

THE SLOVAK
SPECTATOR

INVESTMENT

ADVISORY GUIDE 2018/2019



Growth drives more investment opportunities in Slovakia

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Investment Advisory Guide

The long-awaited event of the year, the opening of the Jaguar Land Rover automotive plant in the western-Slovak regional capital of Nitra, finally took place in October. The plant and its suppliers are looking to hire hundreds of workers next year, meaning the hiring of foreigners will remain one of the topics for 2019, a year when presidential and European elections are scheduled to take place and the campaign for 2020 parliamentary elections is set to begin.

The government also seems to have noticed the problem with the lack of labour force and started making amends to accommodate the demands of employers for the simpler and easier access of non-EU nationals to the Slovak labour market.

Other challenges include corruption and the lack of transparency. These problems were also highlighted during the protests and the political crisis that Slovakia has been through in 2018 following the murder of a journalist and his fiancée that finally led to government reshuffles.

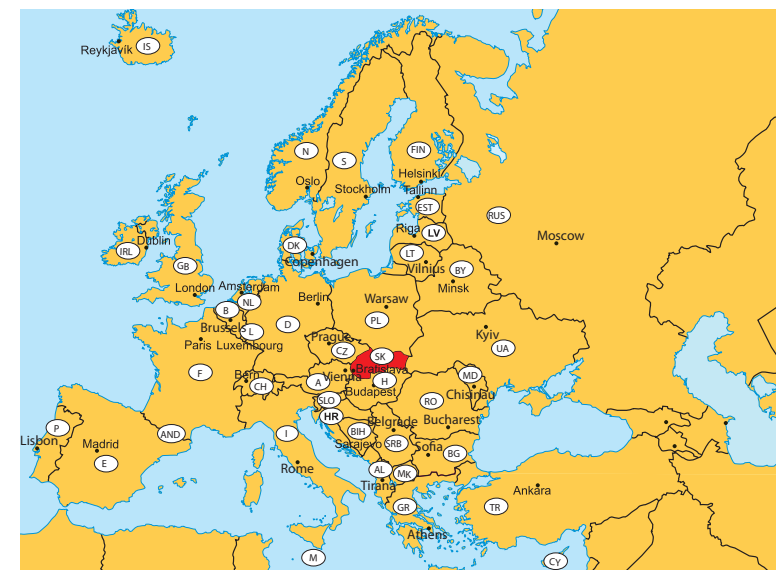
However, there have also been changes for the better. As lawyer Peter Štrpka says in an interview for this Investment Advisory Guide, the country has progressed when it comes to business administration: the registration of a company in the Business Register is much quicker now, and many things can be done online, even at the land registry offices.

The economic growth of the country drives more investment opportunities in Slovakia and opens doors for new ideas and the young generation, which is becoming more active not only in business but also in politics. The results of the November 2018 municipal elections proved this when young candidates with a fresh approach and new style of doing politics won in several regional capitals, including Bratislava. If they deliver on their promises, they have the chance to introduce a new culture and approach to Slovak politics, and speed up the positive development of the country.

By Michaela Terenzani
The Slovak Spectator

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SLOVAKIA BASICS

Area: 49,036 km²
Land use: agricultural land: 48.9%, forest: 41.1%, urban areas: 4.8%, water: 1.9%, other: 3.3%
Protected area as national parks, protected grounds: 22.65%
Borders with neighbouring states: Hungary (654.8 km), Poland (541.1 km), the Czech Republic (251.8 km), Austria (106.7 km) and Ukraine (97.8 km)
Time zone: GMT/UTC +1 hour
Currency: euro €
Language: Slovak
Population (2017): 5.443 million (48.8% men, 51.2% women)
Average age of population (2017): 40.6 years
Life expectancy (2017): 80.3 years (women), 73.8 years (men)
Total population increase per 1,000 inhabitants (2017): 1.4%
Nationalities: Slovak: 81.1%, Hungarian: 8.4%, Roma: 2% (10% - estimated), other: 1.7% (Czech, Ruthenian, Ukrainian, German, Polish, Russian), 6.7% other and undeclared
Religion: Roman Catholic 62%, Evangelical 5.9%, Greek Catholic 3.8%, Reformed 1.8%, Orthodox 0.9%, other 1.6%, not specified 10.6%, no religion 13.4%; **Literacy:** 99.6%
Capital: Bratislava (population (2017): 429,564)
Other major cities: Košice (239,095), Banská Bystrica (78,489)
Towns (2017): 140 (settlements with more than 5,000 inhabitants)
Villages (2017): 2,890 (settlements with fewer than 5,000 inhabitants)

(more information ⇄ pages 14-30)

OPPORTUNITIES

Slovakia promotes itself as the largest car producer per capita in the world (189 in 2017) with three carmakers located in western Slovakia (Bratislava, Trnava, and close to Žilina). While the fourth carmaker, the British Jaguar Land Rover, opened its plant near Nitra in 2018, it sees an even bigger space for the development of the network of carmakers' subcontractors, especially in the east of the country. The second strongest pillar of Slovakia's industry is the electrotechnical industry with companies in Galanta, Nitra, and Nové Mesto nad Váhom, to mention a few. Other sectors with a tradition in Slovakia are the chemical industry and forestry. IT is a promising sector in Slovakia, where apart from Bratislava, also in Košice and Žilina there have been built strong IT clusters. Slovakia has also become home to several business service centres, most of which are currently located in Bratislava with opportunities to spread into other parts of Slovakia. The trend of transitioning the economy towards services is visible by the mushrooming of startups and R&D centres, many of which can utilise EU funds or the state's investment incentives.

(more information ⇄ pages 31-53)

GOVERNMENT POLICY & LEGISLATION

Membership in international institutions: European Union, the eurozone, NATO, OECD, WTO, WHO, UN, OSCE, and others

Government structure: parliamentary democracy – the cabinet headed by the prime minister holds the executive powers and the country's highest legislative body is the 150-member parliament. The president is the head of state and the formal head of the executive office with limited powers.
Free trade agreements: Slovakia, as a member of the EU (the EU is a party to trade agreements and other agreements with a trade component both in the WTO context and bilaterally with certain countries and regions) has free trade agreements with Norway, Iceland, the Faroe Islands, the former Yugoslav Republic of Macedonia, Albania, Montenegro, Bosnia and Herzegovina, the Palestinian Authority, Syria, Tunisia, Morocco, Israel, Jordan, Lebanon, Egypt, Algeria, Mexico, South Africa, CARIFORUM States, Madagascar, Mauritius, the Seychelles, Zimbabwe, the Republic of Korea, Papua New Guinea, Fiji, Iraq, Colombia, Peru and Central America (Source: EC)
Regulation
The Regulatory Office for Network Industries (ÚRSO) regulates the energy sector as well as water management in areas such as price policies, while the sector of telecommunications and postal services is overseen by the Regulatory Authority of Electronic Communications and Postal Services (RÚ), which along with pricing oversees the distribution of frequencies. The National Bank of Slovakia (NBS) is responsible for financial market supervision.

In Slovakia, there is a special levy for doing business in regulated sectors. The levy was increased to a monthly rate of 0.726 percent as of the beginning of 2017, and the rate will drop to 0.363 percent by 2021. Only companies with profits exceeding €3 million would be obliged to pay the levy, while the levy will apply only to profits from activities conducted in the regulated sectors. The regulated sectors to which this levy applies include energy, insurance and re-insurance, public health insurance, electronic communications, pharmaceuticals, postal services, railway transport, public water pipes and sewages, air transport and provision of health care.

There is also a special levy in the banking sector to be paid on corporate and private individuals' deposits. The levy was set as degressive and should gradually decrease from 0.4 percent to 0.1 percent. The special bank levy was designed to be a temporary measure, to be terminated once banks have paid a total of €1 billion. In 2016 the government revised the legislation, setting the levy at a flat 0.2 percent, valid until 2020.

