History of European union

1951 - European Coal and Steel Community (ECSC)

The European Coal and Steel Community (ECSC) was established in 1951. The ECSC treaty came into force on 25 July 1952, creating the foundation for a common market in the coal and steel industry. The six founding members were Belgium, Federal Republic of Germany (former West Germany), France, Italy, Luxembourg, and the Netherlands. Membership was open to other western European states.

1957 - European Economic Community (EEC) and the European Atomic Community (Euratom)

The six states of the ECSC signed the Treaty of Rome on 25 March 1957, establishing the European Economic Community (EEC), also known as the common market, and the European Atomic Community (Euratom). The EEC pursued the goal of fusing the nations' economies step by step and forming a common agricultural and industrial market. The so-called four freedoms were to be implemented: free passage of goods, persons, services, and capital. Euratom' s aim was to promote peaceful use of nuclear energy and nuclear research.

1967 - European Community (EC)

In July 1967 the three communities, ECSC, EEC, and Euratom, merged under a single organization, the European Community (EC). In technical terms the three communities continued to exist with their own legal status and jurisdiction, but now they shared the same units. The Customs Union was established in 1968. A meeting in The Hague in December 1969 paved the way for creating a long-term financing system for the EC, for wider cooperation on foreign policy by the member states and for the commencement of negotiations on membership with the United Kingdom, Ireland, Denmark, and Norway.

Membership treaties were signed in January 1972 that would allow the four countries to become members of the community from 1 January 1973. The United Kingdom,

Ireland, and Denmark became members as planned, but Norway decided against membership as the result of a national referendum.

During the 1980s, the membership of the EC continued to grow. Greece joined in 1981, and Portugal and Spain followed in 1986. The other major developments of the 1970s and 1980s included extension of EC aid to other countries (especially to former colonies of the member states), introduction of the European monetary system and progress in removing trade barriers and establishing a domestic market.

1993 - European Union (EU)

The Treaty on European Union, also known as Treaty of Maastricht, was signed on 7 February 1992. It came into force on 1 November 1993, with 12 initial member states: Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and the United Kingdom. Following the entry of Austria, Finland, and Sweden on 1 January 1995, the economic and political union reached its current total of 15 member states with a total population of about 370 million, covering an area of about 3.2 million square kilometres (1.2 million square miles).

In addition to the former goals of the EC, the aims of the European Union (EU) are to create a monetary union, to adopt a joint foreign and security policy (JFSP), and to cooperate on judicial and domestic policy.

The EU consists of the so-called three cornerstones that deal with the following areas: EC (with ECSC and EAC), which is concerned with the domestic market, monetary union, foreign trade, agricultural policy, health and social policy, education and culture, and consumer protection JFSP, which covers peace preservation, human rights, humanitarian aid, and disarmament Judicial and domestic policy, which includes issues of immigration, drugs, asylum, police cooperation, and the fight against organized crime (EUROPOL)

Institutions of the European Union

Council of the European Union

The Council of the European Union, usually known as the Council of Ministers, is composed of a minister from each of the 15 member states and is the major legislative body of the EU. The presidency is held for six months at a time, and rotates amongst all the member states. The composition of the council depends on the subject to be dealt with, and may, for example, consist of foreign, economic, or agricultural ministers. It is here that the member states legislate for the whole EU. The council enacts directives, decisions, and decrees proposed by the European Commission. It is assisted by the committee of permanent representatives (CPR), also known as the small council of ministers. The CPR consists of permanent representatives (ambassadors) from each member state. It is also supported by working groups and the general secretariat.

European Commission

The European Commission is the executive body of the EU. It consists of 20 members (at least one from each member country) appointed by the mutual agreement of the member states, and who are approved by the parliament, and by a president who is appointed by the same procedure. The European Commission supervises correct application of the terms of the treaty and the decisions of the community institutions. It also makes proposals on policy and submits them to the council and the parliament. The European Commission represents the EU in its economic relations with other countries or international organizations. The commission administers the funds and programmes of the EC and issues aid to other countries. The commission's members are subject to control by the European Parliament; they may not accept instructions from a member government or any other organization.

European Parliament

The European Parliament is the only unit of the EU whose members are elected directly by the citizens of the member states, with a mandate of five years. Originally the Treaty of Rome gave it a merely advisory function, but subsequent treaties have extended its influence within the EU. The parliament has power of control over the commission and the council, rights of participation in legislative procedures (rather

than full legislative power), and it approves the EU budget. The 626 seats are distributed according to the population of the member states. In 1994 the German representation was the largest, with 99 seats, and the Luxembourg group was the smallest with just 6 seats.

The legislation proposed by the European Commission is reviewed in the individual committees of the European Parliament. These committees suggest additions or amendments to the legislation, which are then forwarded to the Council of Ministers. The parliament may subsequently exercise its right of veto if it does not approve of a decision taken by the council. The European Parliament also cooperates with the council on setting the EU's budget and can reject a budget plan if no agreement is reached in the council.

European Court of Justice

The European Court of Justice is the highest authority for all legal questions in the EU. The court is composed of 15 judges, appointed for six years. It deals with disputes between member governments and EU institutions, disputes within the EU, and appeals against resolutions and decisions. The courts of the member states often refer cases to the European Court of Justice that have issues that are unclear in EU legislation. The court reaches binding decisions on EU legislation and thus produces guidelines for decisions by national courts. The decisions of the European Court of Justice create precedents and become part of the jurisdiction of each member state.

Other notable institutions include the Court of Auditors; European Environmental Agency (EEA), founded by the EU in 1993 to coordinate efforts to aid the environment; the European Investment Bank (EIB); the European Investment Fund (EIF); the European Monetary Institute (EMI); and the EU Structural Fund.

Committees and Other Institutions

The major body with a solely advisory function is the Economic and Social Committee. Its 222 members are appointed for four years and represent employer and employee groups, as well as various interest groups. The committee must be consulted by the Council of Ministers and by the European Commission on certain

legislative items, though not all. The committee issues "opinions" on many matters and more than 3,000 of its opinions have been adopted.

The Committee of the Regions, also with 222 members, was established as a result of the Treaty of European Union to give citizens better understanding of the EU and to give regional and local government authorities a voice. This committee has to be consulted on certain economic and social matters.

Integration of the Slovak Republic into the EU

- Survey of evolution of bilateral relations
- Documents on integration of the SR into the EU
- Mutual SR and EU representations
- Ministerial board of the SR Government for European integration
- Working committee for integration of the SR into the EU

- State administration and parliament bodies participating in the integration process of the Slovak Republic into the European Union
- Delegation of the European Commission in the SR

Since the Slovak Republic has been established in 1993 the accession of the European Union belongs to the priorities of Slovak foreign policy. Mutual relations of Slovakia and the EU are based on the European Association Agreement that was signed on October 4, 1993 and came into force on February 1, 1995.

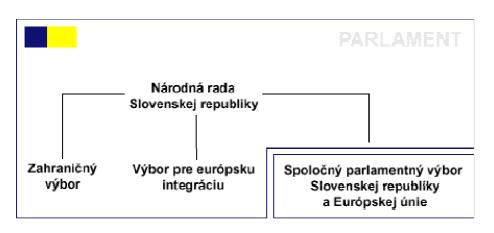
The Slovak Republic together with other associated countries of Central and Eastern Europe is engaged in the extension process of the EU. The extension process and conditions of admission of new members are regulated in basic EU documents such as Agenda 2000, Whitepaper and Partnership for Accession.

Survey of evolution of bilateral relations between the Slovak Republic and the European Union

- On October 4, 1993, the Slovak Republic together with partners from the European Union (EU) signed the European Association Agreement. The Agreement was ratified by the European Parliament (EP) on October 27, 1993, and by the National Council of the SR (NC SR) on December 15, 1993. The ratification process in parliaments of EU Member States was completed by December 19, 1994, and thanks to that, the Agreement became effective since February 1, 1995.
- In March 1995, the European Commission (EC) Delegation began to officiate in Bratislava. In June 1995, on the European Union summit in Cannes, the SR prime minister V. Mečiar presented the official application of the Slovak Republic to be admitted for the member of the European Union. In accordance with the European Association Agreement, the meeting of the SR-EU Association Council was held on May 29, 1995 in Brussels. Till June 1998, four meetings of the Association Council have been held.
- On November 22 24, 1995 the constitutive meeting of the Joint NC SR EU Parliamentary Committee was held in Bratislava. Till June 1998, six meetings of the Committee have been held.
- The constitutive meeting of the SR-EU Association Committee was held in Bratislava on February 1 2, 1996. Till June 1998, four meetings of the Association Committee have been held.
- On July 19, 1996, the answers to the questionnaire of the European Committee (about 2,100 pages) were handed in to the representatives of the European Commission Delegation in the SR. Subsequently, these answers constituted a part of the information basis for elaboration of the opinion on the SR application for EU membership.
- On November 16 17, 1996, upon the invitation of Mr. K. Hänsch, the Chairman of the European Parliament, the SR President Mr. M. Kováč visited the European Parliament. He came forward before the EP Foreign and Security Committee and took part in bilateral negotiations with the EP Chairman.. He also had talks with Mr. J. Santer, the Chairman of the European Commission, and with Mr. J. Cuttileir, the WEU General Secretary.
- On November 26, 1998, the SR Government approved the document "Strategy of the Slovak Republic in implementing the EU law in priority fields (Determination of national priorities)".
- On February 4, 1997 the SR Government approved the document "National programme of approximation of SR legal regulations to the EC/EU law in the field of internal market" which can be regarded as the SR Whitepaper.

