



# Public administration characteristics and performance in EU28: Slovakia

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## TABLE OF CONTENTS

<b>TABLE OF CONTENTS .....</b>	<b>887</b>
<b>1 SIZE OF GOVERNMENT .....</b>	<b>888</b>
<b>2 SCOPE AND STRUCTURE OF GOVERNMENT .....</b>	<b>890</b>
<b>1.1 State system and multi-level governance .....</b>	<b>890</b>
<b>1.2 Structure of executive government (central government level)...</b>	<b>895</b>
<b>2.2.1. The Centre of Government's capacity for coordination .....</b>	<b>897</b>
<b>2.2.2. Budgeting and monitoring mechanisms .....</b>	<b>897</b>
<b>2.2.3. Auditing and accountability .....</b>	<b>899</b>
<b>2.2.4. Coordination of administrative reform .....</b>	<b>900</b>
<b>3 KEY FEATURES OF THE CIVIL SERVICE SYSTEM .....</b>	<b>901</b>
<b>3.1 Status and categories of public employees .....</b>	<b>901</b>
<b>3.2 Civil service regulation at central government level .....</b>	<b>902</b>
<b>3.3 Key characteristics of the central government HR System .....</b>	<b>902</b>
<b>4 POLITICAL ADMINISTRATIVE SYSTEM AND POLITICAL ECONOMY .....</b>	<b>904</b>
<b>4.1 Policy-making, coordination and implementation .....</b>	<b>904</b>
<b>4.1.1 Policy making, coordination and implementation .....</b>	<b>904</b>
<b>4.1.1.1. Consultation for decision-making and policy-making aspects .....</b>	<b>905</b>
<b>4.2. Administrative tradition and culture .....</b>	<b>906</b>
<b>5 GOVERNMENT CAPACITY AND PERFORMANCE .....</b>	<b>908</b>
<b>5.1 Transparency and accountability .....</b>	<b>908</b>
<b>5.2 Civil service system and HRM.....</b>	<b>909</b>
<b>5.3 Service delivery and digitalisation .....</b>	<b>910</b>
<b>5.4 Organisation and management of government .....</b>	<b>911</b>
<b>5.5 Policy-making, coordination and regulation.....</b>	<b>911</b>
<b>5.6 Overall government performance .....</b>	<b>912</b>
<b>REFERENCES.....</b>	<b>913</b>

## 1 SIZE OF GOVERNMENT

Slovakia is one of the EU Member States with middle to lower levels of public expenditure as a percentage of GDP (and a low level of public expenditure per capita). The improved position in the EU ranking based on public expenditure as a percentage of GDP is mainly based on the fact that Slovakia did not reduce public expenditure for most phases after the crisis started. It is also necessary to stress that the data from various sources about public revenues and expenditure as a percentage of GDP in Slovakia may vary because of different data presentation methodologies. Most of the spending on health care and a substantial part of social care spending is financed via semi-independent insurance systems and some statistics exclude this part of public expenditure.

Taking into account the relatively low absolute level of GDP and the relatively small percentage of public expenditure in GDP, Slovakia has limited resources for public sector roles per capita. Despite this, basic public-sector roles are performed and European social rights are very well guaranteed (at least formally).

From the point of view of the sustainability of public finance, Slovakia is one of the relatively successful EU Member States. During and after the crisis, the percentage of public debt compared to GDP slightly increased, but the country adopted several measures (like passing legislation on budgetary responsibility and creating the Council for Budgetary Responsibility) to stop this growth. This, together with the positive economic development of the country over the last few years resulted in the gradual reduction of deficits, and Slovakia is now moving towards a balanced budget resulting in reduced debt level. One of the important factors of stable economic growth in recent years is large-scale public investments, predominantly financed from EU fund allocations.

**Table 1: General government budget data**

SLOVAKIA	2010	EU 28 Rank	2015	EU 28 Rank	Δ Value	Δ Rank
<b>Total expenditures (in % GDP)</b>	42.14	23	45.56	13	+3.42	+10
<b>Central government share (%)</b>	65.56	17	65.12	18	-0.44	-1
<b>State government share (%)</b>						
<b>Local government share (%)</b>	17.28		16.39			
<b>Public investment (in % GDP)</b>	3.61	19	6.29	3	+2.68	+16
<b>Debt in % GDP</b>	40.70	11	52.48	9	+11.78	+2
<b>Deficit in % GDP</b>	-7.5	21	-2.7	17	+4.8	+4

**Sources:** AMECO, Eurostat

Data on total public-sector employment rank Slovakia somewhere towards the middle of the EU Member States. This is despite limited resources being available and very much due to comparatively low salaries in many public-sector areas. The most visible areas of criticism with regard to low wage levels (including from an international perspective – see European Semester evaluations) are health care and education. The level of the salaries of public servants is fixed by a prescribed scale of salaries, determined by salary class (position) and salary grade (length of employment) (see also chapter 3). The slight decrease in total public-sector employment is not connected with actual downsizing; it is more the result of privatisation, agencification and outsourcing.

**Table 2: Public sector employment**

SLOVAKIA	2005	OECD EU18 rank	2011	OECD EU12 rank	Δ Value
<b>Total public sector employment in % of total labour force</b>	20.10	13	18.00	10	-2.10
	2005	OECD EU21 rank	2011	OECD EU19 rank	Δ Value
<b>General government employment in % of total labour force</b>	13.50	13	13.00	13	-0.50

**Sources:** OECD - *Government at a glance*

\*According to the OECD, public sector employment includes public companies, while general government employment excludes public companies.

Very little detailed and current data about the structure of public sector employment in Slovakia is available. Individual pieces of data can be gathered from different sectoral statistics, which does not allow for international comparisons. The only body that may have effective detailed information is the Ministry of Finance, but this Ministry does not publish comparative data. The Ministry of Interior (responsible for public administration reform) and the Government Office (coordinator) do not have effective structural data. The fact that the OECD does not have data about central local government relations concerning employment for Slovakia also indicates major gaps in data.

The inadequacy of databases on public employment in Slovakia is also indicated by differences between OECD and Eurostat data, as visible from tables in this text (Eurostat data indicate that general government employment in Slovakia as a percentage of total employment was only 8% in 2011; OECD data states 13%). Eurostat data also indicate a rapid growth of general government employment in absolute terms in Slovakia for the 2011-2015 period (+14.2%), which is not very realistic. In any case, Slovakia did not adopt measures aiming at any significant decrease in public-sector employment during and after the crisis.

**Table 3: Public sector employment: structure**

SLOVAKIA	2015	Source
(1) General government employment (in millions)*	0.2713	Eurostat
(1) General government employment (in millions)*	0.3501	Institute for Economic Policy (2010 data)
• share of central government (%)	46%	Institute for Economic Policy (2010 data)
• share of state/regional government (%)	n/a	
• share of local and regional self-government (%)	51%	Institute for Economic Policy (2010 data)
• share of social and health insurance	3%	Institute for Economic Policy (2010 data)
(2) Public employment in social security roles (in millions)	0.0081	Institute for Economic Policy (2010 data)
(3) Public employment in the army (in millions)	0.0222	Institute for Economic Policy (2010 data)
(4) Public employment in the police (in millions)	0.0373	Institute for Economic Policy (2010 data)
(5) Public employment in employment services (in millions)	n/a	Marginal figure

(6) Public employment in schools and day care facilities (in millions)	0.0645	Ministry of Education (CVTI)
(7) Public employment in universities (in millions)	0.0096	Ministry of Education (CVTI)
(8) Public employment in hospitals (in millions)	0.0535	Ministry of Health (NCZISK)
(9) Public employment in core public administration (in millions)	0.0731	Calculated from Eurostat data
(9) Public employment in core public administration (in millions)	0.1549	Calculated from IEP data
(10) Core public administration employment in % of general government employment (9) / (1)	27.9	Calculated from Eurostat data
(10) Core public administration employment in % of general government employment (9) / (1)	44.2	Calculated from IEP data

**Sources:** different statistics, see the text

\*According to the OECD, general government employment excludes public companies.