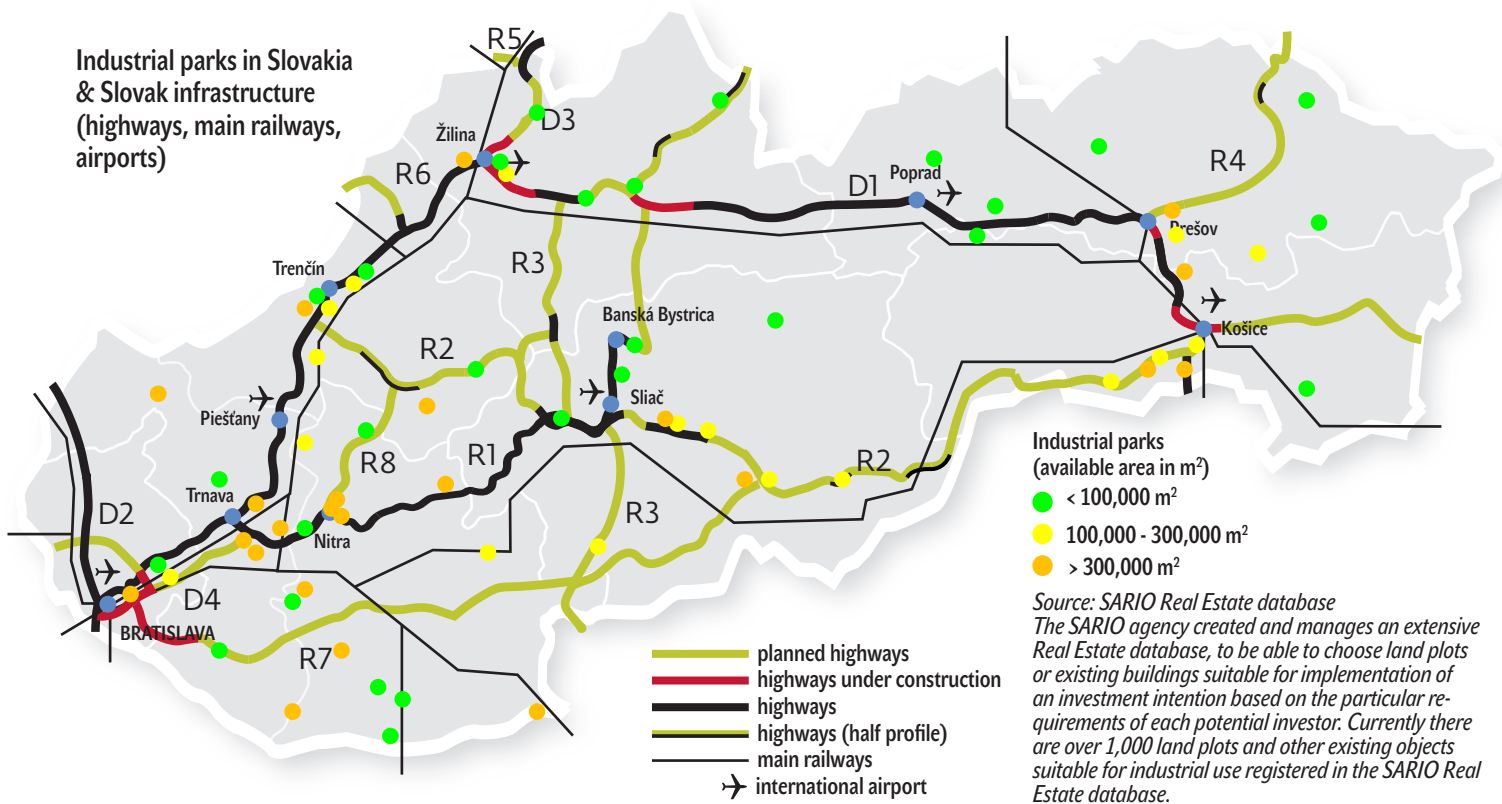
The government also imposed a new special levy on insurance companies. They are obliged to pay a special levy of 8 percent from non-life insurance policies as of 2017.

General government debt (2017): 50.9% of GDP

State's investment incentives: ⇄ page 50

Slovakia and central Europe: distance of selected destinations (km, min), population





PROJECT TIMELINES BASED ON DIFFERENT METHODS OF ACQUIRING INDUSTRIAL SPACE																			
Months																			Method
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
																			lease of vacant (existing) space in an existing park location
																			pre-lease of desired space in an existing park location
																			built to suit in a new location - chosen by the investor
																			acquisition of an existing facility to be adopted for the investor's future needs
																			acquisition of serviced land and development of the facility with an industrial developer
																			acquisition of serviced land and development of the facility with a general contractor
<div><div></div> Transaction process (selection of a final location as well as final method of acquiring industrial space)</div> <div><div></div> Construction or fit-out works (documentation and obtaining of all permits included)</div>																			

Source: CBRE, real estate consultant (www.cbre.sk)

(more information on pages 54-71)

INFRASTRUCTURE & REAL ESTATE
5 things to remember when purchasing a plot in Slovakia (questions you need to answer)

1. Locality
Where is the locality situated and how is it defined in the master plan? When was the locality built? Is the plot situated in an area that is often flooded, where there is a potential risk of pollution or are archaeological excavations often carried out there? Are there any limitations, like closeness to the airport, military facilities, gas facilities, railways with

a protection zone or a protection zone for first-class roads and highways?

2. Infrastructure
Is the infrastructure built close to the selected plot sufficient? Is the plot connected to roads of international interest? Can the plot be connected to all types of networks? Will it be possible to build enough capacities to operate the locality and in what time frame? Will I, as the future owner, be able to secure access to the plot's border and its trouble-free connection to the existing public communications network?

3. Permissions
Am I able to obtain all necessary permissions required by the existing master plans and valid legislation? What are the possibilities of third parties (e.g. citizens, municipalities and rivals) to limit or stop the development activities on the plot? What is the state of the plot from the point of material burden, debts and legal disputes?

4. Construction
Is it necessary to carry out an environmental survey? Can I, as the plot's owner, effectively compete for and sign agreements over building capacities, as well as manage all development risks related to construction in the locality?

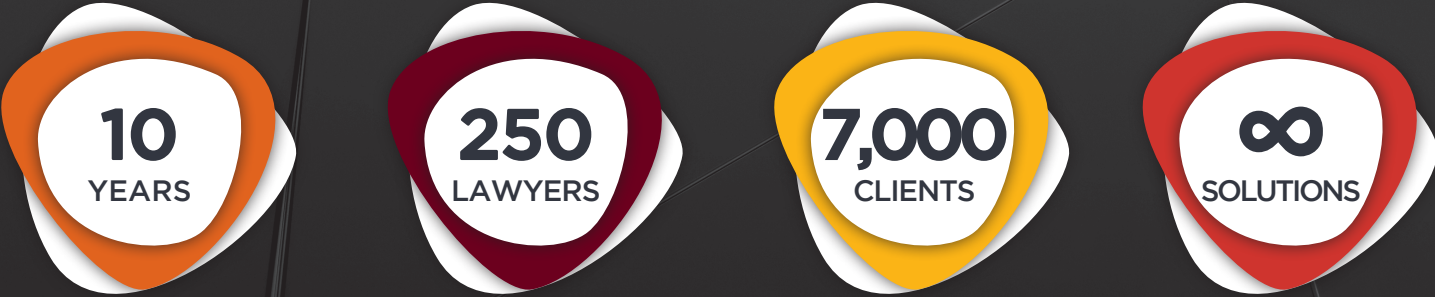
5. Economic state of the region and state aid
Is there enough labour force in the region where the selected plot is situated? What schools are in the neighbourhood? What other companies are active in the region? Am I entitled to regional investment aid?

Prepared in cooperation with Ján Rakovský, industrial agency consultant at Cushman & Wakefield Slovakia; Marián Mlynárik, head of the investment properties department at CBRE Slovakia; and Martin Manina from the Advokátska Kancelária JUDR. Michal Krnáč law firm, which cooperates with Jones Lang LaSalle.

