coordinated action between the Ministry of Culture, other ministries and central government bodies, local government representatives, and personalities of the cultural community. The Government will make sure that the issue of culture and arts finds its way into the strategic development documents of the central government bodies, as well as scientific and research institutions operating nationwide.

The Government deems it important that culture should continue to receive public funding, yet it will seek new options and models. The existing grant scheme of the Ministry of Culture will be transformed into a public institution, the revenues of which – earmarked for the support of culture – will be supplemented, by law, with proceeds from gambling and lotteries.

As part of Slovakia's common starting points concerning the financial strategic framework within the EU for 2014 – 2020, a separate priority axis for culture with clearly defined programming objectives primarily focusing on the protection and restoration of cultural heritage, in particular national heritage, should be created at a minimum.

The Government considers the role of national cultural institutions to be irreplaceable and, therefore, their further development will be supported.

The Government deems it necessary to improve the legal and social status of artists and cultural workers in society, including freelance artists, by revisiting the remuneration policy in the culture sector, as well as by introducing more realistic payroll taxes for artistic staff to better address the specific nature of their profession.

The Government will continue to channel public funds into supporting the creation of new works of art, cultural activities and their presentation. Special focus will be on support of original literature, as well as access to and a suitable environment for the popularisation of contemporary art.

The Government will explore the options to support fine arts and make public buildings more aesthetically appealing by introducing an obligation to spend a fixed percentage of the total cost of public building construction on purchases of works of art. Within a dialogue with the professional cultural community, the Government will set the priorities and a timetable for establishing an adequate institutional and spatial background for the individual areas of fine arts.

The Government will introduce a suitable organisational, legislative and financial framework for the operation of the public broadcaster. Its institutional structure in terms of individual bodies, their composition, establishment and powers will be standardised. The sources of funding for the public broadcaster's operation and content creation will be stabilised in order to increase its viewership and the number of listeners, with a particular emphasis on the role and importance of public service.

Through the Audiovisual Fund, the Government will focus on developing original audiovisual production as an important bearer of cultural values, as well as on improving the availability of audiovisual cultural content by means of an effective system for supporting the distribution of Slovak movies and cinema digitisation projects. The Government will also seek other avenues of funding audiovisual culture and industry in the context of trends prevailing in Europe.

The Government will make preparations for recasting the copyright law in order to adapt existing legislation to current European trends in the creation, distribution, use and protection of copyrighted works, performances, recordings, broadcasts and databases. Attention will be given to mass digitisation processes and to improving the access of the general public to the cultural heritage of the Slovak Republic with a focus on the implementation of EU law.

The Government will continue creating conditions to save and restore the cultural heritage of the Slovak Republic and to preserve and make it systematically available for cultural, educational and promotional purposes, in particular through digitisation projects.

The Government will adopt a strategy for repository institutions for 2013 - 2020 in order to ensure the sustainability of the digitisation process and also protect and expand the collection and information resources. Multicultural and community activities pursued by libraries, museums and galleries will also be supported.

Traditional folk culture, which the Government considers to be the mainstay of our cultural identity, will be given due attention, since it contributes to the furthering of amateur cultural and social events staged by towns, municipalities and regions. The Government will prepare the conditions for satisfying the cultural needs of all Slovak citizens in the spirit of effective cooperation between the state administration, towns, regions and non-governmental organisations. Emphasis will be on creating a sustainable co-funding system for cultural activities at the local and regional level, including amateur cultural activities.

The Government will support the activities pursued by national minorities living in the territory of the Slovak Republic which contribute substantially to the shaping and evolution of cultural diversity as a traditional and integral part of the development of Slovak society. It will also be attentive to the cultural needs of marginalised and disadvantaged groups with a view to preventing their cultural and social isolation.

The Government will make sure that information used in public communication be available in the state language within the entire territory of the Slovak Republic. In addition to taking care of the state language, it will protect a favourable climate for the use of minority languages in accordance with the applicable legislation.

The Government is keen to maintain a permanent partnership dialogue with churches and religious communities. It will promote the care of important cultural monuments owned by churches and continue the discussion on the funding of churches, with a particular focus on technical aspects of this issue.

Culture is considered by the Government to be a part of diplomacy and is perceived as an instrument of foreign policy that lends itself to promoting the Slovak Republic in the international arena, enhancing its prestige and building better relations with other countries. This dimension of culture will be strengthened in particular by showcasing high-quality projects at international festivals, trade fairs and exhibitions of contemporary art, which can

provide an impetus for promoting the economic interests of the Slovak Republic and its positive image abroad.

The Government will encourage cultural projects marking the anniversaries of significant milestones in the history of Slovakia and highlighting notable personalities of the cultural and artistic life. It will prepare a dignified commemoration of the 20th anniversary of the Constitution of the Slovak Republic and the formation of an independent state, as well as the anniversary of the arrival of Saints Cyril and Methodius in our territory.