The relatively large proportion of public employees employed at subnational level is caused mainly by the fact that this figure included service delivery staff, especially primary and secondary school teachers.

## 2 SCOPE AND STRUCTURE OF GOVERNMENT

### 1.1 State system and multi-level governance

The Slovak Republic is a fully independent sovereign, democratic unitary state, established on 1 January 1993. The territory of the Slovak Republic covers 49 034 km<sup>2</sup>, the total length of the borders of the state is 1 681.9 km. The surrounding countries are Czech Republic, Poland, Ukraine, Hungary and Austria.

The administrative structure of the Slovak Republic is represented by eight self-governing regions, 79 districts (historical territorial units - now only statistical units) and almost 2 900 self-governing municipalities. The average density of population in Slovakia is 109.7 inhabitants per km<sup>2</sup>.

The legislative powers are connected to three levels (all of which have legislative powers, as defined by the Constitution):

- Parliament (Unicameral National Council of the Slovak Republic with 150 members)
- Regional self-governments
- Local self-governments

The administrative system consists of central administration bodies, district offices (*okresné úrady*) and specialised state administration bodies at regional or district level. The central administration consists of a Government Office, ministries, central state administration bodies and other central bodies (mainly agencies) with special status.

Based on changes delivered by the recent ESO public administration reforms, most state administration tasks at lower levels have been performed since October 2013 by 72 district offices, responsible for general and specialised state administration (specialised state administration offices for environment, road transport and communications, forestry and cadastre (land registry) were abolished and their functions transferred to district offices in 2013). District Offices fall under the authority of the Ministry of Interior.



Few other ministries still have their deconcentrated offices at lower levels (police force, fire and rescue service, Mining Office Board, Labour Inspectorate, Financial Administration, Monuments Board, State Trade Inspection, Veterinary and Food Administration) – these bodies were not abolished in 2013 and continue to perform their duties under special arrangements.

The system of judicial power is represented by general courts and a separate court, which is the Constitutional Court of the Slovak Republic. The Slovak Republic has a two-level court system. District courts are the competent courts to decide on proceedings in the first instance. Regional courts hear cases as appeal courts. The Supreme Court of the Slovak Republic has the role of an appellate review court. Being the supreme judicial body, the Supreme Court of the Slovak Republic never acts as a first instance court. The courts decide in civil and criminal matters, and they also review the lawfulness of decisions made by administrative bodies. They decide in panels of judges unless the law states that a single judge shall decide in the matter. The law stipulates when juries chosen from citizens participate in the decision-making of panels and in which cases a court official authorised by the court can also decide. The specific body is the Specialised Criminal Court in Pezinok.

The Constitutional Court of the Slovak Republic is an independent judicial body protecting constitutionality (Article 124 of the Constitution of the Slovak Republic). The Constitution of the Slovak Republic sets out the status of the Constitutional Court and of Constitutional Court justices. In addition to deciding on the conformity of lower legal norms with higher legal norms, the Constitutional Court also decides on competence conflicts between the central bodies of state administration unless the law stipulates that another state authority shall decide in these disputes. The Constitutional Court also decides on various complaints and interprets the Constitution or constitutional statutes in disputed issues. A separate legal norm specifies details of the organisation of the Constitutional Court of the Slovak Republic.

Local self-government in Slovakia was revitalised immediately after the 1989 changes and its situation today is in full conformity with all the principles of local governance as stated in the European Charter of Local Government. Municipalities obtained self-government status again through the Municipal Act (No. 369/1990). In the hectic period of 'fast EU-accession', i.e. at the end of the 1990s and early 2000s, Parliament approved several important acts linked to public administration reform, including acts establishing the regional self-government and the so-called Decentralisation Act (No. 416/2001). Consequently, massive decentralisation was implemented from 2002 to 2004, during which new competences were transferred to local and regional self-governments in several periods and the new system of fiscal decentralisation was established.

The almost 3 000 municipalities in Slovakia fulfil their own and delegated responsibilities. The main responsibilities allocated specifically to them in 1990 were: the management of both movable property and immovable property owned by the municipality; the administration of local taxes and fees; the use of local resources; the commencement of business activities of both legal and physical entities; the creation and protection of healthy conditions and a healthy way of living and working for the municipality's population; the protection of the environment and the creation of favourable conditions for education, culture, artistic hobbies, physical culture and sports; the acquisition and approval of territorial planning documentation of residential areas and zones; the establishment, incorporation, cancellation and control of its own organisation; the provision of public order in the municipality; local public transport in larger towns and cities; the construction, maintenance and management of local roads and car parks, public spaces, public green areas, public lighting, market places, cemeteries, local water resources and wells, water supply networks, sewerage and water cleansing establishments in small municipalities; the construction, maintenance and management of local cultural establishments and parts of sport, leisure and tourist establishments; children's homes; part of the ambulant health service establishments; the establishment

of basic social services (daily care); and the administration of the municipality itself including the municipal police and fire services.

During the “decentralisation” period of 2000-2005, municipalities were given new responsibilities in the areas of roads, water management, social care, environmental protection, education (primary schools and similar establishments – partly delegated responsibility), culture, theatres, health care (primary and specialised ambulant care), local development and tourism. A large portion of these competencies was reallocated from direct ministerial responsibility (hospitals, education, etc.). Municipal finance is described in the following table.

**Table 4: Municipal finance in Slovakia 2014**

	In million €	Share (%)	Per capita
<b>Revenues</b>			
Tax revenues	1 807.4	45.1	334
- Personal income tax (shared)	1 302.9	(32.5)	241
- Real estate tax	324.0	(8.1)	60
- Other local taxes	180.0	(4.5)	33
Non-tax revenues	478.0	11.9	88
Capital incomes and property management	10.0	0.2	2
State transfers and grants	1 210.4	30.3	224
Financial operations	502.0	12.5	93
Local governments' revenues in total	4 007.8	100.0	740
<b>Expenditure</b>			
Salaries, fees, health and social insurance	1 332.4	35.5	246
Purchase of products and services	985.9	26.2	182
Transfers	375.8	10.0	69
Capital expenditure and transfers	801.4	21.3	148
Interests repayment	29.0	0.8	5
Financial operations and repayments of debts	232.0	6.2	43
Local governments' expenditure in total	3 756.5	100.0	694

**Source:** Ministry of Finance

Eight regional self-governments have legal personality. They own property, have their own budget, may do business, and collect administrative fees. They may participate in activities related to international, cross-border and national cooperation. Self-government is performed by elected bodies and through referenda. Within their competences, higher territorial units may issue generally binding regulations. Self-governments of higher territorial units have several of their own competences (especially in transport, education, health care and social care), and they also perform some tasks transferred to them from the state administration (e.g. some competences in the areas of education, health, and road transport). Regional finance is described in the table below.

**Table 5: Regional finance in Slovakia 2014**

	In million €	Share (%)
<b>Revenues</b>		
Tax revenues	577.83	42
- Personal income tax (shared)	426.66	(31)
- Road tax	151.17	(11)
Non-tax revenues	128.27	9.4
Capital incomes and property management	4.27	0.6
State transfers and grants	486.48	35.9
Financial operations	157.43	11.7

Other	2.16	0.4
Regional governments' revenues in total	1 356.42	100
<b>Expenditure</b>		
Salaries, fees, health and social insurance	291.51	22.5
Purchase of products and services	222.72	17.1
Transfers	448.54	34.6
Capital expenditure and transfers	90.49	6.9
Interests repayment	6.16	0.5
Financial operations and repayments of debts	128.40	9.9
Other	107.68	8.5
Regional governments' expenditure in total	1 295.15	100

**Source:** Ministry of Finance

As indicated above, local and regional self-governments perform several tasks on behalf of the state administration. The most expensive delegated responsibility is education (a mix of original and delegated responsibilities); other tasks include registries or building offices. According to the legislation, the state covers all the costs of these tasks (though self-governments argue that this is not true in practice). Despite the extensive fragmentation (as most municipalities have fewer than 2 000 inhabitants, and all of them are expected to execute the same scale of delegated responsibilities (with an important impact on the quality of performance – see for example Klimovsky (2014 and 2015)).