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Share of economic activities in regional economies (2016)

ECONOMIC ACTIVITIES / REGIONS	BRATISLAVA REGION	TRNAVA REGION	TREŇČÍN REGION	NITRA REGION	ŽILINA REGION	B. BYSTRICA REGION	PREŠOV REGION	KOŠICE REGION
Agriculture, forestry and fishing	1.3%	3.5%	3.8%	7.3%	2.6%	7.8%	4.5%	3.4%
Industry in total	16.9%	39.2%	30%	37%	27.5%	25.1%	24.7%	30.2%
Construction	5%	6.3%	8.5%	6.8%	13.1%	9.4%	12.4%	6.8%
Trade,transport, accom., food serv.	24.2%	14.8%	20%	19.5%	16.8%	18.7%	20.1%	21%
Information and communication	5.2%	5%	2.5%	2.6%	4.1%	3.3%	2.8%	5.9%
Financial and insurance activities	7.2%	2.3%	2.5%	1.9%	2.6%	2.4%	2%	1.8%
Real estate activities	9.4%	6.5%	2.8%	4.6%	6.3%	5.2%	6.3%	5.8%
Professional, scientific and technical activities; administ. and support serv.	11.8%	5.1%	7.1%	7.3%	9.6%	8.7%	8.3%	8.5%
Public admin., education, health	13.4%	15.6%	20.1%	11%	14.0%	17.1%	15.9%	13.9%
Other	5.6%	1.7%	2.8%	2%	3.4%	2.3%	3%	2.8%
Cumulative share of all sectors, the individual share of which is < 5.5 %	11.5%	17.6%	14.3%	11.1%	12.7%	13.2%	12.3%	7.9%

Source: Statistics Office of the Slovak Republic

TRNAVA REGION	
Population as of/on 31.12.2017	561,156
Size	4,147 km ²
Share of Slovak GDP creation 2016	11.26%
Distance between Bratislava and Trnava (by car)	56 km (37 min)
Unemployment rate 2017	5.9%
Average monthly wage in 2017 (self-employed not included)	€1,050
Average nominal monthly wage 2017 (estimation of wages of self-employed included)	€890
Average nominal monthly wage 2016	€837
Monthly wage costs per employee 2016	€1,322
Economically active population by education in 2Q / 2018	
a) elementary and without education	5.3%
b) secondary without A level	30.9%
c) secondary with A level	42%
d) university	21.7%

The largest companies in the Trnava Region

Agropodnik (Trnava) - Chemical industry
ArcelorMittal Gonvarri SSC Slovakia (Senica) - Metallurgy & metal process.
Bekaert Hlohovec (Hlohovec) - Metallurgy & metal processing
Datalogic Slovakia (Trnava - Zavar) - Electrotechnical industry
Enagro (Leopoldov) - Trade, biofuel
I.D.C. Holding (Sereď) - Food industry
Johns Manville Slovakia (Trnava) - Glass industry
Metrans /Danubia/ (Dunajská Streda) - Transport
PSA Groupe Slovakia (Trnava) - Car manufacturing
Protherm Production (Skalica) - Engineering
Samsung Electronics Slovakia (Galanta) - Electrotechnical industry
Samsung SDS Global SCL Slovakia (Voderady) - Electrotechnical industry
Schaeffler Skalica (Skalica) - Engineering
Tate & Lyle Slovakia s.r.o. (Boleráz) - Food industry
Vaillant Industrial Slovakia (Skalica) - Engineering
ZF Slovakia (Trnava) - Engineering
ZOS Trnava (Trnava) - Engineering

BRATISLAVA REGION	
Population as of/on 31.12.2017	641,892
Size	2,054 km ²
Share of Slovak GDP creation 2016	28.12%
Unemployment rate 2017	4.2%
Average monthly wage in 2017 (self-employed not included)	€1,426
Average nominal monthly wage 2017 (wages of self-employed included)	€1,200
Average nominal monthly wage 2016	€1,161
Monthly wage costs per employee 2016	€1,757
Economically active population by education in 2Q / 2018	
a) elementary and without education	2.6%
b) secondary without A level	14.2%
c) secondary with A level	41.6%
d) university	41.6%

The largest companies in the Bratislava Region	
Allianz - Slovenská poisťovňa (Bratislava) - insurance	
AT&T (Bratislava) - IT	
Billa (Bratislava) - Retail chain	
Eset (Bratislava) - IT	
Eustream (Bratislava) - Transport of natural gas	
Faurecia Slovakia (Bratislava) - Automotive	
Grafobal Group (Bratislava) - Printing industry & media market	
IBM Slovensko (Bratislava) - IT	
IKEA Components (Malacky) - Trade / Services	
J&T Group (Bratislava) - Investment group	
Johnson Controls International (Bratislava) - Engineering	
Kaufland Slovenská republika (Bratislava) - Retail chain	
Lidl Slovenská republika (Bratislava) - Retail chain	
Metro Cash and Carry (vďaka pri Dunaji) - Trade	
Národná diaľničná spoločnosť (Bratislava) - Operation of highways	
OMV Slovensko (Bratislava) - Gas stations	
Orange Slovensko (Bratislava) - Telecommunications	
Penta Investments (Bratislava) - Investment group	
Phoenix Zdravotnícke zásobovanie (Bratislava) - Trade	
SAS Automotive (Bratislava) - Automotive	
Siemens (Bratislava) - Trade & IT	
Slovak Telekom (Bratislava) - Telecommunications	
Slovenská Elektrizačná Prenosová Sústava (Bratislava) - Electricity transmission	
Slovenská Sporiteľňa (Bratislava) - Banking	
Slovenské Elektrárne (Bratislava) - Electricity producer	
Slovenský Plynárenský Priemysel (Bratislava) - Gas supply	
Slovnaft (Bratislava) - Oil refinery	
Strabag (Bratislava) - Construction	
Tatra Banka (Bratislava) - Banking	
Tesco Stores SR (Bratislava) - Retail chain	
Tipos - Národná lotériová spoločnosť (Bratislava) - Lotteries	
Unipetrol Slovakia (Bratislava) - Trade	
Volkswagen Slovakia (Bratislava) - Car manufacturing	
VUB (Bratislava) - Banking	
Západoslovenská Energetika (Bratislava) - Electricity distributor	
Železnice Slovenskej Republiky (Bratislava) - Rail transportation	
Železničná spoločnosť Cargo Slovakia (Bratislava) - Rail transportation	
Železničná spoločnosť Slovensko (Bratislava) - Rail transportation	
(several companies from this list have their Slovak headquarters in Bratislava with branches and activities in all Slovak regions)	

TREŇČÍN REGION	
Population as of/on 31.12.2017	588,816
Size	4,501 km ²
Share of Slovak GDP creation 2016	9.3%
Distance between Bratislava and Trenčín (by car)	130 km (75 min)
Unemployment rate 2017	4.1%
Average monthly wage in 2017 (self-employed not included)	€1,020
Average nominal monthly wage 2017 (estimation of wages of self-employed included)	€895
Average nominal monthly wage 2016	€827
Monthly wage costs per employee 2016	€1,304
Economically active population by education in 2Q / 2018	
a) elementary and without education	2.3%
b) secondary without A level	32%
c) secondary with A level	44.2%
d) university	21.5%

The largest companies in the Trenčín Region

C & A Mode (Kočovce) - Clothing retail chain
Continental Matador Rubber, Continental Matador Truck Tyres (Púchov) - Tyres
Elgas (Považská Bystrica) - Trade (electricity and gas)
Fortischem (Nováky) - Chemical industry
Hanon Systems Slovakia (Ilava) - Electrotechnical industry
Seoyon E - HWA automotive Slovakia, (Dubnica nad Váhom) - Engineering
Hella Slovakia Front-Lighting (Kočovce) - Automotive
Hella Slovakia Signal-Lighting (Bánovce nad Bebravou) - Automotive
Iljin Slovakia (Pravenc) - Engineering; Leoni Slovakia (Trenčín) - Automotive
Leoni Slovakia (Trenčín) - Automotive
Magna Slovteca (Nové Mesto nad Váhom) - Chemical industry
Matador holding (Púchov) - Engineering
Nestlé Slovensko (Prievidza) - Food industry
Považský cukor (Trenčianska Teplá) - Food industry
Raven, (Považská Bystrica) - Trade
TRW Automotive (Nové Mesto nad Váhom) - Automotive
Unipharma (Prievidza) - Trade
Vertiv Slovakia (Nové Mesto nad Váhom) - Electrotechnical industry
Yura Corporation Slovakia (Lednické Rovne) - Engineering