### **The status of minorities – a permanent part of modern Slovak society**

The Government notes the existence of full and effective equality between persons belonging to a national minority and those belonging to the majority in all areas of economic, social, political and cultural life in the long run.

The Government is aware that national minorities form an important part of modern Slovak society, contributing their cultural wealth and substantial historical heritage.

The Government views the protection and support for the development of national minorities as its natural role in shaping a modern Slovakia.

The Government will lay the groundwork for the development of national minorities in terms of preserving and developing their identity, language, culture and traditions that are conducive to the general evolution of the entire society.

The Government guarantees decent conditions for the development of any national minority in the spirit of the Slovak Constitution, international treaties and conventions, while maintaining the status quo and balanced relations between the majority population and national minorities through tolerant dialogue in Slovak society.

The Government will set up the Office of the Government Plenipotentiary for National Minorities and Civic Society that will possess all relevant coordination and decision-making powers.

## **6. QUALITY OF LIFE AS THE OUTCOME OF A COHESIVE SOCIETY**

The Government, as *a government of certainties for citizens*, believes that cohesion of Slovak citizens is central to maintaining the stability and improving the quality of their lives. Social cohesion is conditional on the coherence of all classes of society and on combining a balanced economic policy with a social policy. This predetermines sustainable growth of the quality of people's lives that can be achieved by encouraging education, research, and development of innovation, and by creating a modern infrastructure necessary for economic and social development. When assessing the quality of life of individuals and society, it is not only the material standard of living that must be taken into account, but also health, education, the sum of an individual's activities, including work, opportunities for political and civic engagement, the impact of government measures, interpersonal relations and social contacts, certainty or, conversely, uncertainty in economic and personal terms, and the quality of the environment. All of this is proportionally evolving in society that integrates a knowledge-based social model into its development.

The recent years have seen a collapse of the public health system, a decline in real wages, an increase in unemployment, unsolved problems associated with long-term unemployment, poor protection of employees, chaos in policies affecting older people and in social services, and a disorganised course of action by state administration bodies and local government in terms of social policy, with social dialogue coming apart as well. The entire social system was exposed to uncontrolled experimenting with the most vulnerable groups, and poverty has grown both in economically weak regions and in other areas as well. The system was destroyed, undermining the trust of citizens in the state's ability to help them handle difficult life situations.

The Government will establish a stable social policy framework of certainties for people, focusing in particular on the following key areas:

- the care of people's health in society, a role which is to be resolutely taken up by a revitalised and stabilised public healthcare system;
- the family as the basic building block determining the quality of life and certainties for citizens;
- a solution to long-term unemployment using advanced programmes to pave the way for better access to employment for disadvantaged groups in the labour market;
- reinforcing activation schemes for unemployed young people, low-qualified people, including counselling, intensive retraining, subsidised employment and grants for start-up entrepreneurs;
- improving the quality of life of the elderly as a comprehensive issue that will enhance cohesion in society.

The Government will revive the policy of economic, social and territorial cohesion as a key element for the development of human potential in Slovakia with a view to making it a stable, modern and competitive country.

The Government will make every effort to ensure that the adopted decisive measures win the support of the majority of the population. Prior to their implementation, a broad professional discussion will be launched to reach a social and political consensus. The representatives of social partners will also have their say in the process. To that end, an effective social dialogue will be started, and one of its outcomes must be to increase the share of employees covered by collective agreements. Therefore, the Collective Bargaining Act will be amended to help clear the way for imposing and extending higher level collective agreements to other employers. The Government sees the minimum wage as a particularly important instrument in creating a climate that would increase the interest of marginalised groups of population in finding a job. The Government will therefore consider adjusting, within the limits of public finances, the minimum wage indexation in relation to the average wage and the subsistence minimum.

### **Family – the basic building block determining the quality of life**

As the basic structural component of human society, the family has gone through substantial changes over the past twenty years. The necessity to have a paid job is in conflict with family life, and it is for this reason that the family structure in Slovakia has changed dramatically and a new pattern of family behaviour has emerged. The number of marriages is dropping, the number of divorces is increasing, as have the age of married couples; there was a slump in birth and fertility rates, but the number of abortions dwindled significantly. There was an increase in births outside marriage, the ageing process of the population has begun, people started reverting to multi-generational living where several families share one apartment or house, there was a shift towards a unified family model, and there were less sibling relationships. All of this has manifested itself by negating the importance of the one and only type of family accepted by Slovak society so far, i.e., the traditional bond between a married couple. The effects brought by a post-modern era of advanced societies, coupled with the growing requirements of time-intensive paid work and the increasing participation of women in the labour market, have been neglected. This distorts the historical relationship between the paid economy and the care sector, which is typical of the industrial domain. The cohesion of society and its important determining factor – the family – has been disrupted. The knowledge-based social model for the development of society presumes that civil society, including churches, will play an important role. The market pressure affecting family life gives rise to more diversified family models. In order to prevent the emergence of deprived families, more flexible support for families is necessary.