Both regional and local self-governments are fully independent from the state administration system; in the areas of their own responsibilities they can be audited only by the Supreme Audit Office. The legislative decisions of self-governments cannot be reviewed by state administration, only by Parliament or courts. There is some cooperation between self-governments and district offices or other state bodies at a deconcentrated level, but only on a voluntary basis, except for few cases directly specified by the law (especially in emergency situations).

A summary of the distribution of power between the different government levels with regard to legislation, regulation, funding and service provision for key policy fields is provided in the following table.

Government level:	Legislation	Regulation	Funding	Provision
Central government	National council can vote on any matters, ministries and central bodies issue regulations	Electricity, transport, tax system, universities	Defence, external affairs, internal affairs, justice, universities, science and research	Defence, external affairs, internal affairs, justice
Regional government	Regional councils may issue binding regulations for own competences	Regional transport, road tax rates, health-care network	Social services, secondary education, roads	Social services (public-private mix), health (public-private mix), secondary education (public-private mix), roads
Local government	Local councils may issue	Local transport, local	Social services, primary	Water (public-private mix),

	binding regulations for own competences	taxes rates, health-care network	education, communal services	social services (public-private mix), primary education (public-private mix), communal services (public-private mix)
Semi-independent social insurance funds	X	x	Pensions, health care, unemployment, some social benefits	x

Despite the fact that the evaluation of Slovakia is positive from the point of view of decentralisation (for example by the Council of Europe monitoring system), the main player is the central government, which has the most responsibility and uses the most public-sector resources (if semi-independent social and health insurance systems are excluded) (see also Chapter 1). On the other hand, it is important to stress that regional and local self-governments are fully independent, the 'State' cannot directly interfere with their roles (as the decisions of a municipal or regional council can be opposed only by a prosecutor and only the Supreme Audit Office has the right to check self-governments regarding their own responsibilities).

During the period of the recent governments under Prime Minister Robert Fico (2012 to the present day), the cooperation between the state and municipalities association (ZMOS) has been evaluated as being very fruitful by all stakeholders, and ZMOS is involved in all policy-making decisions concerned with local issues. Even during the financial crisis, the level of financing of self-governments did not decrease disproportionately. At the regional level, the situation is fairly similar, except for the Banska Bystrica region, where a representative from a populist and nationalistic party acts as the elected regional president.

The core player in administrative reform is the central government, namely the Ministry of Interior (ESO reform). This is different from the 'main' reform period of 2000-2004, during which the core player was the Government Plenipotentiary/Appointee for Reform (Nižňanský).

State structure (federal - unitary) (coordinated - fragmented)	Executive government (consensus - majoritarian)	Minister- mandarin relations (separate - shared) (politicised - depoliticised)	Implementation (centralised - decentralised)
Unitary	Majoritarian	Separate Politicised	Centralised at national level; however, very independent self-governments

## **1.2 Structure of executive government (central government level)**

The Cabinet of the Slovak Republic (SR) is the head of the Executive branch of state. It is made up of the Prime Minister, who presides over it, his or her Deputies and Government Ministers. The Government is appointed by the President of the Slovak Republic on the recommendation of the Prime Minister. For its policy and administration, the Government is answerable to the SR National Council (the Slovak Parliament). As the chief formulator of the nation's public policy under the SR Constitution, the Government has the authority to set major policies on the matters of the national economy and social security. Acting in the best interests of the nation, it is responsible for meeting the Government programme objectives within the scope of the adopted national budget. The main functions of the Government also include making proposals on the state budget, preparing the annual closing balance sheet, and issuing government regulations and decrees in compliance with the power delegated to it by law. One of the Government's duties is the formulation and management of the nation's foreign policy. It submits draft Bills to the Slovak Parliament, which are frequently preceded by nationwide discussions and consultations with the relevant organisations. As established by law, the Government can discuss in its proceedings confidence vote motions, cases of pardoning criminal offenders, and the appointment or removal from office of senior civil servants.

The work of the Government is supported by the Government Office. The Government Office of the Slovak Republic is a central body of state administration of the Slovak Republic. It controls the fulfilment of state administration tasks and the use of funds allocated for the fulfilment of state administration tasks as well as administration of petitions, announcements and proposals. The Government Office also performs tasks connected with professional, organisational and technical aspects of the activity of the SR Government and its advisory bodies. The Government Office of the Slovak Republic is managed by the Head of the Office.

The structure of ministries, headed by the Minister, who is a Member of the Government in Slovakia, was as follows in January 2017:

- Ministry of Economy
- Ministry of Finance
- Ministry of Transport and Construction
- Ministry of Agriculture and Rural Development
- Ministry of Interior (responsible for PA reform)
- Ministry of Defence
- Ministry of Justice
- Ministry of Foreign and European Affairs
- Ministry of Labour, Social Affairs and Family (partly responsible for the civil service)
- Ministry of Environment
- Ministry of Education, Science, Research and Sport
- Ministry of Culture
- Ministry of Health

If a Minister is absent, he or she can be deputised for by the State Secretary, who can also be responsible for duties delegated by the Minister as decided on by the Minister. The State Secretary can be present at Cabinet meetings, but only with an advisory voice. In specific cases, the Government may appoint two State Secretaries for one ministry; the division of the responsibilities between them is decided on by the Minister.

The internal structure of a Ministry comprises sections and departments, also of other organisational units. Sections are established to be responsible for all the main areas/duties of a Ministry and are chaired by the Director General. Departments are chaired by Directors.

The central state administration bodies in Slovakia (in January 2017) are:

- Government Office of the Slovak Republic (responsible for coordination of government policies, and till 2006 also for the Civil Service)
- Antimonopoly Office
- Statistical Office
- Geodesy, Cartography and Cadastre Authority of the Slovak Republic
- Nuclear Regulatory Authority of the Slovak Republic
- Slovak Office of Standards, Metrology and Testing (responsible also for quality in PA)
- Public Procurement Office
- Industrial Property Office
- State Material Reserves
- National Security Authority
- Deputy Prime Minister's Office for Investments and Informatisation of the Slovak Republic

Central state administration bodies have different characters, based on the concrete legislation defining their roles, functions and status. Most of them are semi-independent bodies not reporting to the ministries. For example, the Public Procurement Office is headed by the Chairman, who is responsible for its activities, and who is elected and recalled by the National Council of the Slovak Republic. The Office is not linked to any ministry. Slovakia can be characterised as a country with a comparatively huge scale of agencification (see Verhoest et al., 2012). The first steps of agencification are associated with an early period of transformation – the switch from a system of financing health care, pensions and unemployment benefits based on general taxation to one based on a social insurance system. In 1993, three public agencies were created as a result – *Vseobecna zdravotna poistovna* and *Poistovna MV SR* for health care insurance and *Socialna poistovna* for unemployment and pension benefits. The main motivation for agencification in these cases was to increase government revenues without raising income taxes or other major taxes, an attractive option given the difficult financial straits the country was in. Earmarked taxes or fees justified by a new agency were less visible and less politically dangerous than other tax hikes. The process of agencification also allowed policymakers to claim credit for doing something that might be considered evidence of fixing difficult policy problems. For example, a health insurance agency provides a substitute for a comprehensive public health insurance system (Beblavý 2002).