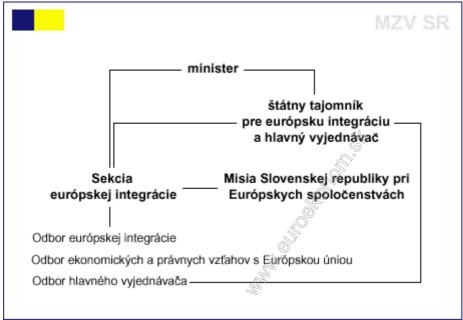
- On June 25 26, 1997, Mrs. Z. Kramplova, the SR minister of foreign affairs, visited Brussels and had talks with Sir L. Brittan, the vice-chairman of the European Commission, and with the commissioner Mr. H. van der Broek.
- On July 16, 1997, the European Commission published the opinion on applications of 10 associated countries for EU membership.
- At its meeting held on December 12 13, 1997 in Luxembourg, the European Council approved the concept of EU extension, with associated countries (AC) and Cyprus becoming its part. The summit also determined that the EU will hold intensive negotiations on the membership with the Czech Republic, Hungary, Poland, Slovenia, Estonia and Cyprus. Slovakia dropped out from the first group and was included into the group of countries that will be preparing for negotiations and will be allowed to join the immediate negotiations on the basis of regular EC evaluation and subsequent resolution of the European Council.
- On March 30, 1998, the EU extension process was opened in Brussels, and on the same day
 the SR and EC mutually handed in the Partnership for Accession and the National programme
 for adoption of acquis communitaire in the SR which are the key documents of the SR
 approximation to the EU.
- On April 3, 1998 under participation of representatives of 10 AC and Cyprus, the analytical review of acquis (so-called acquis screening) was opened which is a part of the extension process.
- After the new SR Government has been appointed on the basis of results of parliamentary elections in September 1998 the Prime Minister Mr. Mikuláš Dzurinda together with the minister of foreign affairs Mr. Eduard Kukan and the deputy prime minister for European integration visited the EU headquarters which was their first trip to a foreign country. In Brussels they were received on the highest level by Mr. Gil-Roblés, the Parliament Chairman, and Mr. Jacqued Santer, the Chairman of the European Commission. The EU highly appreciated the democratic course of parliamentary elections and positive signals from Slovakia.
- The next official visit was made by Mr. P. Hamžík, the deputy prime minister for European integration, on February 3 5, 1999 which closed the new phase of Slovakia relations with the European Commission (EC) started during the visit of the Prime Minister Mikuláš Dzurinda in Brussels a short time after formation of the government. In Brussels, Mr. Hamžík together with the commissioners Mr. Hans van der Broek and Sir Leon Brittan evaluated the conclusions of the Joint Parliamentary Committee and Association Council as successful. Conditions are being created for starting the negotiations with Slovakia after the Helsinki summit.

Orgány štátnej správy a parlamentu podieľajúce sa na procese integrácie Slovenskej republiky do Európskej únie



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Ministerial board of the SR Government for European integration

List of members

chairman

Pavol Hamž ík

SR deputy prime minister for European integration

vice-chairman

Eduard Kukan

minister of foreign affairs

Igor Hajduš ek

general director of the Section for European Affairs of the SR Government Office

members

Ľ ubomír Harach Brigita Schmögnerová

minister of economy of the SR minister of finance of the SR

Pavel Koncoš Ladislav Pittner

minister of agriculture of the SR minister of interior of the SR

Ján Fígeľ

state secretary of the Ministry of

Foreign Affairs of the SR

European Affairs Section of the Government Office of the Slovak Republic

- <u>Department of Establishing Institutions and Preparing Citizens for Membership of the European Union</u>
- Department of Foreign Assistance
- Department of Foreign Integration

The section is responsible for co-ordinating European integration efforts from its post of national coordinator for European affairs, defined mainly by the European Agreement on Accession of the Slovak Republic in the European Union. It coordinates the pre-entry strategy of Slovakia through methodical co-operation from other bodies of the central state administration. It coordinates the activities of subordinate departments and maintains foreign assistance programs and the use of financial assistance from the European Union and the harmonisation of Slovak law with EU legislation.

Priority Tasks of the Government of the Slovak Republic Arising from the Regular Report of the European Commission on the Slovak Republic's Progress towards Accession to the European Union of November 8, 2000	Date	31. 1. 2001
 Addendum to the report on the Slovak republic's progress in its Integration into the European Union in the period from 1st july - 15th september 2000 		18. 12. 2000
 Manual for arrival, stay and position of pre-accession advisors for the project of twinning co-operation 		18. 12. 2000
Enlargement Strategy Paper Report on Progress Towards Accession by each of the Candidate Countries		16. 11. 2000
2000 regular report from the commission on Slovakia's progress towards accession		9. 11. 2000
Comprehensive Concept for Training in State Administration Within the Framework of the Integration		4. 10. 2000
Process		
Report on the Slovak Republic's Progress		12. 7. 2000
in its Integration into the European Union		
September 1999 – June 2000		
National programme for the adoption of the acquis communautaire 2000		20. 4. 2000
The National Programme for the Adoption of the Acquis Communautaire		26. 10. 1999
Report on the Slovak Republic's Progress in Its Integration Into the European Union From August 1998 Tolune 1999		27. 9. 1999

ADDENDUM TO THE REPORT ON THE SLOVAK REPUBLIC'S PROGRESS IN ITS INTEGRATION INTO THE EUROPEAN UNION IN THE PERIOD FROM 1 JULY – 15 SEPTEMBER 2000

SEPTEMBER 2000

Introduction

"On 28 July 2000 the decision of the Council of the Organisation for Economic Co-operation and Development (OECD) became a significant milestone in the integration of the Slovak Republic in the area of stability and prosperity.

Government of the Slovak Republic considers this Act as an important manifestation of support and confidence presented by the economically most developed countries with reference to its sound direction of the economic reforms followed by the Slovak Government. At the same time, this decision means a confirmation of the support of integration ambitions fulfilled by the Government coalition which anchor Slovakia in the circle of democratic and economic developed countries seeking by means of co-ordination of their economic policies to constitute larger global economic growth and prosperity.

The invitation of the Slovak Republic to become the Member of the Organisation also confirms that the Slovak Republic is currently achieving the high degree of liberalisation and openness of economy so proving that Slovakia disposes all characteristics of the multilateral economic relations attributed to the mostly economic developed countries joined in the OECD.

The solemn Signature Act of the Agreement between Slovak Republic and the OECD on the Invitation of the Slovak Republic to Accede to the Convention on the OECD will be held in the OECD Headquarters in Paris on 28 September 2000...."

Excerpt from the Government Declaration on the Decision of the OECD Council to Invite Slovakia to Join the OECD issued on 29 July 2000.

Addendum to the Report on the Slovak Republic's Progress in Its Integration into the EU in the Period of July 2000 – September 2000 (hereinafter "Addendum") is submitted as the continuation of the Report presented by Deputy Prime Minister of the Government of the Slovak Republic for European Integration Pavol Hamžík to the representative of the European Commission, Ambassador Extraordinary and Plenipotentiary, His Excellence Walter Rochel, on 29 June 2000.

The period covered by the Addendum extended over the period of parliamentary recess (on 12 September 2000 the 36th session of the National Council of the Slovak Republic has been opened) and most priority pieces of legislation for the integration of the Slovak Republic into the EU will be discussed during the 36th session of the Parliament. With respect to the above facts the Addendum lists adopted laws and it also presents the current situation in the adoption of legislation. The agenda of the 36th session of the National Council is enclosed hereto.

The Government of the Slovak Republic paid exceptional attention to the mapping of the administrative needs linked with the European integration process.

The Government of the Slovak Republic is determined to continue in the fulfilment of Copenhagen criteria and, thus, to ensure the achievement of the foreign policy goal set in the Programme Statement, i.e. the accession of the Slovak Republic into the EU.

To have a comprehensive background information for drafting its Regular Report, the European Commission will, in addition to the Addendum, be provided with the answers to **EC Points to Be Clarified** delivered at the beginning of September 2000. Slovak Chief Negotiator Ján Figel' shall submit filled questionnaire at the EU – Candidate Countries Consultations taking place at the end of September 2000.