ŽILINA REGION	
Population as of/on 31.12.2017	690,778
Size	6,811 km ²
Share of Slovak GDP creation 2016	10.97%
Distance between Bratislava and Žilina (by car)	201 km (111 min)
Unemployment rate 2017	6.7%
Average monthly wage in 2017 (self-employed not included)	€1,018
Average nominal monthly wage 2017 (wages of self-employed included)	€855
Average nominal monthly wage 2016	€815
Monthly wage costs per employee 2016	€1,292
Economically active population by education in 2Q / 2018	
a) elementary and without education	2.9%
b) secondary without A level	32.1%
c) secondary with A level	43.7%
d) university	21.2%

The largest companies in the Žilina Region

Donghee Slovakia, (Strečno) - Engineering
Hyundai Dymos Slovakia (Žilina) - Automotive
Hyundai Steel Slovakia (Gbeľany) - Metal processing
KIA Motors Slovakia (Teplička nad Váhom) - Car manufacturing
Mobis Slovakia (Gbeľany) - Engineering
Mondi SCP (Ružomberok) - Paper & wood processing industry
OFZ (Oravský Podzámok) - Metallurgy
Panasonic Electronic Devices (Trstená) - Electrotechnical industry
Schaeffler Slovensko, (Kysucké Nové Mesto) - Engineering
Sejong Slovakia (Lietavská Lúčka) - Automotive
Stredoslovenská Energetika (Žilina) - Electricity distributor
Sungwoo Hitech Slovakia (Žilina) - Automotive
Tipsport SK (Žilina) - Lotteries
Váhostav - SK (Žilina) - Construction
Visteon Electronics Slovakia (Námestovo) - Electrotechnical

PREŠOV REGION	
Population as of/on 31.12.2017	822,310
Size	8,972 km ²
Share of Slovak GDP creation 2016	9.18%
Distance between Bratislava and Prešov (by car)	410 km (4.5 h)
Unemployment rate 2017	12.9%
Average monthly wage in 2017 (self-employed not included)	€875
Average nominal monthly wage 2017 (wages of self-employed included)	€734
Average nominal monthly wage 2016	€708
Monthly wage costs per employee 2016	€1,149
Economically active population by education in 2Q / 2018	
a) elementary and without education	7.5%
b) secondary without A level	26.8%
c) secondary with A level	43%
d) university	22.8%

The largest companies in the Prešov Region

Chemovit (Svit) - Chemical industry
Lear Corporation Seating Slovakia (Prešov) - Automotive
Mecom Group (Humenné) - Food industry
Merkury Market Slovakia (Prešov) - Furniture supplier
Milk-Agro (Prešov) - Food industry
Nexis Fibers (Humenné) - Chemical industry
Plezenský Prázdňo Slovensko (Veľký Šariš) - Food industry
Stiga Slovakia (Poprad) - Engineering
Tatragonka (Poprad) - Engineering
Whirlpool Slovakia (Poprad) - Engineering

KOŠICE REGION	
Population as of/on 31.12.2017	798,103
Size	6,751 km ²
Share of Slovak GDP creation 2016	11.55%
Distance between Bratislava and Košice (by car)	401 (4.5 h)
Unemployment rate 2017	11.1%
Average monthly wage in 2017 (self-employed not included)	€1,025
Average nominal monthly wage 2017 (wages of self-employed included)	€869
Average nominal monthly wage 2016	€825
Monthly wage costs per employee 2016	€1,333
Economically active population by education in 2Q / 2018	
a) elementary and without education	9.4%
b) secondary without A level	22.5%
c) secondary with A level	44.2%
d) university	23.9%

The largest companies in the Košice Region	
BSH Drives and Pumps (Michalovce) - Electrotechnical industry	
Embraco Slovakia (Spišská Nová Ves) - Engineering	
Essity Slovakia (Gemerská Hôrka) - Paper & wood processing	
Eurovia SK (Košice) - Construction	
Getrag Ford Transmissions Slovakia (Kecchec) - Engineering	
Labas (Košice) - Retail chain	
Magneti Marelli Slovakia (Kecchec) - Electrotechnical industry	
Pikaro (Košice) - Trade in metallurgy industry	
T-Systems Slovakia (Košice) - IT	
U. S. Steel Košice (Košice) - Metallurgy & metal processing	
U-Shin Slovensko (Košice) - Automotive	
Východoslovenská Energetika (Košice) - Electricity distributor	
Yazaki Wiring Technologies (Michalovce) - Electrotechnical industry	

BANSKÁ BYSTRICA REGION	
Population as of/on 31.12.2017	651,509
Size	9,454 km ²
Share of Slovak GDP creation 2016	8.78%
Distance between Bratislava and Banská Bystrica (by car)	211 km (118 min)
Unemployment rate 2017	12.2%
Average monthly wage in 2017 (self-employed not included)	€940
Average nominal monthly wage 2017 (wages of self-employed included)	€807
Average nominal monthly wage 2016	€776
Monthly wage costs per employee 2016	€1,205
Economically active population by education in 2Q / 2018	
a) elementary and without education	10.1%
b) secondary without A level	20.9%
c) secondary with A level	48.1%
d) university	20.9%

The largest companies in the Banská Bystrica Region	
Adient (Lučenec) - Engineering	
CBA Slovakia (Lučenec) - Retail chain	
Matador Automotive Vráble (Vráble) - Engineering	
Med - Art (Nitra) - Trade	
Nidec Global Appliance Slovakia (Zlaté Moravce) - Engineering	
Osram Slovakia (Nové Zámky) - Electrotechnical industry	
Rieker Obuv (Komárno) - Shoemaking industry	
Sped-Trans Levice (Levice) - Transport	
ZKW Slovakia (Krušovce) - Automotive	

NITRA REGION	
Population as of/on 31.12.2017	680,779
Size	6,344 km ²
Share of Slovak GDP creation 2016	10.86%
Distance between Bratislava and Nitra (by car)	94 km (56 min)
Unemployment rate 2017	6.4%
Average monthly wage in 2017 (self-employed not included)	€959
Average nominal monthly wage 2017 (wages of self-employed incl.)	€789
Average nominal monthly wage 2016	€755
Monthly wage costs per employee 2016	€1,239
Economically active population by education in 2Q / 2018	
a) elementary and without education	6.3%
b) secondary without A level	26.7%
c) secondary with A level	47.6%
d) university	19.4%

The largest companies in the Nitra Region

ACHP Levice (Levice) - Chemical industry
COOP Jednota (Nové Zámky) - Retail chain
de Miclen (Levice) - Chemical industry
Duslo (Šala) - Chemical industry
Foxconn Slovakia (Nitra) - Electrotechnical industry
Gamex Trading (Komárno) - Trade
Jaguar Land Rover Slovakia (Nitra) - Car manufacturing
Heineken Slovensko (Nitra) - Beverages
Matador Automotive Vráble (Vráble) - Engineering
Med - Art (Nitra) - Trade
Nidec Global Appliance Slovakia (Zlaté Moravce) - Engineering
Osram Slovakia (Nové Zámky) - Electrotechnical industry
Rieker Obuv (Komárno) - Shoemaking industry
Sped-Trans Levice (Levice) - Transport
ZKW Slovakia (Krušovce) - Automotive

- 10 largest companies in Slovakia
(based on sales revenue in 2017, logos on the map)
- Agriculture, forestry and fishing
- Industry
- Construction
- Trade, transport, accom., food serv.
- Information and communication
- Financial and insurance activities
- Real estate activities
- Professional, scientific and technical activities; administrative and support service activities
- Public admin., education, health
- Arts, entertainment and recreation, repair of household goods and other services
- Cumulative share of all sectors, the individual share of which on the regional GDP in the respective region did not exceed 5.5 %

Source: Book of Lists 2018, Trend Top 200, Statistical Office of the Slovak Republic

INFORMATION ABOUT EXISTING BUSINESSES

Business Register of the Slovak Republic
Obchodný register Slovenskej republiky (OR SR)

- a database of all businesses active in Slovakia administered by the Justice Ministry
www.or.sr.sk