The main wave of agencification is connected to the reform measures of the liberal governments of the 1998-2006 period, and to the EU accession process. Both factors served as major catalysts of changes, and of the creation of a relatively comprehensive set of agencies, many of which enjoy a very high degree of autonomy from the executive government. With little or no discussion about the normative and practical aspects of privatisation and agencification ideas (e.g. the split between policy and administration; greater efficiency through specialisation and expertise; depoliticisation; etc.) a massive reorganisation of the public sector took place during the two Dzurinda Cabinets (between 1998 and 2006), based on 'market ideologies'. Many different agencies were created, formally based on the idea of diminishing the direct state delivery function and switching to private production with state regulation. Endogenous motives for agencification were

strengthened by exogenous pressure on policy makers and catalysed the process of agencification: the need to comply with 'Acquis Communautaire' as the basic conditions for joining the EU (already influenced by liberalisation trends in EU) directly involved the necessity of establishing several regulatory and implementation agencies to cope with new tasks.

The left-wing governments of Prime Minister Robert Fico were not able to reverse previous agencification decisions (also because of EU membership obligations). However, the issues dealt with were the level of independency and the level of depoliticisation of agencies.

In reality, the depoliticisation of agencies was never the real agenda of any Slovak government. However, the opposite might be true – just after creating agencies, political parties started to understand the benefits emanating from controlling agencies. As a result, the political fight for the 'allocation' of agencies – either between coalition and opposition parties or within political parties in power – is becoming more and more visible. It is illustrative that Radičová's right-wing government at the time promised, in its statements, that merit must form the basis of appointments to top positions in agencies; however, the reality still seems to be the opposite.

Important attempts to diminish the autonomy of agencies can be seen after 2006. A recent example (January 2017) is that of Prime Minister Robert Fico directly interfering with the prices of energy. (In formal terms, this is ultimately the responsibility of an agency: the Regulatory Office for Network Industries).

### **2.2.1. The Centre of Government's capacity for coordination**

Formally, the coordination role for the central level of government is allocated to the Government Office. The reality is very well defined by the OECD report (2015, p. 16) that analyses the Slovak 'Centre of Government': 'The Slovak Republic applies a narrow definition to its Centre of Government (CoG), listing only the Government Office as its CoG institution in its responses to the questionnaire survey carried out for this review. In practice, however, the Ministry of Finance, the Ministry of Interior and the Ministry of Foreign and European Affairs perform important transversal, whole-of-government functions and could therefore also be regarded as CoG institutions'. The report also states (p. 17): 'While good working relations between the four Slovak 'Centre of Government' institutions appear to be the norm, their interaction seems to lack institutionalisation and a strategic dimension. It appears there is no common understanding or willingness to engage collectively in steering the design and implementation of the government's strategic policy agenda.'

### **2.2.2. Budgeting and monitoring mechanisms**

The whole central budgetary process is in the hands of the Ministry of Finance. The Ministry of Finance of the Slovak Republic is a central body of state administration responsible for the areas of finance, taxes and fees, customs, financial control, internal audits and government audits. The Ministry of Finance of the Slovak Republic is also a central body of state administration responsible for the informatisation of society, coordination of state aid in the area of pricing and price control, except for the pricing and price control of the goods regulated by separate laws.

The Ministry:

- a) develops and implements policies in the areas referred to in paragraph 1, including the budgeting of the aggregate general government deficit; develops and implements the central government budget and financial market policy,

including consumer protection in the provision of financial services; and develops and implements a policy for the management of assets owned by public administration, public-service sector and non-business sphere;

b) performs the functions of state administration in the management of state financial assets and liabilities of the Slovak Republic, mortgage banking and building societies, except for the government premium for building savings schemes, foreign exchange management and foreign exchange control, the single accounting and reporting system, and gambling;

c) performance of state supervision over the implementation of social insurance, over compliance with the conditions for granting government premium to building savings schemes, over compliance with the conditions for granting government contribution to mortgage loans, over the operations of the Export-Import Bank of the Slovak Republic and over the financial management of the Social Insurance Agency.

The Council for Budget Responsibility (CBR) was formed in 2012 in response to the need to cope with fiscal imbalances as an independent body monitoring and evaluating the fiscal performance of the Slovak Republic. Through its expertise and the use of state-of-the-art analytical tools, the CBR will be holding a mirror up to the government, improve public awareness in the area of public finances, and facilitate better decision-making in the parliament.

The main tasks of the CBR are defined in Constitutional Act No. 493/2011 on Fiscal Responsibility and cover four important areas:

1. Each year, the CBR prepares the Report on the Long-Term Sustainability of Public Finances, pointing at potential issues which might induce excessive debt growth under the present budgetary policy setup. The report seeks to determine the extent to which the current fiscal burdens are being passed on to future generations.
2. The CBR submits the Report on Compliance with the Fiscal Responsibility and Fiscal Transparency Rules to the Parliament. The report seeks to answer the question of whether the government respects its own fiscal rules, and whether or not the data are obfuscated and/or transparency is compromised.
3. The CBR may, acting on its own initiative or if invited to do so by a parliamentary caucus, draw up its own opinions on the legislative proposals submitted to the Parliament. The purpose of these opinions is, in particular, to scrutinise the impact of such proposals on the long-term sustainability of public finances and their budgetary consequences. The parliament will thus have an independent opinion to feed into the law-making process.
4. The CBR also performs other activities related to the monitoring and assessment of how public finances develop. In other words, the CBR provides information on potential risks, presents alternative scenarios and, for example, puts forward suggestions on how to improve the methodology for the calculation of various indicators in the area of public finances.

As of 1 January 2014, the amended Act No. 523/2004 on general government budgetary rules has defined additional new tasks of the CBR. The Act implements the provisions of the Treaty on Stability, Coordination and Governance in the Economic and Monetary



Union, i.e. a fiscal rule on the structural balance including a correction mechanism in case of non-compliance into national legislation. The CBR will:

- assess and publish evaluations of activation of the correction mechanism in cases of significant deviation from the medium-term budgetary objective or the path towards it;
- assess and publish evaluations of circumstances for triggering and exiting escape clauses that suspend the correction mechanism.

### **2.2.3. Auditing and accountability**

The key bodies of mechanisms of audit and enforcing accountability, quality and practice of independent oversight are the Supreme Audit Office of the Slovak Republic (SAO: [www.nku.gov.sk](http://www.nku.gov.sk)) and the Ombudsman of the Slovak Republic ([www.vop.gov.sk](http://www.vop.gov.sk)).

The SAO audits the management of budgetary funds, property, property rights, funds, obligations and claims of state, public law institutions, the National Property Fund of the Slovak Republic, municipalities, upper-tier territorial units, legal entities with capital participation of the State, legal entities with capital participation of public law institutions, legal entities with capital participation of the National Property Fund of the Slovak Republic, legal entities with capital participation of municipalities, legal entities with capital participation of upper-tier territorial units, legal entities established by municipalities or legal entities established by upper-tier territorial units, property, property rights, funds and claims provided to the Slovak Republic, legal entities or natural persons under development programmes or for other similar reasons from abroad, property, property rights, funds, claims and obligations for which the Slovak Republic has assumed guarantee, property, property rights, funds, claims and obligations of legal entities carrying out activities in the public interest.

The SAO shall carry out audits with regard to compliance with generally binding legal regulations, the economy, effectiveness and efficiency and it may make recommendations to audited entities and to relevant bodies on how to deal with weaknesses and shortcomings identified during the exercise of its competence – however, it has no right to decide about any fines. The authority to which weaknesses and shortcomings identified by the audit have been communicated by the SAO is obliged, within the scope of its competence and within the time period specified by the SAO, to ensure the removal of the identified weaknesses and shortcomings and to submit a written report thereof to the SAO without delay. (This means that the SAO does not have the right to impose sanctions).