Political Criteria

Amendment of the Constitution of the Slovak Republic

On 12 July 2000 the Government of the Slovak Republic discussed and presented its comments to and consent with the Proposal of a Group of Deputies of the National Council of the Slovak Republic to Issue **Constitutional Statutes** amending Constitution of the Slovak Republic No. 460/1992 Coll. as amended in Act No. 244/1998 Coll. and of Constitutional Statues No. 9/1999 Coll. Draft Statutes have been submitted for discussion to the National Council of the Slovak Republic and currently is in the first reading process. In the amendment of Slovak Constitution the authors have covered those issues which seem to be the most topical ones in terms of the current constitutional development.

The Amendment extends the effective protection of fundamental rights and freedoms of citizens of the Slovak Republic and creates better conditions for the implementation of the principle of Rule of Law and separation of powers within the constitutional system of the Slovak Republic. It also creates possibilities for fulfilling our international commitments for the entry of the Slovak Republic to the international organisations to sustain security and peace. The Amendment also strengthens the independence of judicial powers and enables the forming and effective functioning of upper-tier territorial units and more efficient performance of the National Council, the Government and the President of the Slovak Republic.

Protection of National Minorities

Accession of Slovakia to the European Charter of Regional or Minority Languages is being prepared and will be discussed by the Coalition Council and then by the Government of the Slovak Republic in September 2000.

The Romany Issue

Terms of Reference to the first Phare Minority Tolerance Programme sub-project have been elaborated and a call for public tender shall be opened for its implementation.

On 5 May 2000 a World Bank Grant Agreement to strengthen the administrative capacity of the units under the Plenipotentiary of the Government Responsible for Romany National Minority Affairs was signed. Currently, consultants are being selected and terms of reference drafted.

An information material called **The Evaluation of the Strategy of the Government of the Slovak Republic for the Solution of the Problems of the Romany National Minority and the Set of Measures for Its Implementation – Stage I** was presented for discussion to the Government on 13 September 2000.

The grant of the Spanish Government to the Government of the Slovak Republic for: Technical Assistance and Sharing of Experience Gained in Work with the Romany, is being implemented with success.

In the context of the attack of unknown perpetrators on a Romany family in Žilina, which cost the life of a mother of eight children, the Government of the Slovak Republic expressed its deep regret and issued a declaration, in which it calls for solving of the issue of racial or ethnic intolerance in Slovakia.

Judiciary

Governmental **Draft Act on Judges and Assessors** (the so called Judiciary Code) is currently undergoing its second reading in the National Council of the Slovak Republic (on 5 September 2000 it was discussed in three Committees of the Parliament).

On 9 August 2000 the Government discussed and approved **Draft Law amending Act of the Slovak National Council No. 323/1992 Coll. on Notaries and Notary Procedures** (the Rules of Notary Procedures) as amended by Act No. 232/1995 Coll. Subsequently, the draft was submitted for discussion in the committees of the National Council of the Slovak Republic. The submitted amendment aims at the change of those provisions of the Rules of Notary Procedures, which cause most difficulties in practice. This concerns mainly making the bidding conditions more accurate, lifting of notary's and his employees' confidentiality obligation, making the conditions of prescription certificate stricter as well as the harmonisation of terminology used in the law and making it more accurate.

Public Administration Reform

A proposal of local state administration organisation in upper-tier territorial units was presented on 9 August 2000. Currently, a financial comparison of proposed alternatives is being prepared.

On 30 August 2000 the Government of the Slovak Republic approved **The Compliance Audit of Activities and Funding of Central Bodies of State Administration and Organisations under their Competence**, thus, creating conditions for the preparation of fundamental rationalisation measures at the central level. The document identifies the scope of issues, which decrease the efficiency of public administration functioning in Slovakia, states particular cases of inefficiency as well as proposed solutions. The proposed recommendations aim not only at the reduction of financial costs of state administration performance but also at increase of its efficiency and quality.

Audit covers 172 institutions together with 40,962 employees. With reference to Audit, the fiscal savings are estimated between SKK 2.6 and 3.9 billion a year. The Audit recommendations take into account the Slovak Republic EU accession priority. The Audit

conclusions result in recommendations for respective state bodies not to reduce the number of employees dealing with the European integration.

The Government discussed **Draft Implementation Project of Substantive Solutions and Schedule of the Public Administration Reform Implementation** based on Resolution No. 230/2000 point C.18.

Currently, expert and political discussions concerning the final definition of borders demarcating the jurisdiction of the upper-tier territorial units self-government, which should start to function from 1 January 2002 (election in autumn 2001), are being held. The idea outline of the first two laws is prepared for the presentation to the Government:

- idea outline of the higher territorial unit self-government act
- idea outline of act on elections to the higher territorial unit self-government.

Economic Criteria

Reduction of external imbalances has been reflected in the foreign trade balance showing the deficit of SKK 11.2 billion in the first seven months, which equals a 60% drop compared with the same last year period. Current account deficit in the first six months fell to SKK 6.8 billion, and thus dropped below the 5% of GDP limit for the first time after 4 years. The regulated prices adjustment impact (in July 1999 and January and February 2000) effecting consumer prices growth in the first half of 2000 to a 15-16% level ceased in July, when the year on year inflation dropped to 9.2%. Core inflation reaching 7% in the first months dropped to 5.3% in July, which is in compliance with this year targeted interval (4.7-5.8%). Registered unemployment rate was 19.07% and 19.41% as of 30 June 2000 and 31 July 2000 respectively.

In the context of the real inflation development and the expected price level development till the end of the year the National Bank of Slovakia (NBS) again reduced officially published interest rates. The NBS decided to reduce interest rates on overnight sterilising transactions from 7.0% to 6.5% and interest rates on overnight refinancing transactions from 10.0% to 9.5% from 31 August 2000. Biweekly REPO rate was reduced from 8.5% to 8.25 %. Interbank market interest rates, BRIBOR, are in the middle of the determined interval.

Since Progress Report adoption the restructuring and privatisation processes of large state-owned banks has continued (see Chapter 11 Economic and Monetary Union).

On 12 July 2000 the Government of the Slovak Republic discussed and took note of **The Plan and Procedure in the Privatisation of the Stake of the State in Slovenský plynárenský priemysel /SPP/ (Slovak Gas Industry)**, **state company** with Resolution No. 577/2000. Government's vision of SPP ownership structure development is that after transformation of the state-owned company into a joint stock company the state shall keep 51% of shares and 49% of shares shall be offered for privatisation including options like direct sale to a strategic investor or selling the shares through a stock exchange or a combinations of both above options. This material shall be discussed at the September session of the National Council of the SR.

On 13 September 2000 the Government of the SR discussed and observed The Plan and Procedure in the Privatisation of the Stake of the State in Transpetrol, a. s. The

Government intends to keep 51% of shares in the state ownership and 49% of shares shall be offered for privatisation.

On 6 July 2000 the Government of the Slovak Republic discussed and approved **Draft Conception of Transformation and Privatisation of State-owned Companies within Slovenská autobusová doprava /SAD/ (the Slovak Bus Transport)** in its Resolution No. 532/2000. The transformation and privatisation should result in a change in the economic situation of the SAD companies. The change of ownership structure should create room for investors who should ensure the necessary re-equipment of the fleet and more effective use of assets.

The first phase of medical facilities privatisation is successfully continuing in the compliance with the Government Resolution No. 556/2000 form 30 June 1999. The 63 basic privatisation projects of medical facilities and 1 privatisation project of medical service enterprise were submitted to the Ministry for National Property Administration and Privatisation. In the above mentioned privatisation projects, 156 medical units are expected to be privatised. There is also necessary to mention the preparation of 2 state owned medical companies privatisation – MEDIKA, state company Bratislava and IMUNA, state company Šarišské Michal'any.

On 9 August 2000 the Government discussed and approved with comments **The Social Insurance Reform Policy in the Slovak Republic**. The objective of the reform is to establish such a system of social insurance participation that will reduce the number of citizens in need of social assistance or some state social benefits, to minimum.

The Ability to Assume Membership Obligations

Chapter 1: Free Movement of Goods

New Approach Directives

- Until 15 September 2000 the following drafts of governmental acts should be presented to the Legislative Council and approved by it in the week to 20 September 2000:
 - Draft Regulation of the Government on personal protective equipment to Act No. 264/1999 Coll.
 - Draft Regulation of the Government determining details of technical requirements for energy efficiency of electrical refrigerators, freezers and other household appliances,
 - Draft Regulation of the Government determining details of technical requirements for efficiency grades of hot water heating boilers burning fluid or gas fuel.

After approval by the Legislative Council of the Government the Draft Regulations shall be submitted to the Government for discussion.

Horizontal Infrastructures – Accreditation and Standardisation

• Slovak Institute of Technical Standardisation and the ČSNI have signed a technical assistance agreement containing the inclusion of EN standards in the Czech language into

the system of Slovak technical standards. This will allow to include more standards into the system of Slovak technical standards and, thus, also an earlier accession to the CEN and CENELEC (2001).