The Government will therefore ensure that:

- the family policy becomes the focal point of the state's social policy;
- the fundamental principle of the Act on Family, which stipulates that marriage is a unique bond between a man and a woman which must be protected and supported by society, is consistently applied;
- the balance between the economic and social function of the family is restored; along with this objective, financial literacy will be encouraged;
- the natural equilibrium in the reproduction of the population is restored.

In the area of family policy, the Government will:

- prepare the new Strategy of State Family Policy of the Slovak Republic until 2020 to define strategic objectives, principles and measures for its implementation in order to revitalise family life and substantially renew its social function;

- review the labour and family law to ensure that the need for a balanced relationship between the economic and social function of the family, the duties of public institutions, the role of employers and the position of civic associations is more widely accepted;
- support outreach measures with a view to stabilising the situation in socially marginalised families;
- support the protection of minors to ensure the widest possible application of the principle by which every child should be raised in a natural, family environment from its birth;
- avoid the placement of children in institutional care, which should be the solution of last resort; therefore, the procedural rules and family law will be revisited in particular with regard to the chapters concerning the placement of children in foster care;
- more vigorously promote, in all legislative proposals, the principle of gender equality, strengthen the respective institutional framework and systematically monitor its development.

### **Work – the source of quality of life for citizens and society**

The Government, as *a government of certainties for citizens*, recognises that work – in the form of employment – is crucial for citizens to feel secure throughout their economically active stage of life. Having a job is vital for making a living, but also for the personal identity of a citizen within the entire society. Aside from bringing material values to the owners of tangible and financial assets, it also forms the status and life values of employees. In the second decade of the 21st century, the Slovak Republic will be a society primarily based on high-quality employee relations that will shape its values and character. Based on the Constitution of the Slovak Republic, labour law therefore is and will remain one of the cornerstones of the Slovak legislation. A balanced employer-employee relationship is important for establishing sustainable growth of the quality of life of citizens. The Government will prepare an amendment to the Labour Code following an expert discussion with its social partners.

As jobs are created in a process where labour generates values, the Government considers work under employment contracts to be a dominant factor for the quality of life of citizens. The Government guarantees that the objectives of its policy in this area will include social inclusion, a well-functioning labour market and educational systems, increasing mobility, and unleashing the innovative and creative potential of people. The transition to a new, sustainable, social, market-based, smarter and more ecological economy will be based on innovative procedures, better use of resources and knowledge. The process must be accompanied by the creation of new jobs, the fight against growing unemployment, poverty and social exclusion. In order to ensure sustainable growth, the Government will adopt measures in which people and responsibility will be brought to the forefront.

The priorities of the Government:

- creating value by basing growth on knowledge;
- empowering people in inclusive societies (acquisition of new skills, encouraging creativity and innovation, development of businesses and a smooth transition between jobs);

- promoting a greater number of job opportunities in exchange for higher adaptability of people;
- creating quality jobs based on decent, safe and good work for fair pay;
- improving opportunities for young people to find a job and join the labour market after graduating from school;
- placing greater emphasis on vulnerable groups, gender equality and social cohesion;
- creating green jobs.

The Government will actively involve the social partners in its efforts aimed at mitigating the impacts of the financial crisis on employment and the social sector. Adequate social security, which will be set in a manner that motivates people to work while maintaining purchasing power, will play a key role in this context.

Therefore, the Government deems it necessary:

- to continue the implementation of the European Employment Strategy in line with the priorities of the Europe 2020 strategy;
- to develop a system for anticipating labour market needs and skills so as to achieve the greatest consistency possible between labour demand and supply;
- to promote competitiveness by increasing the skills and adaptability of the workforce to be able to respond to the needs of the labour market, as well as by pursuing an active labour market policy;
- to foster activation schemes, in particular with regard to low-qualified workers, including counselling, intensive retraining, apprenticeships, subsidised employment, as well as grants for self-employed people and start-up businesses;
- to target programmes for support for the most vulnerable groups;
- to improve the monitoring of skills development and how they match the actual and anticipated demand in terms of vacancies;
- to review the territorial organisation of public employment services in order to ensure effective cooperation with cities, municipalities and self-governing regions in the development and implementation of regional policies aimed at encouraging employment growth;
- to continue to implement programmes and projects addressing long-term unemployment and ensuring better access to employment for disadvantaged groups in the labour market;
- to continue the effort in promoting work culture based on the standards of the International Labour Organisation, the Council of Europe and the EU;
- to continue the effort in combating illegal employment;
- to amend the legislative requirements prescribed by law and implementing regulations in that they better underpin the need for intensified care of health and safety at work of employees and self-employed people;
- to gradually increase the minimum wage based on monitoring trends in wages;
- to create modern social security schemes;
- with a view to improving law enforcement, to continue to reinforce the personnel and technical capacities of labour inspection authorities to ensure such level of supervision that is taken as a standard in the European Union.