Trade Register of the Slovak Republic
Živnostenský register Slovenskej republiky (ŽR SR)

- a database of all individuals working under trade licences in Slovakia
www.zr.sr.sk

Slovak Chamber of Commerce and Industry
Slovenská obchodná a priemyselná komora (SOPK)

- gathering industrial and commercial businesses, assisting in finding a local business partner
Tel: +421 (0)2 5443-3291; web.sopk.sk (only limited EN version)

Statistics Office / Štatistický úrad

- statistical information about Slovakia, a database of all businesses and institutions registered in Slovakia; Tel: +421 (0)2 5023-6222; www.statistics.sk

SUPPORT FOR INVESTORS

Slovak Investment and Trade Development Agency / Slovenská agentúra pre rozvoj investícií a obchodu (SARIO)

- supporting the investment projects of domestic and foreign investors, providing consultancy and aid to investors, and assisting SMEs in their search for export and trade opportunities abroad
Tel: +421 (0)2 5826-0100
www.sario.sk

Business and Innovation Centre
Podnikateľské a inovačné centrum (BIC)

- business and innovation consulting, transnational technology transfer, financial consulting, regional development, support in the EU Framework Programmes for research, technology development and innovation, project management and investment consulting
Tel: +421 (0)2 3233-2711 www.bic.sk

Investment Support Association
Združenie pre rozvoj investícií (ISA)

- support for the presentation of investments and their benefits for the develop-

ment of Slovakia; www.isa-association.sk
Tel: +421 (0)907 910-646

Slovak Business Agency (SBA)

- assisting small and medium businesses in Slovakia, securing the building of infrastructure for business development (incubators); Tel: +421 (0)2 2036-3100
www.sbagency.sk

Slovak Agency for International Development Cooperation / Slovenská agentúra pre medzinárodnú rozvojovú spoluprácu (SAMRS)

- administering the Slovak Aid programme, implementation of development aid programmes; www.slovakaid.sk
Tel: +421 (0)2 5978-2601

Slovak Innovation and Energy Agency
Slovenská inovačná a energetická agentúra (SIEA)

- free-of-charge energy consulting for households and businesses, monitoring innovation activities in Slovakia, information about opportunities to draw EU funds for innovation in businesses
Tel: +421 (0)2 5824-8111
www.siea.sk (only limited EN version)

MINISTRIES

Economy Ministry
Ministerstvo hospodárstva

- the departments of entrepreneurship and of export and foreign trade are part of the ministry
Tel: +421 (0)2 4854-1111
www.mhsr.sk (only limited EN version)

Justice Ministry / Ministerstvo spravodlivosti

- the ministry's website provides information on courts that secure the legal process of establishing a business in Slovakia
Tel: +421 (0)2 8889-1111
www.justice.gov.sk (Slovak only)

Foreign and European Affairs Ministry
Ministerstvo zahraničných vecí a európskych záležitostí

- information on embassies, consular services, and business departments of Slovak embassies abroad
Tel: +421 (0)2 5978-1111
www.mzv.sk

TAXES AND CUSTOMS

Tax section of the Financial Administration of the Slovak Republic

- administering taxes
Tel: +421 (0)48 431-7222
www.financnasprava.sk

Customs section of the Financial Administration of the Slovak Republic

- customs policy, customs tariffs, origin of goods, administering indirect taxes
Tel: +421 (0)48 431-7222
www.financnasprava.sk

CONTROL AND AUDIT BODIES

National Labour Inspectorate
Národný inšpektorát práce

- state watchdog, enforcement of labour-related legislation, work conditions and occupational safety; Tel: +421 (0)55 797-9902; www.safework.gov.sk (only limited EN version)

Slovak Environmental Agency
Slovenská agentúra životného prostredia (SAŽP)

- environmental impact assessment
Tel: +421 (0)48 437-4111
www.sazp.sk

Slovak Trade Inspection
Slovenská obchodná inšpekcia (SOI)

- authority for internal market surveillance
Tel: +421 (0)850 111-937
www.soi.sk (only limited EN version)

LAND REGISTRY

Katastrálny úrad / Land registry

- information about land ownership
www.katasterportal.sk/kapor

BANKS

Export-Import Bank of the Slovak Republic / EXIM Banka

- supporting exports by financing and insuring export credits
Tel: +421 (0)2 5939-8111
www.eximbanka.sk

National Bank of Slovakia
Národná Banka Slovenska (NBS)

- central bank, providing statistical information about balance of payments and currency rates; www.nbs.sk
Tel: +421 (0)2 5787-1111

Slovak Guarantee and Development Bank
Slovenská záručná a rozvojová banka (SZRB)

- providing guarantees for loans
Tel: +421 (0)2 5729-2111
www.szrb.sk (Slovak only)

EMPLOYEES, VISA AND REGISTRATION

Office of Border and Alien Police
Úrad hraničnej a cudzineckej polície

- registering foreigners living in Slovakia, issuing residence permits and work permits; Tel: +421 (0)961 050-765
www.minv.sk/?uhcp (only limited EN version)

Social Insurance Agency / Sociálna poisťovňa

- state-run social security provider, registration of employees for social insurance funds; Tel: +421 (0)906 171-989
www.socpoist.sk (only limited EN version)

Confederation of Trade Unions
Konfederácia odborových zväzov (KOZ)

- association of labour unions, protecting the rights of workers
Tel: +421 (0)2 5023-9103
www.kozsr.sk (Slovak only)

ASSOCIATIONS

National Union of Employers
Republiková únia zamestnávateľov (RÚZ)

- organisation of employers in Slovakia, which is comprised of two-thirds of employers producing 70 percent of GDP and 80 percent of the Slovak export
Tel: +421 (0)2 3301-4280
www.ruzsr.sk (only limited EN version)

Federation of Employers' Associations
Asociácia zamestnávateľských zväzov a združení (AZZZ)

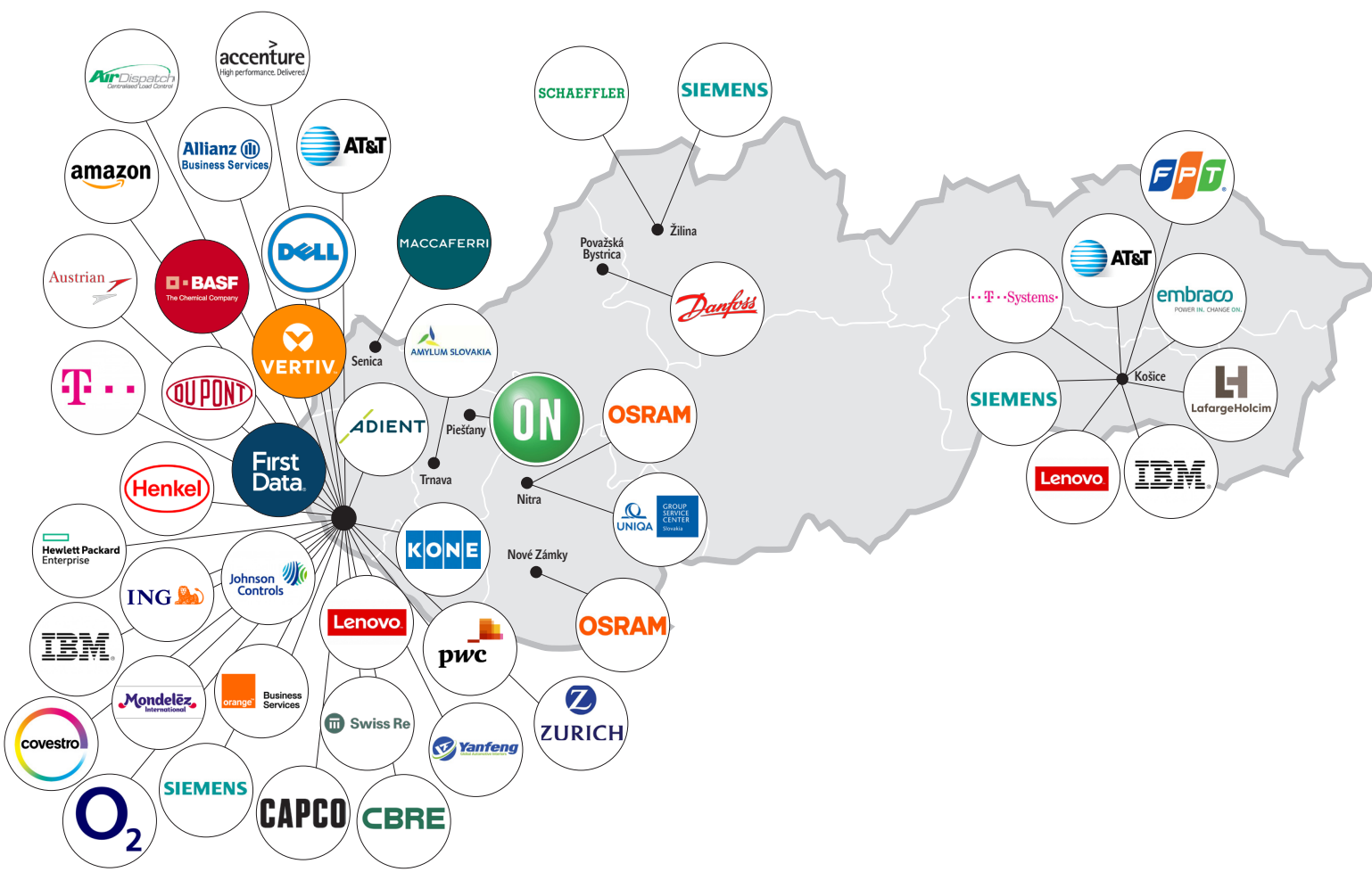
- organisation of employers in Slovakia, which promotes and protects common business, commercial and employers' interests of members
Tel: +421 (0)2 4425-8295
www.azzz.sk (only limited EN version)