Legal Metrology

- Implementation regulations have been adopted to Act No. 142/2000 Coll. on metrology, which implement all currently valid Old Approach directives in the field of metrology and pre-packed products, in particular:
 - Decree No. 206/2000 Coll. on measurement units implementing Directive No. 80/181/EEC on measurement units,
 - Decree No. 207/2000 Coll. on labelled pre-packages implementing 4 directives concerning pre-packaged products, and
 - Decree No. 210/2000 Coll. on measuring instruments and metrological inspection implementing Directive No. 71/316/EHS on measuring instruments and metrological inspection. Its annexes have implemented 18 directives regulating technical and metrological requirements and testing methods for individual types of determined measuring instruments.
- The decrees came into effect on 1 July 2000. As of that date (1 July 2000) the transposition of all current *acquis* in this field was completed. Optional directives concerning individual types of specified measuring instruments are taken over in their entirety but in some cases there is also national egislation (national requirements) existing while enabling free movement of measuring instruments in compliance with EC directives.

Chemicals:

• Chemical Substances and Preparations Act shall be again submitted to the Legislative Council of the Government till 14 September 2000 and it should be discussed in the Legislative Council of the Government till the end of September 2000.

Glass, Textile, Footwear:

• Draft decree of the Ministry of Economy of the SR on labelling of material used in main components of footwear and draft decree of the Ministry of Economy of the Slovak Republic on methods for determination of chemical and physical properties of lead glass to Act No. 634/1992 Coll. as amended in 310/1999 Coll. on consumer protection implementing Directive 94/11/EC and Directive 69/493/ECC in the Slovak legal order, have been submitted to the pertinent working group of the Legislative Council of the Government. The envisaged date of entry into force is 1 January 2001.

Construction Products:

• Construction Products Act was submitted for discussion under its first reading to the Parliament at its September session (full implementation of Council Directive 89/106/EEC).¹

Chapter 2: Free Movement of Persons

Mutual Recognition of Professional Qualifications

- Act No. 50/1976 Coll. 50/1976 on Territorial planning and the Building Order (Building Act) is amended in Act No. 237/2000 Coll. and Act No. 138/1992 Coll. on chartered architects and chartered civil engineers is amended in Act No. 236/2000 Coll. These laws came into effect on 1 August 2000. The amendment abolishes the requirement of Slovak citizenship for the performance of professional activities of chartered architects and chartered civil engineers and, consequently, provisions regulating the performance of these activities by foreigners in the territory of the Slovak Republic are more accurately formulated. The amendment provides for equal conditions for the performance of these activities in a liberal trade and under an employment contract.
- On 3 and 4 August 2000 an expert meeting on mutual recognition of education certificates with the Federal Republic of Germany was held in Bratislava. The result of these negotiations is a draft agreement which, provided there would be no substantive changes proposed in the internal commenting procedure, should be signed at the end of 2000 or in the 1st quarter of 2001.

Chapter 3: Free Movement of Services

• no significant change

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 $^{^{1}}$ In the situation of absence of necessary European harmonised technical standards (marked EN_h) defined by Council Directive 89/106/EEC, the European Commission $^{1)}$ regulates construction products and requirements for their technical specification with individual decisions. These Commission decisions change significantly the list of products specified in Annex No. 1 to Act No. 90/1998 Coll. As this situation is to continue for several years there is a proposal to issue the list of construction products in the form of an implementing regulation to the law (a decree of the Ministry of Construction and Regional Development) instead of the current Annex No. 1 to the law. Otherwise, Act No. 90/1998 Coll. would have to be amended almost after every decision of the Commission.

The proposed change of Act No. 90/1998 Coll. also includes a response to the adoption of Act No. 264/1999 Coll. concerning the use and placement of the uniform Slovak conformity mark C_{SK} , concerning the preparation and content of Slovak technical standards and the abolishment of the state test institution, and Act No. 634/1992 Coll. as amended in Act No. 310/1999 Coll. on consumer protection and Act No. 294/1999 Coll. on liability for defective product caused damage.

Chapter 4: Free Movement of Capital

- On 23 August 2000, the Government reviewed and observed of the proposed organisational and technical arrangements for setting up the Financial Markets Office. The Financial Markets Office, competent for supervision over financial and capital markets and the insurance industry, will be established as of 1 November 2000. In this year, SKK 28 million is given from the State Budget on the Financial Market Office establishment. In the year 2001, there will be 100 employees in the Office (around 60 of them will come from Ministry of Finance).
- On 16 August 2000, the Government reviewed and observed **The Report on Current Possibilities for the Acquisition of Inland Real Estate by Non-residents and Proposal for Further Liberalisation thereof**. The document also proposes further liberalisation of non-residents' access to real estate and recommends the application of a transitional period in conformity with the relevant articles of the international treaties binding upon Slovakia, including the introduction (via separate laws) of adequate non-discriminatory measures for the real estate protection.
- Draft amendment to Act No. 249/1994 Coll. on combating the legalisation of income from the most serious and, particularly, organised forms of crime, as amended (Money Laundering Act) has been submitted to the Slovak Parliament for its September session.²
- Drafts of new laws on the Stock Exchange and Financial Markets Office are now in the legislative process. The drafts, approved by the Government on 17 May 2000 and submitted to the Parliament on 26 May 2000, have already passed through the first reading. The Parliament is scheduled to approve them in September so that they enter into force as of 1 November 2000.

Chapter 5: Company Law

• On 20 June 2000, the Parliament approved Act No. 238/2000 Coll., which amends Act No. 328/1991 Coll. on bankruptcy and composition, as amended, with effect from 1 August 2000. The Amendment gives creditors additional powers in controlling the conduct of a trustee in bankruptcy, introduces new provisions aimed at reviving the bankrupt's viable lines of business and modifies the procedures for auctions held to sell the bankrupt's estate.

• Act No. 234/2000 Coll., which amends Act No. 383/1997 Coll. (The Copyright Act), together with an amendment to the Customs Act, took effect as of 1 August 2000.

² By Resolution No. 579/2000 adopted on 12 July 2000, the Government reviewed and approved a motion for resubmission to the Parliament of the draft Amendment (dated 20 June 2000) to Act No. 249/1994 Coll. on combating the legalisation of income from the most serious and particularly organised forms of crime, as amended.

Chapter 6: Competition

Antitrust

During the first half of 2000, the Anti-Monopoly Office of the Slovak Republic issued 136 decisions, of which 14 were decisions in respect of agreements restricting competition, 21 concerned the abuse of dominant position, 55 dealt with concentrations and 46 were miscellaneous decisions, e.g. imposition of fines for failure to submit requested documents, or decisions on procedural matters.

On 31 March 2000 the Contract was signed between joint-stock company Slovnaft and Hugarian company MOL Rt. Budapest. According to this Contract MOL Rt. Budapest together with top management of Slovnaft gain common control over Slovnaft.

State Aid

- In order to ensure correct application of the relevant EU methodologies concerning the preparation of the 1998 State Aid Report, the State Aid Office submitted its Report to the European Commission for review and comments in July 2000. After having received the position of the Commission in August, the State Aid Office reflected the comments and suggestions made by the Commission to the final version of the 1998 State Aid Report, which will be submitted to the Government in the course of September. Since the representatives of DG Competition suggested that an in-depth consultation over the draft of the 1999 State Aid Report be held during September 2000, the 1999 State Aid Report will be prepared in the course of October and submitted to the Government by the end of 2000.
- By the end of September, the State Aid Office will ensure the publication of information in the Commercial Journal on the provision of state aid.

Chapter 7: Agriculture

- Completion of a central laboratory for TSE diagnostics: based on the PHARE project No. SR98080202 **Supply of Technology for Harmonisation in Agriculture**, specification for the laboratory's technological equipment and calculation of financial costs (funding) have been prepared. Subject to approval of the specification by the EC Delegation, the technology will be purchased by the end of the year 2000.
- Documentation for the border veterinary station at Vyšné Nemecké has been prepared and the 2nd stage of zoning proceedings has taken place. The border veterinary station at Čierna nad Tisou is currently in the stage of pre-project and project drawings.
- Rural Development Plan: In July 2000, the Slovak Ministry of Agriculture hosted a meeting of the representatives of DG AGRI convoked to discuss and review the comments concerning the 2nd version of the Rural Development Plan and the preliminary ex-ante

evaluation. The Ministry is currently preparing the 3rd version of the Rural Development Plan, which takes into account all the comments and recommendations to ensure that the final version, along with the ex-ante evaluation, can be submitted to the European Commission for review in September 2000.

- In June 2000, the Slovak Paying Agency was officially renamed into SAPARD Agency.
- On 13 September 2000 the Government discussed and approved with comments The Conception for Agrarian and Foodstuffs Policy until 2005 and The Conception for Forestry Policy until 2005.

Chapter 8: Fisheries

• no significant change

Chapter 9: Transport Policy

- On 6 July 2000, the Government approved **Draft Conception for Transformation and Privatisation of the Slovak Bus Transport (SAD) State-owned Companies**. The transformation and privatisation are expected to improve the economic situation of individual SAD operators. Moreover, privatisation will give an opportunity for foreign investors to enter into SAD to provide capital for the necessary replacement of the obsolete rolling stock and ensure a more efficient utilisation of SAD assets.
- **Draft Act on Inland Navigation** was approved by the Government on 17 May 2000 and submitted to the Parliament. Draft Act is currently in the second reading at the 36th Parliamentary Session. Final approval is expected in October and Act will enter into force on 1 January 2001.
- **Draft Act on Maritime Navigation** was approved by the Government on 31 May 2000 and submitted to the Parliament. Draft Act is currently in the first reading at the 36th Parliamentary Session. Final approval is expected in November and Act will enter into force on 1 January 2001.