Increased unemployment is a severe outcome of the global economic crisis. Unemployment is associated with a decrease in the standard of living, which is quite significant with certain groups of the population and several regions in Slovakia. A radical treatment of such distortions is not possible. It is a process that requires an integrated strategy to be pursued at least over the medium term.

The Government therefore considers:

- reducing the unemployment of disadvantaged groups and threats they face in the labour market as part of the poverty reduction strategy in the Slovak Republic;
- the poverty reduction strategy in the Slovak Republic as a multi-dimensional process that goes beyond mere job creation and employment services.

In the exercise of its powers, the Government will:

- review the possibility of establishing the concept of subsistence minimum as a socio-economic parameter in the social system, which measures quality of life and is accepted by society;
- develop the existing successful forms of social integration of people with disabilities in cooperation with municipalities, towns, self-governing regions, civic associations and churches;
- step up efforts in addressing the comprehensive problem of the long-term unemployed and improve, through several types of policies – in particular the regional policy, educational policy, housing policy and public services policy – the conditions under which they could find their place in the labour market and society;
- reduce the propensity of young people to stay away from the labour market through better cooperation between educational establishments and employers, as well as the general government and employment services, and will prepare the legislative background for such cooperation;
- continue, as regards the inclusion of marginalised Roma communities, the horizontal activities encompassing efficiently spent funds in accordance with the Decade of Roma Inclusion for 2005-2015 and the Medium-Term Concept of the Development of the Roma National Minority in the Slovak Republic for 2007 - 2015, while also involving Slovak churches and congregations in the process;
- implement the strategies for the inclusion of marginalised Roma communities in particular through local comprehensive approach strategies and local social inclusion partnerships;
- develop a culture of preventing all forms of employment-related discrimination in the workplace; to that effect, the operations of the National Labour Inspectorate will be particularly streamlined;
- prepare a comprehensive system for detecting illegal employment and imposing stricter penalties, in particular by launching more efficient cooperation between employers and trade union organisations and the National Labour Inspectorate, local government authorities and the Police of the Slovak Republic;
- continue the transformation of the Offices of Labour, Social Affairs and Family into an organisation that also provides – on top of discharging of its administration and registration duties – consultancy services to the unemployed and people under threat of unemployment. The same goes for employers, trade unions, municipalities and



towns where a comprehensive approach to the social protection of citizens will be applied while creating the conditions for their employment;

- prepare legislation that will protect low-income and marginalised groups from indebtedness, in particular with regards to non-bank entities which provide loans bordering on usury.

### **Healthcare - healthy citizens, recovered patients and satisfied medical professionals**

The greatest value and source of wealth of a country lies in the health of its citizens, which must be protected and cultivated. The mission of the health sector is to contribute significantly to improving the quality of life of citizens by reducing mortality, morbidity, temporary and permanent effects of diseases and injuries, by providing dedicated, high quality and effective healthcare through the public healthcare system, and by supporting individual and community care for health.

The Government's health policy is based on European traditions and experiences while taking account of the specific aspects of the Slovak Republic. The right to the protection of health and to healthcare is a basic human right and a high priority in the public interest. Equality and solidarity in protecting the health of citizens and providing accessible, high-quality and effective healthcare, which represents a fundamental public service, must remain the basic principle. The best way to achieve a strong economy and well-being among people is through investing in the health of citizens; therefore, the Government undertakes to adopt all possible and available measures aimed at the stabilisation and development of the public health system in the Slovak Republic.

All of the substantial system changes must come as a result of professional discussion and social agreement of the stakeholders.

During its entire tenure, the Government will refrain from transforming university, college and public hospitals into joint stock companies, thus preventing their privatisation and reduced quality of provided healthcare, as well as an existential threat to hospitals.

The Government will reinforce the public health system and public health surveillance. It will prepare strategic documents, including a plan for a gradual shift from patient care provision to a comprehensive approach to public healthcare, national health promotion programmes and health prevention programmes to tackle the most important areas. This will apply to all citizens, with a focus on the care of children and adolescents, women, the elderly, oncology patients and other most vulnerable groups of the population, the prevention of lifestyle diseases, the promotion of healthy food, healthy environment and active recreation in nature.

The Government will consistently enforce compliance of health-related laws. It will continue to protect non-smokers and adopt anti-alcohol and anti-drug measures.