The Public Defender of Rights is an independent body which – in the scope and in the manner laid down by a law – protects the fundamental rights and freedoms of natural persons and legal entities in proceedings before public administration bodies and other public bodies if activities, decision making or inactivity of the bodies are inconsistent with the legal order. In cases laid down by law, the Public Defender of Rights can participate in calling to account persons acting in public bodies if those persons have violated a fundamental right or freedom of natural persons and legal entities. All public power bodies shall provide the Public Defender of Rights with the necessary cooperation. The Public Defender of Rights can apply to the Constitutional Court of the Slovak Republic for the commencement of proceedings according to Art. 125 if the fundamental rights or freedoms acknowledged for a natural person or legal entity are violated by a generally binding legal regulation.

The efficiency of performance of these accountability bodies is questionable. SAO has sufficient resources, but its power is diminished by the fact that it cannot issue any sanctions. A study by Pavel (2009) clearly shows that because of their low level of accountability, Slovak public bodies frequently do not correct the mistakes discovered by SAO controls; and if such clearly-identified errors are not rectified it is hard to believe

that SAO performance proposals would be implemented. Moreover, the reputation of the SAO in the eyes of external experts is not very good. In 2012, the SAO was reviewed by Transparency International in a large project covering several CEE countries (Kostal et al., 2012). It scored a relatively high global figure, but the lowest scores were for the following indicators:

*'To what extent does the audit institution provide effective audits of public expenditure?'*

*'To what extent is the SAO effective in improving the financial management of government?'*

One very specific issue is the Ombudsman position. There has been no cooperation between Central Government, Parliament and the Ombudsman in recent years. One recent example is symptomatic: exercising a right granted to Public Defender of Rights, the current Ombudsman Jana Dubovcová submitted the 'Extraordinary report on facts indicating a severe violation of the fundamental rights and freedoms by the conduct taken by the police authorities' to the National Council of the Slovak Republic (i.e. Parliament) in 2016. Parliament refused to examine the report.

#### **2.2.4. Coordination of administrative reform**

As indirectly mentioned in the above text, the core bodies involved in the organisation and coordination of administrative reform are formally: the Ministry of Interior, the Government Office, the Ministry of Labour, Social Affairs and Family and, surprisingly, also the Slovak Office of Standards, Metrology and Testing (the main coordinator of the state quality policy in the Slovak Republic and the activities realisation coordinator of the National Quality Programme, also including quality in public sector issues). The main coordination barriers between these institutions are described in section 4.1.

In the past – during the period of the 2000-2005 reforms – the responsibility for the reforms lay with the Government Plenipotentiary (Appointee) for Public Administration Reform, outside formal ministerial structures, and Viktor Nižnanský, the representative of the right wing of the political spectrum was appointed to this position. During this period, the Ministry of Interior was virtually excluded from reform design preparation (see for example Spaček and Nemeč, 2016).

The key player today is the Ministry of Interior, represented by its Section for Public Administration (chaired by Adrián Jenčo). In 2013, the Management Committee for Public Administration Reform was created as the advisory body for reform coordination. The members of this committee are representatives of all ministries and selected other central PA bodies, representatives of the Government Office, of the Plenipotentiary (Government Appointee) for Civil Society, of the Plenipotentiary (Government Appointee) for the Roma Community, of the Association of Municipalities (ZMOS), of self-governing regions and members of the Parliamentary Committee for PA and territorial development. The structure indicates very limited involvement of many important stakeholders outside the state structures (the only outside body represented is ZMOS). The document '*Rámec národnej stratégie reformy verejnej správy v súvislosti s prioritami definovanými Európskou komisiou do roku 2020*' (framework for reform strategy) was published recently, but it is still in the form of consultation material. Its core areas are policy making and coordination, HRM in PA, efficiency of PA, effective judicial system, accountability and responsibility, public finance management and cooperation with the partners and nongovernmental non-profit sector.

### 3 KEY FEATURES OF THE CIVIL SERVICE SYSTEM

#### 3.1 Status and categories of public employees

As briefly stated above, there are four categories of employees in the Slovak public sector:

- a) civil servants (regulated by the Civil Service Code);
- b) public servants (regulated by the Act on execution of work of public interest);
- c) employees regulated by specific legislation (members of the police force, customs officers, members of the armed forces, freely-appointed positions, politicians and members of the Parliament and Government); and
- d) other employees (regulated only by the Labour Code).

The Civil Service Act defines the civil service as follows: 'Civil service, for the purposes of this Act, shall be the performance of state administration tasks or the performance of state affairs in the scope of activity laid down by special regulations, carried out by a civil servant at a Service Office in the relevant sector, if such performance of his/her tasks includes

- a) management
- b) decision making
- c) inspection
- d) professional preparation of decisions
- e) professional preparation of legislation drafts and other generally binding legal regulations including professional activities related to discussion and approval of the above or
- f) professional preparation of requirements for the performance of state affairs.'

Public servants are specified employees of state bodies, municipalities, self-governing regions, legal bodies created by state institutions or self-government organisations, who are not in a position of civil servant, but also not 'simple' labour code employees – as stated in the Civil Service Act, employees 'who have the right to decide about the rights and duties of physical and legal persons.' (The largest professional group of public servants is teachers at all levels.)

The 2009 Civil Service Act affects around 36 000 civil servants (0.74% of the total population) of the State Administration (including both central government and parts of local-level government). The second basic group of the employees covered by the 2003 Act on execution of work of public interest represents over 400 000 employees (19% of the active population) including local and regional self- government, education, health care and other service delivery branches.

The 2001 Labour Code applies to all the abovementioned categories of public employees, but differently. Due to more specific regulation in the Civil Service Act, its scope is narrower in the case of civil servants.

According to the Civil Service Act, there are two types of civil service employment – permanent or temporary. There is no Senior Civil Service organisation in Slovakia.

HR system (Career vs position-based)	Employment status (civil servant as standard; dual; employee as standard)	Differences between civil servants and public employees (high, medium, low)	Turnover (high, medium, low)
Position based	Dual	Low	High

### **3.2 Civil service regulation at central government level**

The Slovak Civil Service was established by Act No. 312/2001 Coll. stipulating for the first time the legal relations in the Slovak civil service performance. The Act regulated the rights and obligations of the state and civil servants and provided the legal framework for the civil service. The aim was to establish a professional, impartial, politically neutral, efficient and flexible civil service. The Civil Service Office was set up and was responsible for the implementation of the law.

Simultaneously, the system of public service was established – by Act No. 313/2001 Coll. on Public Service (replaced by the Act on execution of work of public interest in 2003), which regulated the performance of work in the public interest and of work related to the territorial self-government. In addition, specialised laws, which established the civil service of soldiers, members of the police force, customs officers and firefighters were adopted.

This created the legislative framework regulating the status of civil servants and other public-sector employees. However, soon after EU accession in 2004, major regressive changes occurred. The Civil Service Office operated only from 2002 to 2006, when it was repealed by the Parliament. According to Meyer-Sahling (2009), Slovakia (together with Poland and the Czech Republic) represents a group of 'destructive civil service reform reversal' countries. According to his analysis (and other expert analyses) not only the Civil Service Office was abolished, but most of the main civil service principles are not well respected by legislation, especially not in practice. Today, the Slovak Civil Service cannot be identified as a professional, impartial, politically neutral, efficient and flexible system.

The high level of turnover of civil servants after elections (according to OECD, 2013, more than 50%), political appointments or the non-existence of performance evaluations can be cited as examples of 'imperfect' practice. The legislation and their putting into practice give virtually no guarantees to the senior civil servant appointees, making these positions susceptible to political appointments and political pressure. Managers - from the top state secretary/deputy minister down to the head of unit/division – can be 'relieved of their duties' at any time and without reason (Meyer-Sahling, 2009, 40).

With regard to performance-related pay, we can state that the basic salary of civil and public servants is fixed by the table of salary classes and scales, but the allocation of any non-predetermined premiums is fully arbitrary and varies in structure and number. The fact that discretionary personal performance bonuses can account for up to or even more than 100% of the basic salary provides a significant element of discretion for managers to augment the salaries of their staff (OECD 2015). Thanks to this system, heads of service offices and directors-general as well as other employees are occasionally paid salaries that are as high as the salaries of top managers in the private sector.