Chapter 10: Taxes

• no significant change

Chapter 11: Economic and Monetary Union

Process of Restructuring and Privatisation of the Banking Sector

• The prospectuses for all four banks (included in the process of restructuring and privatisation) have already been finalised. Calls for Bids were published for IRB a. s. Bratislava, Banka Slovakia a. s. Banská Bystrica and SLSP a. s. Bratislava. The implementation phase of the privatisation process is currently underway to be completed by the end of 2000 in the case of Banka Slovakia and IRB; in the case of SLSP, strategic investor will be chosen by the end of the year and the whole transaction should be consummated in early 2001. The privatisation of VÚB a. s Bratislava will be different; entry of a multilateral investor into the VUB Bank will take place by the end of the year and the whole process of privatisation will be completed by mid-2001.

Fiscal Policy

• One of the key conditions for Slovakia's accession to the EU is to put in place a consistent and comprehensive pre-accession fiscal supervision procedure and economic programme. The Ministry of Finance launched preparations for instituting the new system of fiscal supervision and, on 1 September 2000, sent a completed questionnaire to DG ECFIN. Within the framework of setting up the pre-accession fiscal supervision procedure, it is necessary to submit (by 1 April 2000) the annual notification of fiscal deficit and debt, along with other required data (in compliance with the EU methodology).

Chapter 12: Statistics

- Legislative blueprint for the new Act on State Statistics was reviewed and approved by the Government on 9 August 2000.
- Semi-definitive results of annual national accounts, including financial accounts for 1997 and 1998, were compiled on the basis of ESA 95. Experimental re-calculations of annual accounts into constant prices through IOT for the year 1998 against the baseline year of 1995 are currently underway.
- The revision of quarterly accounts based on annual accounts for 1996 and semi-definitive results of annual accounts for 1997-1998 within the time series of 1993-1999 quarterly accounts has been completed and published.
- For the purpose of measuring the deficit and debt of the state administration, the Slovak Statistical Office, in co-operation with the Ministry of Finance, filled in the new tables in a format obligatory for all EU member states. These, together with the notes on methodology and the completed questionnaire, have been sent to Eurostat.
- Draft methodology for the regionalisation of gross fixed capital generation has been submitted to Eurostat's experts for review.

- Within the project of CEE regional statistics, an analysis of compliance with Eurostat requirements and methodologies employed for data gathering by regional breakdown has been prepared. The basic contents of the regional database have been specified and the application software for recording and storing regional statistical data is being developed.
- In conformity with EU standard No. 1571/98, the questionnaire for Labour Force Sample Survey (to take place in 2001) has been revised to include certain newly monitored characteristics (atypical forms of work, economic situation the year before) and the structure of all monitored indicators has been adjusted in full compliance with the indicators appearing in the aforementioned standard.
- In the area of production statistics, questionnaires for the 2000 statistical surveys have been revised to reflect the common core of indicators as per CR 58/97 standard. Within the framework of Sectoral Assessment, methodological questionnaires on PRODOCOM and on short-term statistics have been prepared (for Eurostat) to include a detailed evaluation of compatibility in respect of individual indicators.
- In the area of foreign trade statistics, work on the projects **Tariff Information** and **Application of EU Methodology to Foreign Trade Statistics and the COMEXT Database** has been completed and final reports sent to Eurostat.
- In the area of science & research statistics, Slovakia provided its input in the New Cronos database of Eurostat.
- Within the framework of the "Farm Structure Census" project, the wording of the Twinning Covenant has been finalised signed by all interested parties and, on 24 August 2000, approved by the EC Delegation to SR.
- In the area of environmental statistics, a common questionnaire of Eurostat and OECD has been filled in and returned. Preparations for Slovakia's involvement in two pilot projects to be run by Eurostat are underway.

Chapter 13: Social Policy and Employment

Labour Law

• After having allocated appropriate budgetary resources, the Government decided (Government Regulation No. 193/2000 Coll.³) to valorise the wages of employees, working for employers in the organisations funded or co-funded from the state budget, municipal budgets or budgets of health insurance companies by 4% with effect from 1 July 2000.

³ The Regulation amends Government Regulation No. 249/1992 Coll. on salaries and other remuneration of employees in state-funded organisations and authorities, as amended, and Government Regulation No. 250/1992 on salaries and other remunerations of Members of Slovakia's Fire Brigades, as amended.

- On 6 July 2000, the Government suspended its deliberations on **Draft State Service Act**. The purpose of Act is to legislate the concept of "state service" and regulate the legal and employment relationships between state servants and the state as their employer.
- On 6 July 2000, the Government suspended its deliberations on **Draft Civil Service Act**. The purpose of the Act is to legislate the concept of "civil service" and regulate the legal and employment relationships between public servants and public administration as their employer.
- On 6 July 2000, the Government suspended its deliberations on **Draft New Labour Code**. New Labour Code (LC) is designed to replace the existing LC (adopted in 1965) which has gone through a number of amendments and modifications overtime. New Labour Code comprises substantial liberalisation and deregulation of the employment law in conformity with the underlying principles of a market-driven economy.

Employment

- The rate of registered unemployment in Slovakia reached 19.07% as of 30 June 2000 and 19.41% as of 31 July 2000.
- Starting from 1 July 2000, the Guarantee Fund, established under the administration of the National Labour Office on 1 May 2000, provides financial compensations and satisfies other justified claims of employees whose employer has become insolvent.
- With effect from 1 August 2000, the Parliament passed another amendment to Labour Code. Act No. 244/2000 Coll. specifies the steps and procedures to be taken by a trustee in bankruptcy in the case of massive lay-offs, which, in conjunction with another amendment to Employment Act (Act No. 241/2000 Coll.), removed the outstanding discrepancies and inconsistencies that have so far impeded the satisfaction of creditors' claims.
- An amendment to Employment Act (Act No. 245/2000 Coll.), which took effect as of 1
 August 2000, enabled municipalities to launch a programme of public welfare works
 designed for the long-term unemployed and funded from the state budget through
 subsidies appropriated via National Labour Office. The amendment has also improved
 conditions for the control of illegal work.

Occupational Safety and Protection of Health

Act No. 95/2000 Coll. on labour inspection, effective from 1 July 2000, created the
necessary legislative and regulatory framework for strengthening the integrated system of
supervision at employer's premises and thus facilitated the practical implementation of
regulations in the area of occupational safety and protection of health at work and of the
relevant wage regulations, including the principles of remuneration and commitments
ensuing from collective agreements. Under Act No. 95/2000 Coll. on labour inspection, as
amended, the National Labour Inspectorate was established as of 1 July 2000.

Chapter 14: Energy

- Draft Act on Emergency Reserves of Crude Oil and Petroleum Products and on Addressing Oil Crises and amendments of the relating legislation were discussed and approved by the Council of the Government for OECD. After having discussed this Draft, the Legislative Council of the Government returned the Draft to its authors for the revision and resubmission to the Legislative Council.
- On 12 July 2000 the Government reviewed and observed **The Plan and Process of Privatisation of the Slovak Gas Company (SPP, š. p.)**. Under the Government's privatisation scenario for SPP, once transformed into a joint-stock company, the Government will retain 51% of SPP shares and give the remaining 49% for sale (direct sale to a strategic investor, or sale through the stock exchange, or combination of the two). On 30 July 2000, **The Plan and Process of SPP Privatisation** was submitted for information to the Slovak Parliament for its September session.

Chapter 15: Industrial Policy

- Draft Act on the Regulation of Network Monopolies was submitted to the Government for review in the 37th week of 2000. Once approved, Act will serve a basis for setting up a regulatory body for natural monopolies (scheduled for 1 January 2001). Draft State Budget for 2001 allocates SKK 20,518 million to cover the establishment and operation of such a regulatory authority.
- As of 1 August 2000, Amendment No. 238/2000 to the Bankruptcy and Composition Act took effect (except for paragraph 1 of Article I, according to which the debtor is in bankruptcy if he has more creditors and is not able to settle his obligations within 30 days after maturity, which will enter into force as of 1 February 2001).
- By a decision issued on 2 August 2000 by the Bratislava I District Court, the Slovak Agency for Investment and Trade Development (SARIO) was established. SARIO, an outcome of transformation of the Slovak National Agency for Investments and Development (SNAZIR), will represent the institutions of the state vis-à-vis investors. The purpose of this arrangement is to give investors a one-stop shop for getting all the information they might require in considering the prospects of making an investment in Slovakia. SARIO will co-operate with specific investors who demonstrate their interest to invest in Slovakia.
- On 13 September 2000, the Government approved a document entitled **The Enhancement of the Legislative and Regulatory Framework Designed to Support Business and Investments**, which removes legal and regulation barriers in enterprising and proposes measures, particularly in following areas:
 - entry into market and establishment of companies (business register, enabling enterprising to foreign persons),
 - company law,

- acquisition of immovable property,
- securing of obligations regulation of security law,
- judicial and extrajudicial settlement of disputes,
- labour law.