Business Alliance of Slovakia
Podnikateľská aliancia Slovenska (PAS)

- professional association representing selected entrepreneurs and employers
Tel: +421 (0)948 233-508; alianciapas.sk

Slovak Agricultural and Food Chamber
Slovenská poľnohospodárska a potravinárska komora (SPPK)

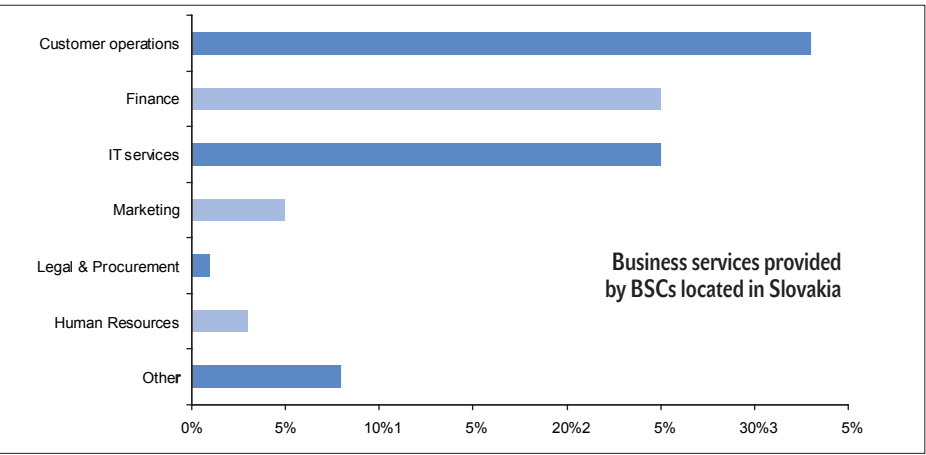
- association representing companies operating in agriculture, food industry, biological, technical and related trade services, as well as NGOs and others in agriculture; www.sppk.sk (only limited EN version) Tel: +421 (0)2 5021-7101



LARGEST BSCs IN SLOVAKIA*	
BSC	Locations
Accenture	Bratislava
AT&T	Bratislava, Košice
DELL	Bratislava
DXC Technology	Bratislava
Henkel	Bratislava
IBM	Bratislava, Košice
Johnson Controls	Bratislava
Swiss Re Management AG	Bratislava
T-Systems	Košice

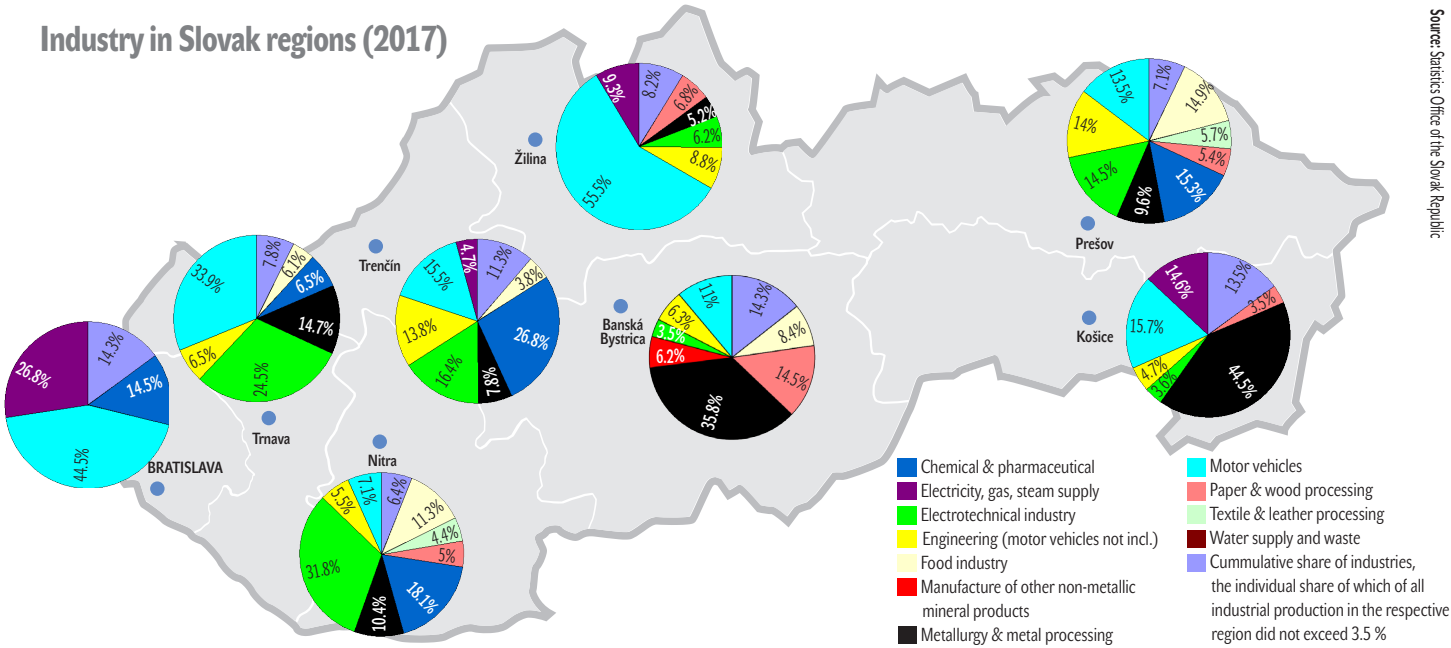
* more than 1,000 full-time employees

STATE INVESTMENT INCENTIVES FOR BSCs IN SLOVAKIA (2002-2018)			
Company	Year	New employees	State incentives
Dell	2004	274	1,955,121 €
Dell	2006	851	6,546,650 €
T-Systems Slovakia	2006	512	4,905,995 €
T-Systems Slovakia	2008	900	11,976,366 €
IBM Slovensko	2013	150	1,575,000 €
T-Systems Slovakia	2013	350	5,079,000 €
Schaeffler Slovensko	2014	53	997,535 €
Holcim Business Services	2014	61	719,800 €
Holcim Business Services	2015	80	652,000 €
Osram	2015	205	1,230,000 €
Vigour SK	2018	75	817,000 €



Source: BSCF 2017 Survey

Industry in Slovak regions (2017)