To respond to existing gaps, the Slovak government prepared a new draft Civil Service Act, discussions on which began in Parliament in late October 2016. If approved in its current form, the new act has the potential to bring the Slovak civil service much closer to the principles of the general civil service. The establishment of an independent Civil Service Council is also one of the proposals contained in the new text.

### **3.3 Key characteristics of the central government HR System**

Civil service management is fully decentralised today, with few binding rules provided by the Civil Service Code. After abolishing the special institution for the HR policy in the civil service – the Civil Service Office – in June 2006, each Ministry has been responsible for HR policy. Currently, the department that deals with HR issues in each Service Office is usually named as Personnel Office and falls under the Head of Service Office.

The system of recruitment of civil servants is decentralised. Generally, in order to enter the civil service, a candidate must have a clean criminal record, full legal capacity and

satisfy the qualification requirements. Positions (civil service, public service) are normally published with all required conditions at least three weeks before selection (but there are also opportunities to avoid the competitive procedure and hire staff directly – see Staronova, Stanova and Sicakova-Beblava, 2014). Details about recruitment and selection are provided only by an internal regulation of the office concerned. This formally establishes the open competition for civil service posts, but in reality patronage is the main principle for the selection of new civil servants, especially in higher posts (Staronova, Stanova and Sicakova-Beblava, 2014).

On-going training is both a right and an obligation for civil service employees. They must dedicate at least five days a year to their training, the organisation of which is decentralised in each administrative unit. Each civil servant, including managers, has the obligation to enhance his/her skills and qualifications in accordance with requirements specified at the beginning of each year (a yearly plan of educational activities) in conjunction with the Human Resources Office and after consultation with the direct superior.

Collective bargaining for civil servants and public servants is partially unified. At the level of the civil service, the social dialogue takes place on two levels. Collective agreements are signed annually at the central level and are relevant to all civil servants covered by the Civil Service Act. The main benefits that may result from the social dialogue are an increase of the salary levels, a reduction of working hours, extra holiday leave, etc. The law also stipulates the scope of the social dialogue at the company (civil service office) level. In those offices in which there is no trade union organisation, civil servants may be represented by a 'Personnel Council' or a 'Union Delegate'.

The 2010 OECD Survey on Strategic HRM ranked the Slovak Republic last among OECD countries in terms of the use of strategic HRM tools in central government. The 2010 survey data point to a lack of a general accountability framework, no regular reviews of ministries' HRM capacities, the absence of performance management tools and little planning and forecasting of HR needs.

<b>Coherence between different government levels (high, medium, low)</b>	<b>Remuneration level vs private sector (much higher, higher, same, lower, much lower)</b>	<b>Formal politicisation through appointments (high, medium, low)</b>	<b>Functional politicisation (high, medium, low)</b>
Low	Differs according to the concrete situation. The valid salary scheme sets the levels of base gross salaries below the average private sector level. However, increments may move the individual salary significantly above private level income.	High.	High.

## **4 POLITICAL ADMINISTRATIVE SYSTEM AND POLITICAL ECONOMY**

### **4.1 Policy-making, coordination and implementation**

The Slovak political system can be characterised in terms of its main features as follows:

- a) Unitary state with a relatively high level of decentralisation (strong and independent local self-governments, relatively strong regional self-governments).
- b) The formal executive 'head' of the country is the Government (as the President has a mainly representative role). However, not all members of the Government have an 'equal' voice. The Prime Minister has a very strong position and in the current situation he always determines who the Minister of Finance is (probably the second most important member of the Government).

With the sole exception of a one-party government under Prime Minister Robert Fico in the 2012-2016 period, all Slovak governments have been formed by coalitions. To smoothen the decision-making process, coalition governments establish 'Coalition Councils' with the expectation that all major decisions would be discussed at this level before being submitted for voting by the Government or Parliament.

#### **4.1.1 Policy making, coordination and implementation**

Policy making, policy coordination and policy implementation are assessed by most independent experts as the core weakness of the Slovak public administration system. The European Semester stresses several times core issue such as:

*'Weaknesses persist in the functioning of public institutions and the business environment: the political cycle has a high impact on staff turnover, a clear framework regulating lobbying activities is missing and sufficiently developed capacities for evidence-based policy making are not in place.'*

*'Poor analytical capacities impair effective policy-making. The use of evidence-based instruments is not wide-spread in the public administration.'*

*'Overall, implementation of strategic solutions seems to be hampered by fragmented policy design.'*

'The fragmented nature and rigid departmentalism of the public administration complicates strategic planning and coordination. Ministries lead on their policy areas, supported by a wide range of advisory boards. The current set-up limits collaboration between ministries on complex reforms, preventing synergies across policy areas. In addition, interaction between the Government Office and three core ministries — the Ministry of Finance, the Ministry of Foreign and European Affairs and the Ministry of the Interior — appears to be limited. Coordination between central and local government is complicated by the very high number of municipalities. Policy objectives are not established, monitored and evaluated systematically. Quantifiable policy targets are rarely established at the stage when a policy is being adopted by the government. Use of performance indicators varies across ministries, but could help in identifying successful policies, by pointing to necessary changes to the allocation of resources or policy design. Where measurements are used, they tend to focus on inputs rather than outputs. Evaluation and in-depth ex post assessment of policies seem to take place sporadically. The use of evidence-based analysis in policy-making is limited, though recently a number of initiatives have been taken to improve practices. Cost-benefit analyses seldom underpin policy decisions in Slovakia'.

The fact that most reform decisions in Slovakia are not standard evidence-based policy documents and strategies was highlighted also by the document 'Strategia rozvoja slovenskej spoločnosti' (2010), prepared by a pool of top Slovak experts and coordinated by the Academy of Science. This Strategy (financed by the Fico government) clearly

states that one of top priorities is the switch from politics to policy – from decisions based on party benefits and individual benefits to systemic policy making, based on data (p. 149).

Due to this situation, no systemic (full scale) PA reform has yet been realised in Slovakia throughout the investigated period. The ‘decentralisation’ reform 2000-2004 focus was on decentralisation as the goal and not the instrument, self- governments received more powers, autonomy and finance, but without a major impact on the system performance. ESO reform focuses on informatisation, reorganisation and partly on one-stop shops – however, these important elements are only a part of the full puzzle. ‘Zig-zagging’ changes are frequent because of this situation. Many laws have a ‘retrospective’ character – problems, scandals or other chance events prompt the government in power to make some changes, and to show the will to progress. The issue of analytical capacities was already partly addressed by the establishment of the Institute for Financial Policy’ at the Ministry of Finance, but similar analytical centres at other core ministries are missing. Another step forward is the ‘value-for-money’ initiative of the Ministry of Finance, which encompasses important elements required for policy evaluation, such as establishing objectives and metrics to support specific decisions.

#### **4.1.1. Consultation for decision-making and policy-making aspects**

One country-specific feature is the existence of comprehensive legislation requiring government to consult on all polices with stakeholders, but with limited real involvement of all social actors. Existing think tanks were mainly created by right-wing governments (Dzurinda governments) with the aim of bringing about liberal reforms (for example, the Health Policy Institute – [www.hpi.sk](http://www.hpi.sk) - clearly states in its mission that ‘The Health Policy Institute supports market mechanisms in the health sector wherever they are demonstrably more efficient than state intervention’). There is no think tank behind the current Fico government.

Other issues, especially the politicisation of public decision-making and the influence of economic lobbies and other organised interest groups on policy making (see the ‘Gorila’ case – a national secret service monitored private meeting of top politicians with important entrepreneurs or lobbyists and part of the information collected was leaked – see the book by Nicholson, 2012) are still insufficiently addressed.