Chapter 16: Small and Medium Enterprises

- A document entitled **The Programme for Tourism Development and Promotion** was approved by the Government on 13 September 2000. The programme aims at increase of the quality, scope, and improvement of supply structure of the tourism services in the Slovak Republic by the promotion of tourism in the form of non-recurring financial subsidies. The initiator of the programme is the Ministry of Economy of the Slovak Republic.
- The Report on the State of Small and Medium Enterprises and their Support in the Slovak Republic in 1999 was approved by the Government on 13 September 1999. The proposed enhancement of SME performed within the framework of the State Medium-term Policy of Enhancement of SME focuses on implementation of priorities coming from NPAA in the area of SME. The implementation of proposed measures will contribute to further improvement of enterprise environment and will strengthen the system of support programmes by new programmes aiming at increasing competitiveness of SME, improvement of the access of small and medium enterpreneurs to foreign markets, as well as the extension of consulting, education and information services for small and medium enterpreneurs.
- Based on Resolution No. 356/2000 of 24 May 2000 concerning the Programme of E-Trade Promotion, the small and medium entrepreneurs active in the field of e-trade become eligible (from 1 September 2000) to the reimbursement of some costs incurred in connection with their business activities. The Program of E-Commerce Support and Promotion will become effective as of the same date. Under the programme, small and medium entrepreneurs may apply for one-off grants; the grants will take the form of reimbursement covering 40% of the cost of participation fees at seminars of relevance to e-commerce, but shall in no case exceed SKK 30,000 per year. Entrepreneurs may also qualify for the reimbursement of up to 50 % of their costs incurred in connection with the certification of encrypted keys for electronic signatures; however, this will only be possible next year, after Act on Electronic Signature enters into force. Here, the upper limit has been set at SKK 80,000 per year. The programme was initiated by the Ministry of Economy and will be implemented by the Slovak Agency for Investment and Trade Development.

Chapter 17: Science and Research

• no significant changes

Chapter 18: Education and Vocational Training

- In July this year, expert talks were held with representatives of the Federal Republic of Germany aimed at preparing an Agreement on the Mutual Recognition of Certificates of Education between the Slovak Republic and the Federal Republic of Germany.
- The Slovak Republic joined the Socrates II and Leonardo da Vinci II programmes through the SR/EU Association Council decision from 24 July 2000. The Slovak Republic is meeting the financial commitments related to its participation in these programmes. Association Council decision on the conditions of the Slovak Republic's participation in the Youth programme is expected in September 2000.

Chapter 19: Telecommunications and Information Technologies

- Since the date of the Telecommunications Act's entry into force (1 July 2000), one independent regulatory authority the Telecommunications Office has been assigned to perform the regulatory functions in the area of telecommunications (including price regulation).
- The international tender to select a strategic partner for Slovak Telecom, a. s. was concluded in July 2000. It was won by the German company Deutsche Telekom, which acquired a 51% share in Slovak Telecom, a. s.
- The Slovak Republic prepared **Draft Procedure for the Preparation of a Strategy for the Development of Information Society in the Slovak Republic,** which will be submitted to the Government by the end of September 2000.

Chapter 20: Culture and Audio-visual Policy

Culture

- After the European Commission published a call for associated countries to join the Culture 2000 programme in June 2000, the Ministry of Culture elaborated The Proposal to Start the Process of the Slovak Republic's Association to the European Union Culture 2000 Programme in July 2000, which is now ready for debate by the Government.
- The condition of the participation in the European Union's **Culture 2000** Community programme is the establishment and existence of the so-called Cultural Contact Point, most often operating under the Ministry of Culture. The Cultural Contact Point in the Slovak Republic is currently being formed at the Ministry of Culture's European Integration Department.

Audio-visual Policy

- The Ministry of Culture has prepared new Draft Act on Broadcasting and Retransmission for the legislative process in co-operation with the Council for Radio and Television Broadcasting. Draft Act on Broadcasting and Retransmission, which will enter into force on 1 October 2000, was discussed by the Parliament on 3 July 2000, when it approved the proposal for shortened legislative proceedings and recommended that Act be discussed at its second reading.
- The Supplementary Protocol to the Council of Europe's European Convention on Transfrontier Television was discussed by the Government in July 2000. The Ministry of Culture submitted the Protocol to the Parliament in August 2000 where it will be ratified. The Slovak Republic aims to ratify the Supplementary Protocol to the Council of Europe's European Convention on Transfrontier Television by 1 October 2000.

Chapter 21: Regional Policy and Co-ordination of Structural Instruments

- The Regional Policy Principles were discussed at the Economic Council of the Government and the Council of the Government for Regional Policy in June 2000. The document was subsequently submitted at a governmental session and approved with comments on 13 September 2000. The role of the principles is to determine the organisational, institutional, programming, and financing framework of regional development in Slovakia.
- The legislative objective of **Act on Regional Development** was approved by the Government on 9 August 2000. At the same time, the issue of the need to align this Act with Act on Upper-tier Territorial and Administrative Units and Act on the Financing of Upper-tier Territorial and Administrative Units being prepared was raised at this governmental session. The results of public administration reform will have a direct impact on the transfer of competencies in the field of regional development. The wording of Draft Act on Regional Development respects the current state of legislation, has undergone inter-ministerial review proceedings and will be submitted to the Legislative Council of the Government for debate in the near future as the Act on Support for Regional Development.
- The elaboration of the National Regional Development Plan (NRDP) proceeds according to the set timetable. Regional operational programmes at the level of the administrative regions and sectoral operational programmes were completed. At present, the elaboration of large consultative and methodical instructions for sectoral and regional operational programmes (SOP, ROP) is to be ended and the mutual synchronisation of SOP and ROP will follow. At the same time, the aggregation and merging of ROP and elaboration of synthetic parts is taking place. The NRDP is being elaborated in line with the principle of wide partnership, in co-operating with central and other state administration bodies, self-government, and representatives of entrepreneurial unions, non-governmental organisations, science, education and other entities involved in regional development.

- In line with State Aid Act No. 231/1999 Coll., the Ministry of Construction and Regional Development elaborated the Programme of State Aid for the Development of Districts with a High Unemployment Rate and the Criteria for the Implementation of the Programme of State Aid for the Development of Districts with a High Unemployment Rate. Both documents were approved through Governmental Resolution No. 578/2000 of 12 July 2000. At the same time, methodical guidelines for the preparation of applications for state budget subsidies and the elaboration of projects supporting regional development for 2000 and methodical guidelines for district commissions were prepared. The Government allocated SKK 135 million for this programme for 2000, which was distributed between selected districts with a high unemployment rate in the following regions: Košice region, Prešov region, Banská Bystrica region, Nitra region, and Žilina region.
- On the basis of Governmental Resolution No. 970/1999, the regional development department at the Office of the Government, in close co-operation with the Ministry of Construction and Regional Development, elaborated the Proposal for the Creation of an Integrated Network of Regional Development Agencies (RDA). The document will be discussed by the Council of the Government for Regional Policy and subsequently submitted at a governmental session. RDA will be created by the non-profit organisations (associations of legal persons), which will initiate economic development in a region by institutionally connecting public administration, private sector and third sector. In the regions of Slovakia, RDA should play the role of executive organisations of support for regional development, secure tasks resulting from the need for integrated and effective use of funds provided by the state, self-governments and the EU, and function as the expert units for the creation of regional projects and programmes for higher territorial and administrative units (following their creation).

Chapter 22: Environment

- On 12 July 2000, the Government discussed and approved with comments Draft Act amending Act of the National Council of the Slovak Republic No. 127/1994 Coll. on environmental impact assessment. The need for the amendment arose from the bilateral screening of the chapter Environment, on the basis of which the European Commission recommended to achieve full harmonisation of the existing Slovak legislation with EU legislation on environmental impact assessment by amendment of Act No. 127/1994 Coll. Due to the high level of harmonisation of Act, the amendment is only adding certain items missing from the list of activities subject to assessment under Act through the extension of criteria for investigation proceedings in the form of a separate Annex to Act. Draft amendment of Act on Environmental Impact Assessment is included in the programme of the September 2000 parliamentary session.
- On 8 August 2000, the Legislative Council of the Government approved an amendment to Act No. 272/1994 Coll. on the protection of people's health as amended by later regulations. Subsequently, the Draft was discussed by the Council of Social and Economic Consensus and approved without comments. Amendment to Act No. 272/1994 Coll. only concerns the issue of the protection of people's health against the effects of ionising radiation. Through its adoption, full compliance with relevant EU directives on this area will be achieved. The most important progress is the Central Register of Doses, which will

be created pursuant to this Act. Draft will be discussed by the Government in September 2000.