High quality, availability and effectiveness of healthcare is central to achieving people's satisfaction and confidence in the provision of healthcare, as well as the way it is organised, managed, controlled and performed. The Government will strive for the provision of such healthcare in the entire territory of the Slovak Republic that is on par with current medical knowledge. This can be done by introducing standard diagnostic and therapeutic procedures, continuing education of healthcare professionals, and the evaluation of quality indicators of healthcare providers.

Better wages for people working in the health sector remain one of the priorities in this area. Within economic boundaries, the Government will put in place such mechanisms for the management and financing of this sector that will generate sufficient funds for increasing the wages of healthcare professionals. As regards the education of healthcare professionals, the Government will support proposals to change the system in a way that would prevent shortages of personnel in several specialty areas required for the accurate and comprehensive provision of healthcare. In protecting healthcare professionals, the Government will consistently enforce compliance with the Labour Code and norms applicable in healthcare facilities. It will cooperate with professional organisations and trade unions to develop a strategy for changing the situation in the health sector.

The Government will encourage the optimisation of the network of healthcare providers, in particular as regards preventing uncontrolled growth primarily in specialised outpatient care, and will propose how to resolve the problems surrounding first aid. In the area of outpatient care, the occupations of general practitioners and dentists must be made more attractive in cooperation with professional societies as well as professional and educational institutions.

The Government will impose stricter control over hospital management, thus preventing ineffective spending. In order to prevent the accumulation of debts in hospitals which rose to an all-time high over the recent period, the Government will not allow the privatisation of profitable economic activities in hospitals, and will create the conditions for their financial stabilisation in this manner.

Completing the network of emergency admission and trauma centres will be an important task, because emergency medicine constitutes an important element of the Integrated Rescue System.

The Government will maintain a network of healthcare providers under state control on such terms that would guarantee the scope and availability of healthcare covered by public health insurance for all patients. Also encouraged will be the development of university hospitals, as they represent an integrated and generally available medical system providing the highest-quality benefits in terms of healthcare provision, education and scientific research in the field of medicine. In their work, they focus in particular on the needs of individual patients and on treating serious health conditions.

Taking into account the economic limits and the results of the medical, operational and technical audit, the Government will support the completion of the Rázsochy hospital as a modern medical complex of nationwide importance which will provide healthcare to all citizens of the Slovak Republic. By doing so, the educational base of the Slovak healthcare system will be resolved as well.

The Ministry of Health will continue to take steps aimed at reducing the costs and, at the same time, increasing the availability of drugs and medical aids without co-payment for all of the more serious diseases. The Government will lay the groundwork for making the relationship between pharmaceutical companies, healthcare professionals and patients more transparent, while removing the persistent problems in the pharmaceutical market caused by purpose-made legislative measures of the previous government.

In accordance with the Slovak Constitution and the applicable European legislation, the Government will adopt measures aimed at maximising the use of funds, which health insurers statutorily collect from the citizens, for diagnosing and treating patients. It will also propose

such legislative and organisational measures that would prevent inefficient spending of funds allocated for healthcare by law. This will require strengthening the principle of solidarity by taking morbidity into account in the redistribution of health insurance premiums. During its tenure, the Government will seek alternatives and sources to finance the gaps caused by the reduced payments of the state for its insurees during the previous government.

The Government considers the use of electronic information systems (eHealth) to be one of the basic prerequisites for improving health protection and increasing the quality of provided healthcare. Therefore, the Ministry of Health will speed up and intensify the process of putting eHealth applications into practice in order to improve the quality, availability and effectiveness of healthcare to the benefit of citizens, healthcare professionals and the entire healthcare system financed from the public resources. The focus will primarily be on electronic medical records and their use by the treating physicians, electronic prescription and medication, public awareness about health and illnesses, support for chronic patient care, and public health. The National Health Information System will fulfil the role of the national eHealth operator.

The Government will prepare and start implementing a comprehensive healthcare system for the elderly through the development of a geriatric healthcare sector and specific social care for the elderly by supporting the establishment of medical/social facilities, including the financing model, and by defining the role of the state, self-governing regions, towns and municipalities. In order to build medical/social capacities, any unneeded healthcare facilities will be used as well.

### **Quality of life of the elderly and people with disabilities as an important determining factor of a cohesive society**

The quality of life of the elderly is a comprehensive issue that stretches beyond economic aspects. For the most part, it is related to the changed lifestyle of working-age people when a successful career requires a high degree of individualisation. This forces the elderly to play a less active role in the life of society and undermines the function of the family. It also has to do with the healthcare system and access to high-quality and comprehensive social and health services. Also important is having affordable yet high-quality special products and services available for the elderly. Moreover, it is related to the ability to provide and make available the conveniences of modern life, all of which goes hand-in-hand with easier access to practical lifelong learning for the elderly. Equally important is the issue of housing for the elderly.