<b>Distribution of powers</b>	<b>Coordination quality</b> (high, medium, low)	<b>Fragmentation</b> (high, medium, low)
Centralistic, connected to the Prime Minister	Low	High

<b>Political economy</b> (liberal – coordinated)	<b>Interest intermediation</b> (corporatist - pluralistic)	<b>Citizen participation</b> (strong – weak)	<b>Policy style</b>
Mixed	Corporatist	Medium to weak	Politics not policy (small group of leaders connected to winning party bureau decides)

Sources of policy advice (mandarins, cabinets, external experts)	Administrative autonomy (high – medium – low)	Patronage & politicisation (formal, functional (merit – patronage) (high – medium – low)	Public service bargaining (Agency – Trustee)	Stability (high – low – no turnover after elections)
Policy advice system does not work. Solutions are prepared from the centre.	Medium	Patronage High politicisation	Agency	Very low (for example after recent elections 25% of professional staff of the Ministry of Education dismissed).

#### 4.2. Administrative tradition and culture

The Slovak administrative tradition and culture is rather too complex to summarise in a simple way. From the point of view of the administrative culture, the tradition of the 'Rechtsstaat' culture characterised in general by the dominant role of law and legalism in the way the government thinks and acts is very strong. Compliance seems to be more important compared to performance – this is particularly visible in the field of public procurement, for example – the number of paragraphs and number of pages increased with any new amendment of the public procurement law, independently of the fact that a value-for-money audit of public procurement is much more important compared to probity aspects of the process.

In addition to this *Rechtsstaat* legacy, right-wing governments in particular also introduced pro-market (New Public Management - NPM) elements into the Slovak administrative reform culture – see data about agencification, privatisation, outsourcing, competitive health insurance, etc. The result is the classification of Slovakia as a 'mixed type of reform' state (Bouckaert, et al, 2008).

Despite the important NPM changes, Slovakia does not diverge from social democratic welfare state principles from the point of view of results (at least formally): universal coverage with social benefits, free education (including public universities) and universal health care are the main pillars of the Slovak social system. However, the mechanisms used to reach this are fairly liberal – especially the competitive social health insurance system with formal competition between health insurance companies, one public, two private).

With marginal recent changes, the public administration system is mostly closed and only marginally open to citizen participation, co-production or co-creation, with top down decisions clearly dominating (Bouckaert, et al., 2008). Existing research clearly documents the fact that the will of all levels of government to involve stakeholders in the decision-making and service-delivery process is rather limited. For example, the research by Vitalisova (2015) mapped the level of cooperation/non-cooperation of municipalities with stakeholders. Despite the fact that the answers of municipal representatives are certainly positively biased, half of the municipalities claim that they do not cooperate with universities (universities are located in all parts of the country, so this is not a territorial availability issue), only about 60% of municipalities cooperate with local businesses and only 70% clearly showed the will to cooperate with local non-governmental organisations. The situation at central level is very similar.



The European Semester mentions several significant weaknesses of the Slovak administrative culture/situation - like weak law enforcement, frequently changing legislation and the low quality of the legislative process, perceived corruption and clientelism in particular in public procurement, and excessive bureaucracy. In such an environment, the formal discretionary power of public official is fairly limited, but reality is different to some extent – Orviska and Hudson (2003) clearly indicate that evasion is common practice in Slovak businesses, in part perhaps because of the 'socialist heritage' and the fact that the risk of punishment is low.

Hofstede (2010) characterised the Slovak national culture as shown in the figures in the following table. The key specific national features (more than 20 points difference with the EU average) according to this table are:

- a) The existence of hierarchies and an unequal distribution of power which is also clearly reflected in public administration and confirmed in this study
- b) Hofstede describes the extent to which a culture is competitive or more consensus-oriented. Here, Slovakia is characterised as highly competitive and status-oriented. This is very much correct with regard to the values. Formally, however, men and women are equal and women can be found in many top positions today (including Prime Minister Iveta Radičová, 2008-2010). However, inside the system, masculinity still seems to have the upper hand.
- c) A relatively strong long-term orientation – however this feature is not well confirmed by this study for the area of public administration

Another specific issue connected to this study is the rather low level of uncertainty avoidance with several negative impacts on PA performance. As described above, the *Rechtstaat* tradition and limited acceptance of risk result in major deficiencies in service delivery, limited discretion, even if needed, and wastage of resources for example (not part of our analysis, but almost 90% of works or services are procured on lowest price criterion – just to be safe).

Hofstede national culture dimensions		
Dimension	Value	Average EU28
Power Distance	100	52
Individualism/Collectivism	52	57
Masculinity/Feminity	100	44
Uncertainty Avoidance	51	70
Long-term Orientation	77	57
Indulgence/Self-restraint	28	44

**Sources:** Geert Hofstede's national culture dimensions, <https://geert-hofstede.com/national-culture.html>.<sup>1</sup>

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<sup>1</sup> Interpretation: Power Distance (high value = higher acceptance of hierarchy and unequal distribution of power); Individualism (high value = stronger individualist culture); Masculinity (high value = higher masculinity of society); Long-term Orientation (high value = stronger long-term orientation); Indulgence (high value = indulgence)

Administrative culture Rechtsstaat (state based on justice and integrity), public interest	Welfare state (liberal, conservative, social-democratic)	Public sector openness (open, medium, closed)
Rechtsstaat	Social-democratic with some liberal features	Medium to closed

Key PA values	Managerial vs Procedural (Managerial, Mixed, Procedural)	Red tape (regulatory density) (very high to very low)	Discretion/au tonomy (high, low, medium)
Formally, Slovak PA values are good governance values. In reality, 'rent seeking' is at least of the same importance.	Procedural	Very high	Low

## 5 GOVERNMENT CAPACITY AND PERFORMANCE

The issue of government performance is a rather controversial aspect of the Slovak public administration system. The EUPAN (2014) study quotes Slovak contradictory responses as follows:

- a) Slovakia sees the importance of performance monitoring (p. 8)
- b) Slovakia states that it does not have any centralised monitoring system of performance of public administration (p. 9).

The reality is that the potential of public administration/government to obtain desired results and policy outcomes is barely monitored in the country. In such a situation, in combination with all other elements mentioned in the text above, it is no surprise that selected government performance indicators provided in the following text do not provide a very positive picture.

### 5.1 Transparency and accountability

Indicator	Value 2014	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Access to government information (1-10)	8.00	8	8.00	10	0.00	-2
	Value 2013	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Transparency of government (0-100)	16.71	27	23.43	28	+6.72	-1
	Value 2010	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Voice and accountability (-2.5,+2.5)	0.89	23	0.97	20	+0.08	+3
Control of corruption (-2.5,+2.5)	0.24	22	0.15	23	-0.09	-1
TI perception of corruption (0-100)	43.00	22	51.00	22	+8.00	0
	Value 2010	EU28 rank	Value 2014	EU28 rank	Δ Value	Δ Rank
Gallup perception of corruption (%)	76.00	18	74.00	16	-2.00	+2

**Sources:** Bertelsmann Stiftung, European Commission, World Bank Group, Transparency International, Gallup World Poll.

Slovakia is a country with fairly contradictory performance indicators for the areas of transparency and accountability. On the one hand, Slovakia is really doing a lot to increase the transparency of its government, especially from the point of view of access to government information. The legislation on free access to all public information is in

force and an important advantage is the existence of the central registry of public contracts (a public contract can be executed only after it has been published online via the registry).

On the other hand, Slovakia ranks very low with regard to the overall transparency of government; accountability and control of corruption indicate massive implementation problems. As several authors have argued, this situation is very much connected with the legacy from the previous regime. The tolerance of corruption is very high; the risks connected with corruption are very low. In the past, public servants were answerable to the Communist party (and not to customers); now they still feel answerable to their superiors to secure their own position in a non-functional and patronage-based civil service system (see above).