- On 9 August 2000, the Government discussed and approved with comments Draft amendment to Act No. 76/1998 Coll. on the protection of earth's ozone layer and on Amendment to the Trade Law No. 445/1991 Coll. as amended by later regulations. This Act has been submitted to the National Council for approval. Amendment will harmonise Slovak legislation with Council Regulation 98/C286/06 on substances depleting the ozone layer and Council Regulation EC 3093/94.
- On 23 August 2000, the Government discussed and approved with comments **Draft Conception of a New Method of Environmental Protection Funding** and a timetable and objective schedule of concrete measures in line with EU requirements for the quality of the environment and conclusions from bilateral screening on the environment sector. The aim of the concept is to formulate conceptual approaches to financial strategy and policy in the area of the environment focusing on the structure of environmental measures funding, disproportion between the existing state of the environment in Slovakia and EU requirements for the quality of the environment of its Member States, and possibilities for extending the existing spectrum of financial resources available for environmental measures in Slovakia. The Conception indicates total expenditures from the state budget for the environment for 2001 amounting to SKK 8,757 mil. From this amount SKK 8,024 mil. is aimed for the Ministry of Agriculture for the realisation of the agro-environmental programme and for the water management.
- On 25 August 2000, the Legislative Council of the Government and Council of Economic and Social Consensus discussed Draft new Act on Wastes. At present, the comments raised are being incorporated and Act will be resubmitted for to the Legislative Council of the Government in October 2000.
- On 30 August 2000, the Government discussed and approved without comments Draft of Legislative Objective for Act on Genetically Modified Organisms. Legislative Objective for Act on Genetically Modified Organisms is based on Council Directives 90/219/EEC and 90/220/EEC as amended. The provisions of the Protocol on Biological Safety, which the Slovak Republic signed in May 2000, were also taken into account. The Legislative Objective proposes the method for controlled handling with the genetically modified micro-organisms, plants and animals, so that the identification and management of possible risks are secured. It contains proposal for the division of competencies for the issuing of permits for the use of GMO between the Ministry of the Environment, Ministry of Agriculture and the Ministry of Health.
- On 19 September 2000, the Legislative Council of the Government will discuss Draft amendment to Act No. 309/1991 Coll. on the protection of air from pollutants (Air Act) as amended by later regulations and amendment to the Governmental Regulation No. 92/1996 Coll. through which this Act is implemented. Amendment to this Act incorporates the requirements from Directive 98/70/EC on the quality of petrol and diesel fuels, Directive 99/32/EC on the reduction of the sulphur content in certain liquid fuels and the preliminary Directive on the Incineration of Waste (2000/C-25/02).

Chapter 23: Consumers and Health Protection

• On 15 August 2000, Draft Advertisement Act was debated by the Legislative Council of the Government, which recommended the submission of this Act to the Government following the incorporation of comments. Draft Advertisement Act should be submitted to the Government on 20 September 2000.

Chapter 24: Co-operation in the Fields of Justice and Home Affairs

Asylum

- The National Council of the Slovak Republic recommended that Draft Amendment to Act No. 283/1995 on refugees be debated at its second reading. It is expected to be discussed and subsequently passed in September 2000. Due to the legislative process, the entry into force of the proposed amendment was postponed from 1 June 2000 to 1 November 2000.
- The Government adopted an amendment to Regulation No. 67/1996 published in the Collection of Laws under No. 68/2000, through which the list of safety countries and safety countries of origin was issued, with entry into force on 1 July 2000.

Organised Crime, Police Co-operation

- The ratification of the European Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime is expected by 31 December 2000.
- Draft Amendment to Act No. 249/1994 Coll. on countering the legalisation of proceeds from the most serious, particularly organised forms of crime is currently undergoing the approval process at the National Council. Draft New Act on Prevention of Legalisation of Proceeds from Criminal Activities is also undergoing the approval process at the Government and should be equally approved by the end of 2000. This New Draft Act introduces the term unusual business transactions, imposes the obligation of their notification on all financial entities, addresses the issue of overseeing the observance of the law and penalties, and resolves the issue of identification of clients in banking operations.

Chapter 25: Customs Union

• On 1 August 2000, Act No. 239/2000 Coll. amending Act No. 180/1996 Coll., the Customs Act, as amended by later regulations entered into force.

- Act No. 268/2000 Coll. on narcotics and psychotropic substances precursors treatment and on amendment to Small Trade License Act No. 445/1991 Coll. as amended by later regulations entered into force on 1 September 2000.
- New Draft Customs Act was discussed on 24 August 2000 at the Headquarters Meeting of the Ministry of Finance. It is expected to be submitted to the Legislative Council of the Government in September. It shall enter into force on 1 January 2001.
- On 7 September 2000 the Slovak Embassy in Brussels was invited to submit a paper on the Slovak Republic's association to the Customs Convention on the ATA Carnet for the Temporary Admission of Goods, signed on 26 June 1990 in Istanbul by the Convention depositor, Secretary General of the Customs Co-operation Council.
- The routine operation of the EFEKT CD project as the 1st phase of linking customs and tax administration has been launched on the customs administration side. Testing has not yet been completed on the tax administration side.

Chapter 26: External Relations

- Act No. 214/2000 Coll, which amended Act No. 80/1997 Coll. on the Export-Import Bank of the Slovak Republic in the wording of Act No. 336/1998 Coll. entered into force on 15 July 2000. The amendment partially approximates EU legislation on the area of export credits.
- On 28 July 2000, the Slovak Republic received an invitation to become the 30th member country of the OECD.

Chapter 27: Common Foreign and Security Policy

• no significant change

Chapter 28: Financial Control

• Conception on Internal Financial Control was discussed at the Economic Ministers' Council on 28 August 2000. In line with the conclusions of the discussion, the document was forwarded for assessment by the Governmental Plenipotentiary for Public Administration Reform, Mr. Nižňanský. At the same time, Draft Conception was sent for inclusion in a governmental session on 5 September 2000. The Government should discuss Draft Conception in September 2000 and the document will subsequently be sent to EC representatives in Brussels.

Chapter 29: Financial and budgetary provisions

• no significant change

Administrative Capacity for the Implementation of the acquis communautaire

In the process of harmonising the Slovak Republic's law with EU law, the adoption of the *acquis* into national legislation alone does not suffice and it is necessary to guarantee its implementation in particular.

The Ministerial Council of the Government for European Integration discussed the document which provides an overview of the administrative needs related to the implementation of the *acquis*. In September 2000 the document will be submitted to the Government for deliberation.

The strengthening and building of administrative capacity is linked with the adoption of the relevant legislation. Upon the entry into force of Telecommunications Act No. 195/2000 on 1 July 2000, the Telecommunications Office was established as an independent regulatory authority for the area of telecommunications.

With the Financial Markets Office Act entry into force the Financial Markets Office will be established on 1 November 2000.

Čo je Európska únia



15 demokratických štátov Európy s 365 milónmi obyvateľov sa dobrovoľne spojili do politického a ekonomického zoskupenia na dosiahnutie spoločných cieľov a jednoty v Európe pomocou jednodtnej zahraničnej a vnútornej politiky zvrchovaných členských štátov (zmluva z Amsterdamu).

Ciele EÚ

- Zlepšenie životných a pracovných podmienok obyvateľov EÚ, spolupráca v sociálnej oblasti
- Podpora ekonomického rozvoja vytvorením hospodárskej únie bez hraníc a menovej únie zavedením jednotnej meny euro
- Stabilné a vyvážené obchodné vzťahy a zaručenie voľnej súťaže
- Postupné vyrovnávanie ekonomickej nerovnováhy medzi rôznymi štátmi a regiónmi
- Ochrana práv a záujmov členských štátov zavedením ručenia únie
- Spolupráca v oblasti práva a vnútornej politiky
- Rozširovanie EÚ o nových členov, predovšetkým o štáty strednej a východnej Európy
- Pomoc rozvojovým štátom
- Zachovanie mieru a slobody jednotnou obrannou politkou

Prostriedky EÚ

Právne normy, jednotné pre všetkých 15 členských štátov

- Rozpočet financovaný z vlastných prostriedkov
- Organizačný a technický aparát spoločných orgánov EÚ