All these activities represent the basis for a stabilising role of domestic consumption in the economy of the country. Creating the conditions for sustainable quality of life of the elderly is considered a dominant factor in setting up the pension system, with an emphasis on old-age pensions. It is an important element of the system that is necessary for maintaining the quality of life of the elderly - however, not the only one.

In line with the United Nations Convention on the Rights of Persons with Disabilities, the Government will protect and ensure the full and equal enjoyment of human rights and fundamental freedoms by persons with disabilities and promote respect for their inherent dignity.

Therefore, the Government deems it necessary to:

- prepare a new National Programme for the Support and Protection of the Elderly;
- create optimum conditions for the implementation of the Convention on the Rights of Persons with Disabilities, including the institutional background for ensuring its implementation and monitoring;
- draw up, along the lines of the Convention, a new National Programme for the Development of Living Conditions for Persons with Disabilities;
- set up a National Register of People with Disabilities based on society-wide interest.

Maintaining the level of incomes of the elderly/pensioners that is necessary for ensuring the sustainable quality of their lives will represent a serious social and economic problem to be tackled in the upcoming decade. This is due to the dwindling revenues of the pension system. For these reasons:

- the Government will draw up a long-term strategy of the pension policy based on a wide discussion among experts;
- the Government will assess the pension system comprehensively from the perspective of the entire tax and social security system. Lifting the pension scheme out of the context of the overall public finance system is one of the fundamental mistakes that introduced major distortions to Slovakia's social cohesion system after 2002 from the viewpoint of both short-term and long-term effects;
- solidarity as the basic foundation stone of European civilisation will continue to remain the mainstay of pension insurance in the future. This goes for both intergenerational solidarity and solidarity between the rich and the poor. It is necessary to define the future pension system by applying a universal principle and the rules of fairness, merit, togetherness, responsibility and solidarity; at the same time, the voluntary component must be appropriately combined with the obligations and functions of the state and private entities in ensuring the functioning and financing of the pension system;
- the pension system should be built on equal pension entitlements for all citizens so as to provide a minimum retirement income while ensuring a balanced level of solidarity and merit;
- the goal is to create a pension system that provides reliable protection against old-age poverty and the possibility to maintain an adequate standard of living for citizens when they have no options to cover their living needs from their employment income.

In order to comply with these principles, the Government will press ahead with the following measures:

- the Social Insurance Company will remain the key institution of the social system, with a transparent structure of individual types of insurance funds and with low operating costs; to that end, it will be necessary to put in place the unified collection of taxes and social contributions and unbundle – more consistently than ever before – the executive function from the control and surveillance function performed by its self-governing body while thoroughly applying the tripartite principle;
- as regards the pay-as-you-go pension scheme, the priority will again be to preserve its financial sustainability; the stabilisation of the financial sustainability of the pension system will be significantly propped up by the implementation of the UNITAS project (unified collection of taxes, customs and contributions);

- in terms of retirement pension savings, the Government will again apply the principle of voluntary contributions and review the reasonableness of the number of funds, including with respect to guaranteed entitlements;
- in order to improve the incomes of the elderly, the Government will create the conditions for allowing them to pursue their profession even after reaching retirement age;
- the importance of supplementary pension savings will be restored, in particular by making it more attractive for all of its contributors;
- the category of minimum retirement benefit will be enshrined in the legislation;
- the principle of universality will be gradually applied across all types of professions and occupations.

The comprehensive package allowing the elderly and people with disabilities to take part in the harmonious and sustainable development of society also includes the availability of high-quality, affordable and specialised health services and corresponding social services. The culture of respecting old people and persons with disabilities must be based on cohesive family policy, active involvement of local government, self-governing regions, civic associations and churches, as well as former employers and trade unions of former employers. High-quality and affordable care services for the elderly appears to be a pressing problem.

### **Housing as an important dimension of sustainable quality of life**

The Government considers the following efforts to be crucial for housing development:

- to continue applying the existing instruments for support, to focus on reviewing the quality of the living environment in residential buildings, in particular with regards to prefabricated housing estates and city centres, as well as the reconstruction of residential buildings;
- to use financial resources available from EU Structural Funds for revitalisation projects, provided that comprehensive zoning plans for housing estates subject to revitalisation are drawn up; to that effect, the options offered by the EU's JESSICA initiative should be explored with a view to raising the credit lines for the revitalisation of housing estates;
- to continue to apply established fiscal and social instruments as provided for by a directive of the Council of Europe to make housing of a reasonable standard affordable to socially vulnerable groups;
- to stabilise the volume of financial resources earmarked for auxiliary instruments for housing development programmes and establish a legislative and institutional framework to involve private funding through public-private partnerships;
- to continue and extend the programmes for the reduction of energy consumption and for increasing the share of renewable sources in housing;
- to create the conditions for the financial sustainability of the Programme for the Construction of Municipal Lower-Standard Rental Apartments, intended for the most deprived citizens, and to create conditions for the construction of technical infrastructure in Roma settlements.