Source: Statistics Office of the Slovak Republic

TIMELINE FOR BUILDING A PRODUCTION HALL WITH A SMALL IMPACT ON THE ENVIRONMENT* ; PRUDENT TIMING (10,000 m2 hall in industrial park, 100 new employees, development of the facility with a general contractor)															
Months															Action
0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
															decision
															agreement on a future contract for the whole project (plot included)
															establishment of a company
															registration with state administration ¹⁾
															“small” Environmental Impact Assessment ²⁾
															development permit ³⁾
															contract for purchasing the plot
															registration of the purchased plot ⁴⁾
															building permit ⁵⁾
															investing (payments)
															construction
															hiring and training people
															installation of equipment and machinery
															final inspection and final approval ⁶⁾
															start of new production after 14 months
* integrated permit (IPPC) is issued by the Ministry of Environment for a bigger investment as well as an investment which may have a bigger impact on the environment, especially from industries such as metallurgy, mining, chemistry, wood processing, etc. It integrates several permits which are necessary during the realisation of the project. The whole process might take six months and this period includes preparation of all documentation, approval process and issuance of the final permit by the Ministry of Environment															
1) the tax office, a health insurance company and the social security provider Sociálna poisťovňa															
2) “small” Environmental Impact Assessment (EIA) = assessment of a new plant’s environmental impact by professionals from different fields; timing includes preparation of all documentation, approval process and issuance of the final permit by the Ministry of Environment															
3) (permit which confirms the possibility to use selected plot for the planned construction of the building; this permit also confirms that the planned building meets all legal conditions and after finalisation will be usable), it is issued by stavebný úrad (the construction office) located in the district where the project will be realised															
4) registration of the purchased plot in the land register (cadastre) at the katastrálny úrad (the cadastre office) located in the district where the project is realised															
5) building permit (permit for the construction of the building) is issued by stavebný úrad (the building office); it includes all legal conditions, which have to be followed during the construction process, in order to obtain the final building approval which allows the investor to use the building for production (if during the construction process the investor is making changes in its original project, it is necessary to legalise all the changes before the final approval)															
6) final inspection and final approval (for the final inspection it is necessary to prepare all documentation which also includes the design of the construction, safety approvals, functionality of the building, etc)															

Source: GFI a.s., property development and design consultant (www.gfi.sk) and ENTO, projecting and advisory company (www.entoke.sk)

TIMELINE FOR MASS RECRUITMENT (100 NEW EMPLOYEES)					
Month					Action
1	2	3	4	5	6
					identification of needs (preparation of the plan)
					advertising, mass mail, sourcing
600 CVs	600 CVs	600 CVs	600 CVs	600 CVs	reading CVs (3,000 CVs read)
	300 calls	300 calls	300 calls	300 calls	phone screening (1,200 phone calls)
	150 interviews	150 interviews	150 interviews	150 interviews	job interviews: recruitment agency & applicants (600 interviews)
	100 CVs	100 CVs	100 CVs	100 CVs	introduction of selected CVs to potential employer (400 CVs introduced)
	60 interviews	80 interviews	80 interviews	80 interviews	job interviews: potential employer & applicants (300 interviews)
	30 applicants	40 applicants	40 applicants	40 applicants	selection of applicants for training (150 applicants selected)
				60 applicants	training (120 applicants participating in a training)
				100 employees	100 hired applicants

Source: Luger a Maklér, recruitment agency (www.lugera.sk)

TYPES OF BUSINESS COMPANIES IN SLOVAKIA (ADVANTAGES AND DISADVANTAGES)					
	GENERAL COMMERCIAL PARTNERSHIP	LIMITED PARTNERSHIP	LIMITED LIABILITY COMPANY	JOINT STOCK COMPANY	SIMPLE JOINT STOCK COMPANY
FOUNDER OF THE COMPANY	• at least two individual or legal entities	• at least two individual or legal entities - one limited partner and one general partner	• at least one individual or legal entity but no more than 50 individual or legal entities	• at least one legal entity or at least two individual entities	• at least one individual or legal entity
REGISTERED CAPITAL / SHAREHOLDER'S CONTRIBUTION	• registered capital or shareholder's contribution is not required	• minimum contribution in the amount of 250 EUR for each limited partner	• minimum registered capital in the amount of 5,000 EUR, minimum contribution in the amount of 750 EUR per shareholder	• minimum registered capital in the amount of 25,000 EUR, minimum contribution per shareholder is not stipulated	• minimum registered capital in the amount of 1 EUR, minimum contribution per shareholder in the amount of 0.01 EUR
STATUTORY BODY	• each shareholder is entitled to act within the extent agreed between shareholders	• general partner	• executive officer (at least one individual entity)	• board of directors (at least one individual entity)	• board of directors (at least one individual entity)
ADVANTAGES	• not necessary to pay shareholder's contributions or form registered capital • simple management structure • option to establish GCP through two legal entities, which effectively modifies the extent of liability otherwise present in the case of a shareholder - individual entity	• limited partner without a non-compete clause • low mandatory contribution • limited liability of limited partners • possibility to pay profit in advance to general partners • different levels of guarantees between partners – the general partner is liable for all of his/her possessions, the limited partner is liable up to the amount of his/her unpaid contribution	• only one person is necessary to set up the company • partner is only liable for the company's liabilities up to the amount of his/her unpaid contribution • simple organisational structure - general assembly and executive officer • higher shareholder participation in company governance than in the case of a limited partner • registered capital is not required to be deposited in the bank account	• shareholder is not liable for the company's liabilities • shareholder anonymity - except for the sole shareholder, the shareholders are not registered in the public register - the Commercial r-egister of the Slovak Republic • unlimited number of shareholders • possibility to choose between private and public joint stock company	• issuance of shares with special rights - option to adjust share of profit, share of voting rights or access to information • associating voting rights only to one share is sufficient • no need to establish an obligatory supervisory board • other grounds for winding up the company can be agreed to as a statute (beyond the scope of legal enumeration) • simple entry and exit of a shareholder from the company
DISADVANTAGES	• the shareholders bear joint and several liability for the partnership's debts with their entire property • cannot carry out non-business activities • minimum number of two partners - possible risk of winding up the company after the death or liquidation of one of the shareholders • prohibition of competitive conduct for shareholders in the scope of their business	• more extensive need to regulate the internal functioning of the company in a memorandum of association • unlimited liability of the general partners • minimum number of two partners - possible risk of winding up the company after the death or liquidation of one of the partner	• maximum 50 shareholders • individual person can be the sole shareholder in max three limited liability companies • the limited liability company with a sole shareholder cannot be the sole founder or the sole shareholder of another limited liability company • shareholder cannot unilaterally withdraw from the company • company cannot be established by person or entity with tax or customs arrears or arrears against Social Insurance Agency	• compulsory creation of a reserve fund (at least 10% of the share capital at the time of company's establishment) • compulsory establishment of the supervisory board (at least three members) • the highest costs for establishing a company among all types of companies • high minimum registered capital	• company cannot be established on the basis of a public offer of shares • limitation of control over the company in favour of the shareholders (investors) • fees related to the establishment of the company are estimated up to the amount of 1,000 EUR + a monthly fee related to the mandatory shareholder account
SUITABLE FOR	• infrequently used type of business company • businesses without the need for higher capital, especially for services for which the personal contribution of the entrepreneur (e. g. crafts) exceeds the need for capital	• infrequently used type of business company • entrepreneurs who want to separate the capital part from the real management of the company	• the most widespread and most complex type of company for common business activities in the Slovak Republic • suitable for small, medium and large businesses • suitable for stand-alone entrepreneurship - one person can be the sole shareholder and executive officer at the same time	• banks • insurance companies • capital-intensive industries, e. g. heavy industry • entrepreneur with a larger personal substrate • may not be suitable for new entrepreneurs	• startup businesses • entrepreneur with business intentions but lacking the sufficient capital

For the purposes of a comparison of business companies, only business companies pursuant to section 56 paragraph 1 of Act no. 513/1991 Coll. Commercial Code were taken into account. Except for the above-mentioned company types, the legislation of the Slovak Republic also regulates a co-operative as an entity established for the purpose of either carrying out business activities or meeting the needs of its members. A European company was stipulated in the legislation of the Slovak Republic by Act no. 562/2004 Coll. on a European Company. A European company (Societas Europaea) is common for most countries in the European Union.