## 5.2 Civil service system and HRM

Indicator	Value 2012	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
<b>Impartiality (1-7)</b>	3.80	20	4.70	27	+0.90	-7
	Value 2012	EU26 rank	Value 2015	EU26 rank	Δ Value	Δ Rank
<b>Professionalism (1-7)</b>	3.79	19	2.94	27	-0.85	-8
<b>Closedness (1-7)</b>	4.10	24	4.22	19	+0.12	+5

**Sources:** *Quality of Government Institute (Gothenburg).*

The data from the QoG institute are confirmed by an in-depth study coordinated by Meyer-Sahling (2009). This evaluation ranks Slovakia bottom of the new EU Member States with regard to the civil service reform developments. For the indicator 'Degree of fit with European Principles of Administration', Slovakia received a 'medium to low fit' ranking (with only the Czech Republic behind it – at that time, the Czech Republic did not have a functional civil service law or responsible institutions). The verbal evaluation is as follows (p. 73): 'Civil service management in Slovakia is based on the Civil Service Act and demonstrates a reasonable degree of strength in areas such as open competition, examinations and performance evaluation. Yet even in these areas there is often a considerable discrepancy between legal intention and actual practice. Slovakia stands out as the country that has made the greatest step backwards since accession when evaluating the civil service's fit with European principles of administration. Before accession, there were arguably concerns over the quality of implementation of many legal provisions. Moreover, the reform of the salary system in 2003 deregulated the system by introducing performance-related pay measures without designing adequate procedures for the allocation of bonuses. In other words, the departure from European administrative principles began already before accession. However, since the reform of 2006 there has been a steep decline, in particular due to the abolition of the Civil Service Office and the emergence of a managerial vacuum at the centre'. Local experts (like Staronova, 2014 and Staronova, Stanova and Sicakova-Beblava, 2010) confirm this external evaluation).

### 5.3 Service delivery and digitalisation

Indicator	Value 2013	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
E-government users (%)	15.71	18	13.14	24	-2.57	-6
Pre-filled forms (%)	40.00	20	19.14	24	-20.86	-4
Online service completion (%)	44.43	28	58.86	25	+14.43	+3
	Value 2010	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Online services (0-1)	0.35	27	0.44	28	+0.09	-1
	Value 2013	EU27 rank				
Barriers to public sector innovation (%)	21.96	20				
			Value 2015	EU28 rank		
Services to businesses (%)			27.00	25		
	Value 2011	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Ease of Doing business (0-100)	69.98	16	75.61	18	+5.63	-2

**Sources:** European Commission Digital Economy and Society Index UN e-government Index, EU Scoreboard Public innovation, Eurobarometer no. 417, World Bank Group ease of doing business.

The international evaluation for this represents an absolutely critical issue. The ESO Programme (Efficient, Reliable and Open state administration) was approved by the Government of the Slovak Republic in April 2012. Its implementation focused on simplifying the provision of services guaranteed by the State to the citizens (from the point of view of citizens and business entities, general government should be simple, well-arranged and accessible; it should work sustainably, transparently and with efficiently spent financial means). The major part of the ESO reform was the attempt to increase e-government scale, scope and quality. The main source for financing the planned changes was the Operational Programme Informatisation of Society 2007-2013. €993 095 405 were allocated to the removal of barriers to public administration informatisation in Slovakia in the period 2006-2013. These funds were aimed at the fulfilment of the four main objectives set out in the Strategy of Public Administration Informatisation in the Slovak Republic until 2013:

Increasing the satisfaction of citizens, businesses and other entities with public administration by reducing the administrative burden on citizens in their contact with public authorities and simplifying citizens' opportunities to participate in public affairs

Introducing electronic devices in public administration processes through the creation of additional electronic registers for administrative operations and their connection to existing registers, ensuring their usability for legal acts

Ensuring effective and efficient public administration through a functional system of e-Government

Increasing public administration competence by boosting the computer literacy of public servants

However, despite major financial investment, the results have been poor – the table above indicates that the number of users is decreasing, and the same applies to the number of e-transactions.

Slovakia is frequently criticised for its 'red tape' and the limited capacity of state bodies to serve businesses. Excessive regulation and rigid conformity with formal rules are the typical features of the Slovak public administration system. Two core purposes could lie behind this situation – the German legal tradition and a lack of accountability and responsibility.

## 5.4 Organisation and management of government

Indicator	Value 2014	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Strategic planning capacity (1-10)	4.00	20	4.00	21	0.00	-1
Interministerial coordination (1-10)	5.33	23	5.33	23	0.00	0
SGI Implementation capacity (1-10)	5.57	21	5.57	20	0.00	+1
	Value 2012	EU26 rank	Value 2015	EU27 rank	Δ Value	Δ Rank
QOG Implementation capacity (1-7)	4.57	20	4.88	19	+0.31	+1

**Sources:** Bertelsmann Stiftung, Quality of Government Institute (Gothenburg).

The low ranking of Slovakia for indicators evaluating the organisation and management of government can be accepted as a true mirror. Strategic planning capacity is assessed by most independent experts as the core weakness of the Slovak public administration system (similarly to all countries in the region). The Fico Government ordered the Academy of Sciences to produce a draft Strategy for the Slovak Republic a few years ago; however, the final document has not been utilised for the preparation of long-term government policies. Short-term policies frequently focus on popularity-boosting changes and not on real needs (free rail transport for students, for example).

The formal coordinator of public policies – the Government Office does not serve as a real Centre of Government – as the SGI report 2015 states: 'Slovakia has a strong tradition of departmentalism'. The situation concerning inter-ministerial coordination was also highlighted in section 4.1.

The implementation of promises in government manifestos or other strategic or programmatic documents (which may look very positive) is normally very limited, especially from the point of view of real outcomes. This kind of statement can be supported by trends relating to Slovak positions in different external rankings evaluating the public administration performance – for most indicators, regression, no progress or very limited progress are reported.

## 5.5 Policy-making, coordination and regulation

Indicator	Value 2014	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Societal consultation (1-10)	7.00	8	6.00	13	-1.00	-5
Use of evidence based instruments (1-10)	4.67	13	4.67	14	0.00	-1
	Value 2010	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Regulatory quality (-2.5,+2.5)	1.00	18	0.79	20	-0.21	-2
Rule of law (-2.5,+2.5)	0.53	24	0.48	22	-0.05	+2

**Sources:** Bertelsmann Stiftung, World Bank Group.

As already indicated, formally the level of consultations is fairly high in Slovakia, which explains the positive evaluation by the Bertelsmann foundation on this criterion. The core problem however is the rule of law. Slovakia has too much legislation and regulation (also due to an ineffective RIA system), and at the same time the level of compliance is very low. Most international evaluations agree that one of the key Slovak problems is its very problematic law enforcement. One indicator confirming this is the average length of civil cases in the Slovak courts, which increased from 15.1 months in 2007 to 17.9 months in 2016. In addition, the decisions of Slovak courts are not predictable as the precedence principle is not incorporated at all and different courts may come to different decisions on the same case.

## 5.6 Overall government performance

Indicator	Value 2010	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
Trust in government (%)	38.00	11	33.00	12	-5.00	-1
	Value 2011	EU27 rank				
Improvement of PA over last 5 years (%)	11.00	7				
Indicator	Value 2010	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
Public sector performance (1-7)	3.56	24	3.15	27	-0.41	-3
Government effectiveness (-2.5,+2.5)	0.83	19	0.84	21	+0.01	-2

**Sources:** Eurobarometer 85, Eurobarometer 370, World Bank Group, World Economic Forum.

All national and international data and evaluations suggest that Slovakia can be ranked as weak/below EU average to very weak/substantially below EU average for the overall performance of the government. The key factors limiting progress (the rather positive evaluation of progress from 2011 [see above] may be too optimistic or still connected with EU accession-based changes) are: politicisation, the very marginal capacity to control corruption; and the lack of accountability of politicians and civil servants. The main positive aspect is the already very comprehensive access to public information.

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