The Government will also focus on the development of rental housing in both the public and private sector. In the following period, it will address, by way of legislation, the issue of

tenancy relations between private owners and tenants, as well as the relations between the owners and lessees in general. The Government will preserve the institute of protected tenancy and establish a balance between owners and tenants. The Government will continue to support housing development using the established system of financial instruments based on public funds that will be subject to modification, if necessary. Greater involvement of private capital in the construction of rental apartments with a focus on young people will also be encouraged.

### **Social policy as a tool for permanent and sustainable growth of the quality of life of the citizens**

One of the priorities pertaining to social insurance is to create the legislative conditions for the ratification of the European Code of Social Security which will generally increase the level of social insurance for unemployment and sickness benefits, occupational accidents and diseases.

The Government intends to bring economic and social cohesion to a higher level by fundamentally restructuring the public expenditure. Public expenditure will be increased to reinforce the vital functions of the state for the creation, maintenance and growth of human capital. This is the only way to restore a balance between the economic and social objectives of Slovakia's development. The effects will be seen in the labour market (active employment policy), in families (for the most part, support for single-parent families and support for elderly-headed households that are most vulnerable to social risks), as well as the housing policy (support for social housing).

By pursuing a coherent social policy wherein the quality of life is achieved through the cohesion of all classes of society, the Government will reinforce the integrity of society based on equal rights of social citizenship. Individualism and collective egoism strategies typically act to the detriment of other individuals, groups and society as a whole. On the other hand, preserving and strengthening the generally accepted social rights is underpinning social integrity quite reliably. This is where a corresponding institutional framework should come into play, one that unites families, communities, municipalities, regions, churches and religious communities, the third sector and the state into a harmonious whole.

The Government will create the conditions for the professional performance of social work.

The procedures to be adopted by the Government in practical social policy must follow the path of the EU. The Treaty of Lisbon and the Europe 2020 strategy underscore the future development of the EU as a knowledge-based, social and environmentally-oriented society. This is seen as the source of the EU's competitiveness in the global arena. The Protocol on Services of General Interest annexed to the Treaty of Lisbon stresses the importance of public services, including social services. It confirms the responsibility of Member States for providing and organising such services. The Treaty of Lisbon represents a major shift towards the recognition of social rights. The EU's Charter of Fundamental Rights contributed in a similar way to the development of a social Europe, recognising not only the role of social partners in a social dialogue while respecting their autonomous character, but also establishing a contractual basis for the "Tripartite Social Summit" attended by European social partners, heads of state, the European Commission and other partners. The Government subscribes to these new legal commitments and seeks that they be implemented through practical policies both in Slovakia and at the EU level.

In the Government's opinion, sustainable development of Slovak society and the ensuing improvement of the quality of life of the citizens require that:

- social integrity be reinforced on the basis of equal rights of social citizenship;
- the coordination between economic and social policy be intensified by interconnecting all measures under the Government's agenda to a greater extent;
- qualified approaches for studying the evolution and development of Slovak society be furthered through qualified and systemic monitoring and analyses of the processes existing in Slovak society. In the same vein, this should be achieved by establishing higher-quality sociological and social scientific research, one that will identify stratification and development trends seen in Slovak society;
- the existing rules of social dialogue be modified in a way that makes it more functional even at the level of regions, industries and, for the most part, companies and organisations.

## 7. DEVELOPMENT OF SLOVAK REGIONS

The Government, as *a government of certainties for citizens*, will be creating conditions for further regional development and reduction of regional disparities, in particular by building infrastructure, strengthening the regions through productive investments and by an economic, effective and efficient spending of EU funds. The quality of life of the population must be shaped at the level of individual Slovak regions. Therefore, the Government will encourage regional development through horizontal and vertical coordination of actions, while taking into account the diversity of Slovak regions. The Government is keen to devise and employ such social and economic tools that will reduce regional disparities, improve the competitiveness of the regions and, hence, the quality of life. The principle behind increasing regional competitiveness is that it is necessary to strengthen the capability of the regions to respond flexibly and adapt their socio-economic structure to changing needs, while also being able to foresee and drive such changes. So far, the prevailing strategy in Slovakia has been to remove the weaknesses of the regions; however, growth-oriented support that takes into account the specificities of the individual regions will become the focal point. One of the ways is to support cluster initiatives, not only in tourism, but also other areas. The Government will also support the development of tourism in a targeted manner by means of destination management organisations in cooperation with local government.

When implementing its decisions, the Government abides by the National Regional Development Strategy of the Slovak Republic as the underlying strategic document which comprehensively determines the state's approach towards support for regional development in the long term while respecting the principles of sustainable development. The Government will continue the process of reducing regional disparities in synergy with EU funds and the development policies of the individual ministries and economic and social development programmes of self-governing regions, towns and municipalities.