História Európskej únie

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- 9. mája 1950 oznámil Robert Schuman plán vytvorenie Európskeho spoločenstva pre uhlie a železo (EGKS), čo viedlo k podpísaniu zmluvy v Paríži v apríli 1951. Tento plán staval na myšlienke Jeana Monneta vybudovať jednotnú Európu krok za krokom tak, ako murár stavia budovu. Základ položilo 6 štátov: Belgicko, Francúzko, Holandsko, Luxembursko, Nemecko aTaliansko. EGKS malo volený parlament, ktorý zasadal prvý krát v seprembri 1952 v Štrasburgu.
- 25. marca 1957 podpísali zakladajúce štáty zmluvu z Ríma, ktorou založili Európske hospodárske spoločenstvo (EHS) a Európske atómové spoločenstvo (Euratom). V tomto čase mal spoločný parlament 142 zástupcov zo všetkých členských štátov.
- V januári 1973 sa EHS rozšírilo o nasledujúcich členov: Dánsko,Írsko a Veľká Británia.
 Parlament mal 198 členov.
- V júni 1979 sa podľa zmluvy z Ríma uskutočnili v jednotlivých členských štátoch voľby do Európskeho parlamentu. 410 zvolených poslancov z 9 štátov zasadlo v júli 1979 v novej budove parlamentu Palais de l'Europe v Štrasburgu.
- V januári 1981 sa Grécko stalo desiatym členským štátom EHS. Palament sa rozšíril na 434 poslancov.
- V júni 1984 sa konali druhé priame voľby do Europskeho parlamentu.
- V **januári 1986** vstúpili do EHS Španielsko Portugalsko. Počet poslancov v parlamente sa zvýšil na 518.
- V roku 1986 podpísali vlády členských státov Jednotný európsky akt, ktorý bol parlamentom ratifikovaný. Jednotný európsky akt rozširuje a zdokonaľuje zmluvu z Ríma. Európsky parlament dostáva nové právomoci uzákonením vzťahov medzi palamentom a radou. V tejto zmluve sa zaväzuje 12 členských štátov do 31. decembra 1992 vytvoriť spoločný trh s bezhraničným pohybom osôb, tovaru a služieb.
- V júni 1989 sa konali tretie európske parlamentné voľby.
- 19. júna 1990 podpísali ministri zahraničných vecí Francúzka, Nemecka a krajín Beneluxu dohodu v Schengene o odstránení colných a pasových kontrol na vzájomných hraniciach a o voľnom pohybe občanov týchto štátov v ich území. Dohoda obsahuje 142 bodov, ktoré nahradzujú zákony jednotlivých štátov a musí byť ratifikovaná parlamentmi všetkých zúčastnených strán. Postupne k dohode pristúpili Taliansko, Španielsko, Portugalsko a Grécko.
- V decembri 1991 sa rozhodli zastupitelia vlád členských štátov EHS na zasadnutí rady v Maastrichte založiť Európsku úniu.
- Vo februári 1992 bola v Maastrichte podpísaná Zmluva o Európskej únii. Európsky parlament získal ďalšie právomoci najmä v legislatívnej oblasti, kde sa stal rovnoprávnym partnerom Rady EÚ. V zmluve bolo zakotvené aj ustanovenie inštitúcie ombudsmana.
- 1. novembra 1993 vstupuje Zmluva o Európskej únii po ratifikácii v členských štátoch do platnosti.
- V júni 1994 sa konali štvrté európske parlamentné voľby. Na základe zjednotenia Nemecka sa zvýšil počet poslancov na 567.

- 1. januára 1995 pristúpili do EÚ Fínsko, Rakúsko a Švédsko. V Európskom parlamente sa počet poslancov rozšíril na súčasných 626.
- **26. marca 1995** vstupuje do platnosti dohoda zo Schengenu, ku ktorej pristúpilo v apríli 1995 aj Rakúsko.

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Európska únia

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Pri založení mala Európska únia 6 členov. Ich počet sa postupne zvyšoval na 9, 12 až dnešných 15 členov.



Predsedníctvo v Rade Európskej únie sa strieda v presne určenom poradí:

- 1998 prvý polrok Veľká Británia http://presid.fco.gov.uk
- 1998 druhý polrok Rakúsko http://www.presidency.gv.at
- 1999 prvý polrok Nemecko http://www.eu-praesidentschaft.de
- 1999 druhý polrok Fínsko
- 2000 prvý polrok Portugalsko
- 2000 druhý polrok Francúzko
- 2001 prvý polrok Švédsko
- 2001 druhý polrok Belgicko
- 2002 prvý polrok Španielsko
- 2002 druhý polrok Dánsko
- 2003 prvý polrok Grécko

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Orgány Európskej únie

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Rada Európskej únie sa skladá z 15 členov, ktorých nominujú vlády členských štátov EÚ. Rada rozhoduje a navrhuje zákony. Zloženie rady sa mení podľa aktuálnej tematiky rokovania (napr. zahraničná politika, finančná politika, agrárna politika a pod). Predsedníctvo v rade sa mení podľa pevne stanového poradia.

<u>Európsky parlament</u> má 626 poslancov, je volený v priamych voľbách obyvateľmi štátov EÚ, reprezentuje jednotlivé národy zoskupenia. V jeho zodpvednosti je legislatíva EÚ, schválenie rozpočtu a kontrolné funkcie.

<u>Európska komisia</u> pozostáva z 20 nezávislých členov. Komisia navrhuje právne normy, zodpovedá za ich dodržiavanie a robí výkonnú politiku EÚ. Komisári majú presne rozdelené oblasti zodpovednosti.

Európsky súdny dvor sa skladá z 15 sudcov, 9 advokátov. Spolu so súdom prvej inštancie (15 sudcov) zabezpečuje dodržiavanie práva v spoločnom integračnom procese.

Dvor auditorov má 15 členov, kontroluje finančné záležitosti a vykonávanie rozpočtu únie. Dvor auditorov je tzv. finančným svedomím únie. Výročné správy dvora auditorov o hospodárení EÚ sú verejne prístupné.

Paralelne k týmto orgánom pôsobia **hospodársky a sociálny výbor** (222 členov), ktorý má poradenskú funkciu a skladá sa zo zástupcov rôznych profesných oblastí (napr. poľnohospodárstvo, odbory, obchodná sféra a pod.).

Na podporu činnosti rady a komisie bol vytvorený **výbor regiónov**, ktorý vnáša do inštitúcii EÚ regionálne a lokálne aspekty. Má poradenskú funkciu.

Európska investičná banka zodpovedá za vyvážený rozvoj bankovej a finančnej sféry únie. EIB spravuje ročný objem kreditov vo výške 20 miliárd euro, čím sa stala najväčšou finančnou inštitúciou sveta.

Európsky ombudsman je zodpovedný za sprostredkovanie kontaktu mezi občanmi únie a riadiacimi orgánmi. Vyšetruje sťažnosti občanov EÚ na rozhodnutia a konania orgánov, pričom má právomoci vyžiadať si podklady a dôkazy k rozhodnutiam orgánov únie.

European Economic Integration

The European Monetary System (EMS), which came into force on 13 March 1979, is an agreement between the member states of the then EC to aim towards creating a stable monetary zone in Europe. Although the currencies have, on the whole, been more stable, they are vulnerable to sudden and disruptive movement.

The EMS is a system of fixed but adaptable (for new fixings) exchange rates. Standard ECU (European Currency Unit) rates are set for the currencies participating in the EMS, resulting in a grid of bilateral exchange rates. The currencies (spot quotations) of the participant countries may only fluctuate within a fixed bandwidth, otherwise the central banks must intervene. If correction is not possible, special regulations come into force, and the currency is taken out of the EMS for a certain period, as happened with Italy and the United Kingdom in 1992.

Each currency is rated against the ECU, which is the European monetary unit. Currently it is only used as a reference for exchange rates and as a means of payment by the central banks. The EU is, however, working towards full economic and monetary union (EMU). This goal was laid down by the Treaty of Maastricht in 1992 and the first wave of countries are due to join in 1999. When EMU occurs, the ECU will be replaced by the Euro. The exchange rates are expected to be defined against the Euro in 1999. From 1 January 2002, Euro cash will be used in parallel with the existing national currencies for six months, after which it will become the sole currency.

To qualify for membership of the EMU, the member states must satisfy certain criteria (convergence criteria) relating to their budgetary deficit, public debt, inflation, interest rates, and exchange rates:

- 1. During the two years before entering the monetary union, the country's currency must have been within the limits of the European exchange rate mechanism.
- 2. The mean inflation rate in consumer prices must not be more than 1.5 per cent above the rates of the three countries that had the lowest inflation one year before.
- 3. The average rate of interest for long-term investments must not be more than 2 per cent above the rate of interest of the three countries that performed best one year before.
- 4. The public deficit should not be more than 3 per cent of the gross national product (GNP), and the ratio of the overall indebtedness of the state to the GNP should not be more than 60 per cent.

Final membership of the states in the EMU will be decided in early 1998, but there appear to be problems with some countries meeting the convergence criteria.

Future Development

The EU represents the wish of the sovereign states of Europe for peace and cooperation. The long-term goal of a single, federal European state, as envisioned by the original advocates of economic cooperation in Europe, has largely been discarded. The number of member states is likely to increase by the end of the decade. Turkey applied for membership in 1987, Cyprus and Malta applied in 1990,

and Switzerland and Norway followed in 1992. Several of the former Warsaw Pact countries are also interested in becoming members.

Entry for new members is to be eased by association agreements providing for large-scale political, economic, and cultural cooperation. These agreements already exist with a number of countries (Bulgaria, Cyprus), the Czech Republic, Estonia, Hungary, Israel, Latvia, Lithuania, Malta, Morocco, Poland, Romania, Slovakia, Tunisia, and Turkey). Although there is some concern amongst member states about increasing the size of the EU, and of bringing in so many countries with such varied social and economic conditions, the European Union will continue to be an important force in the world in the next century.

Member countries

Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, the United Kingdom, Austria, Finland, and Sweden.