The Government will also strengthen the economic development of regions with a focus on support for small and medium businesses and tourism as a promising industry for the creation of new jobs. It will also create conditions for improving and innovating the activities of regional agencies.

The Government considers the successful and transparent drawing of EU funds to be crucial for regional development. This will in particular entail the full disbursement of aid available under the Regional Operational Programme (ROP) for 2007-2013, the primary objective of which is to improve the availability and quality of public infrastructure and amenities in the regions.

As shown by recent experience, intermediary bodies set up within the ambit of self-governing regions have significantly contributed to the successful absorption of EU funds under the ROP. The Government will therefore create, at the level of self-governing regions, the conditions for the operation of managing and implementing structures within the framework of assistance and support received from EU funds in line with the strategic objectives under the new cohesion policy for the years 2014-2020. Interventions will be coordinated and concentrated within the regional territory. The Government will create the prerequisites for the absorption capacity related to the drawing of financial resources from EU cohesion aid based on a sufficient number of high-quality projects, including the application of complex



projects. Furthermore, the Government will substantially enhance the coordination and concentration of the regional support system. The Europe 2020 strategy will be customised and applied to facilitate regional development in Slovakia.

In order to perform these roles, as well as to determine the post-2013 priorities in the preparation of new operational programmes, the Government will cooperate with European institutions in identifying and customising the new European policy with a focus on the existing potential in the regions and the regional aspects of development in the Slovak Republic. The Government will promote both maximum disbursement as well as effective supervision over efficient spending of financial resources. It will focus its efforts on balanced disbursement of the Structural Funds and the Cohesion Fund throughout the individual years. The Government will endeavour to improve transparency and simplify the mechanisms of project administration and their pre-financing.

In the following period, the Government will focus on analysing Slovakia's previous experience as a member of the EU and on the practical shape of its cohesion policy in conjunction with the social and regional cohesion policy in the territory of the Slovak Republic, as well as how they interact with the single market and other key priorities of the EU. For the sake of creating a socially-oriented market economy, one that is based on smart, inclusive and sustainable growth and the ability to face global challenges, the Government will endeavour to reassess the cohesion policy along these lines. Slovakia will thoroughly prepare itself for the launch of preparations for the EU's new financial perspective for 2014-2020 in order to make better use of the added value embodied by the EU in the global arena.

The Government will intensify regional and cross-border cooperation with the Visegrad Four countries, Austria and Ukraine. Attention will be given to the preparation and implementation of macro-regional strategies, in particular the EU Strategy for the Danube Region, in cooperation with all countries and European institutions that are involved in its preparation and implementation. By coordinated use of public resources, the Government will create the conditions for timely and effective drawing of EU funds.

The Government will establish the conditions for the social inclusion of marginalised Roma communities by means of comprehensive projects and approaches. The Government will proceed in line with the relevant strategic documents, in particular the EU Strategy for Roma Inclusion, which has been tailored to Slovakia's needs through the Strategy of the Slovak Republic for the Integration of Roma up to 2020. The strategy will focus in particular on education, health, housing and employment. The Government considers the above strategy to be an open-ended document which will be gradually supplemented and elaborated further based on the outcomes of real solutions and relevant supporting documents.

The Government considers the current situation in the use of EU funds for addressing the Roma issue to be critical. The progress made so far in the implementation of projects under the relevant operational programmes within the framework of the so-called Local Comprehensive Approach Strategies will require special attention. The systemic measures aimed at utilising existing allocations from the EU Structural Funds will be approached in a way that will also ensure synergy and continuity within the framework of the new cohesion policy for the years 2014 – 2020. From the Government's perspective, the programmes addressing the Roma issue will focus on increasing the employment and education levels of the members of marginalised Roma communities and on improving their conditions. This will in particular involve solutions pertaining to education, housing, labour, healthcare, culture and

language. Furthermore, efforts will focus on improving the overall conditions in the social area, environmental situation and rational use of resources.

The Government will also deal with the conditions and financial sustainability of the “Programme for the Construction of Municipal Lower-Standard Rental Apartments Intended for the Most Deprived Citizens and for the Support of the Construction of Technical Infrastructure in Roma Settlements.” The conditions for the financing of projects for socially excluded and marginalised Roma communities can be sustained by the coordinated action of central government bodies, local government, self-governing regions and non-governmental organisations. The Government considers this aspect to be one of the conditions predetermining the successful development of the regions.

As regards cross-border links within the region, the Government will support European regional associations and consistent implementation of cross-border cooperation programmes co-financed from EU funds.

In rural regions, the Government will promote agriculture as a multi-functional industry. It will also lay the groundwork for comprehensive support for the development of rural tourism and agritourism, including the building of infrastructure and missing institutions, information and booking systems, and the support for marketing in tourism.