Source: SOUKENÍK – ŠTRPKA, law firm (www.akss.sk)

Opportunities

Automotive industry gets a boost but also faces challenges

The automotive industry is the main pillar of the Slovak economy and was further boosted by a fourth car-maker. The British-Indian Jaguar Land Rover launched production in its Nitra plant in October 2018, increasing the global presence of Slovakia in car production.

After production in Nitra reaches full capacity, Slovakia will produce about 1.5 percent of the total number of passenger cars in the world.

“Even though Slovakia is now home to four cutting-edge car production facilities, it should not rest on its laurels but prepare for robust changes,” Martin Jesný, industrial analyst at the Revue Priemyslu magazine, told The Slovak Spectator. He added that car production will dramatically change as mobility will be redefined in the upcoming years.

“If the Slovak automotive industry adapts successfully, it will not only remain competitive globally but also continue to be the pillar of the Slovak economy.”

AUTOMOTIVE INDUSTRY BY THE NUMBERS	
Share of annual GDP	12%
Share of the automotive production in industrial production in Slovakia	44%
Share of the automotive production in the industrial exports of Slovakia	35%
Number of people employed directly in automotive production	>154,000
Total number of people employed in the automotive industry	>270,000
Value of exports generated by the automotive production	€31.8 bn
Number of cars produced annually in Slovakia	>1,000,000

Source: ZAP SR

Luxury SUVs rolling off in Nitra

Jaguar Land Rover (JLR) officially opened its new production plant in Nitra on October 25, 2018 after two years of construction. The first UK carmaker in Slovakia started production with 1,500 employees and one shift. It plans to hire 2,800 people in total, producing 150,000 cars annually.

The Nitra facility was the latest part of the JLR's global expansion plan; the decision to build it in Slovakia was made before the June 2016 Brexit referendum.

“Today's opening of our next generation manufacturing plant in Nitra, Slovakia, represents the start of a new era in manufacturing for Jaguar Land Rover,” said JLR boss Ralf Speth during the opening ceremony.

The first model produced at the factory is the luxury SUV Land Rover Discovery. The plant could accommodate a second model, though operations director at the Nitra facility, Alexander Wortberg, said no decision on a second model has been made yet.

Impulse for economic growth

The launch of regular production in Nitra will have a positive impact on Slovakia's economy. Analysts of the Finance Ministry's think tank, the Financial Policy Institute (IFP), predict an acceleration in its growth in the coming years,

partly thanks to the new carmaker, estimating 4.5 percent growth for 2019.

President of the Slovak Automotive Industry Association (ZAP) Alexander Matušek believes the arrival of the fourth carmaker in Slovakia is strengthening Slovakia's focus on industrial production.

“The new investor is bringing in new technologies, systems and ways of cooperation,” said Matušek, adding that apart from bringing in JLR's traditional suppliers, the fourth carmaker is an opportunity for existing suppliers, too. The existing network of suppliers and experiences in aluminium components were among the main reasons why JLR choose Slovakia for its latest facility.

Jesný pointed out the development in production technologies the new facility is bringing in.

“Because the Nitra plant is bigger than JLR's other production facilities so far, the carmaker is designing a brand new production model, i.e. the way cars are manufactured,” Jesný told The Slovak Spectator, adding that such a large production capacity in the premium segment requiring high quality is not so common.

The analyst further stressed that Slovakia has not only obtained another finalisation plant but another facility producing a

global product, and that after the production of Discovery SUVs cease in UK's Solihull, Nitra will be its exclusive producer.

Above the one million car threshold

In 2017, carmakers in Slovakia once again produced one million cars, maintaining Slovakia's position as the biggest car producer per capita in the world. The three carmakers in Slovakia – Kia Motors Slovakia, PSA Groupe Slovakia and Volkswagen (VW) Slovakia – produced 1,032,445 vehicles. This was a slight decrease from 2016 when they produced 1,043,237 cars. Carmakers ascribed the decline mostly to the launch of new models as well as less favourable situations in their export markets.

The four carmakers are again expected to produce more than one million cars in 2018.

BMW ends up at the neighbour's

Slovakia ended second on the shortlist for BMW's €1 billion new plant when the Bavarian carmaker opted for the Hungarian city of Debrecen instead. Slovakia offered a locality in eastern Slovakia – an industrial park in Haniska near Košice.

While some called it a missed opportunity, the new Hungarian plant still can help the automotive industry in Slovakia. Debrecen is about a two-hour drive from the Slovak border, and two to three hours, depending on the route, from Košice, thus providing an opportunity for suppliers in Slovakia.

Challenges

The biggest challenges the automotive industry in Slovakia faces are the ability to remain competitive, the availability of

LARGEST RECEIVERS OF STATE INVESTMENT INCENTIVES IN AUTOMOTIVE SECTOR BETWEEN YEARS 2003-2017

COMPANY	Total state investment incentives in EUR mil
Kia Motors Slovakia	233.09
PCA Slovakia	184.6
GETRAG FORD Transmissions Slovakia	57.50
Mobis Slovakia	47.30
Magneti Marelli Slovakia	41.44
Continental Matador Rubber	34.51
Honeywell Turbo	23.08
Johnson Controls Lučenec	22.20
Minebea Slovakia	19.25
Continental Automotive Systems Slovakia	18.23
Volkswagen Slovakia	14.30

Source: Ministry of Economy

a quality labour force and strict regulations.

“The automotive industry, with the most modern car producing plants, is a leading sector of the Slovak economy,” said Jesný, adding that apart from four carmakers, there is a network of suppliers and companies from sectors like the chemical, IT, machine engineering, metallurgy and other industries that contribute to car production, making it a cross-sectoral industry.

As a weak point, he sees the low number of system suppliers in Slovakia, i.e. those who can cover all production steps from the development of individual components to production and delivery.

“These are the companies increasing the added value generated in the industrial sector, the desired inflow of R&D and Slovakia’s say in how the mobility of the future will look,” said Jesný, adding that neighbouring Hungary and the Czech Republic have more of such companies.

Jesný sees electromobility as an opportunity for Slovakia, as this is a technology which still needs a lot of technological development, and everybody who wants to have a place in the future automotive industry needs to be strong in it.

The Slovak Battery Alliance, whose launch was announced by European Commission Vice-President for Energy Union, Maroš Šefčovič, in October 2018, may contribute to strengthening Slovakia’s position in it.

“This is the first step towards Slovakia remaining not only a superpower in car production, but becoming a superpower in the production of electric cars,” said Šefčovič, as cited by the TASR newswire. Europe needs to produce enough batteries representing a value of €250 billion a year from 2025 onwards, while more than 20 gigafactories will have to be built in Europe. One of the factories may be built in Slovakia.

Tackling a lack of labour

The lack of qualified labour force poses a significant obstacle in the further development of the automotive industry in Slovakia, as some companies have even indicated that they are turning down orders due to their inability to find new workers.

Development has already been made by some in the automotive industry with above average wages in Slovakia. VW Slovakia is luring new workers with the highest average wage in the Slovak automotive

CARMAKERS IN SLOVAKIA			
Company	Employees	Total investment	Location
Jaguar Land Rover	around 2,800 (plan for 2019)	€1.4 bn	Nitra
Kia Motors Slovakia	about 3,800	> than €1.8 bn	Žilina
PSA Groupe Slovakia	about 4,500	> than €1 bn	Trnava
Volkswagen Slovakia	about 13,700	> than €4.35 bn	Bratislava

industry – more than €1,800, including bonuses. The average nominal monthly wage increased to €1,004 during the second quarter of 2018. JLR in Nitra agreed with local trade unions on a wage increase between 5.43 and 10 percent, even before the official launch of production.

ZAP has identified three ways to tackle the lack of a labour force: dual education, re-qualification and import of workers from non-EU countries, of which the latter has now taken first place.

“Transformation of the schooling system and the launch of the dual education scheme were our priorities five to six years ago,” said Matušek of ZAP. “However, since the problem of missing workers became urgent, importing foreign workers has shown to be the preferred solution.”

While the government has made hiring workers from non-EU countries easier, the situation is still far from satisfactory, he added.

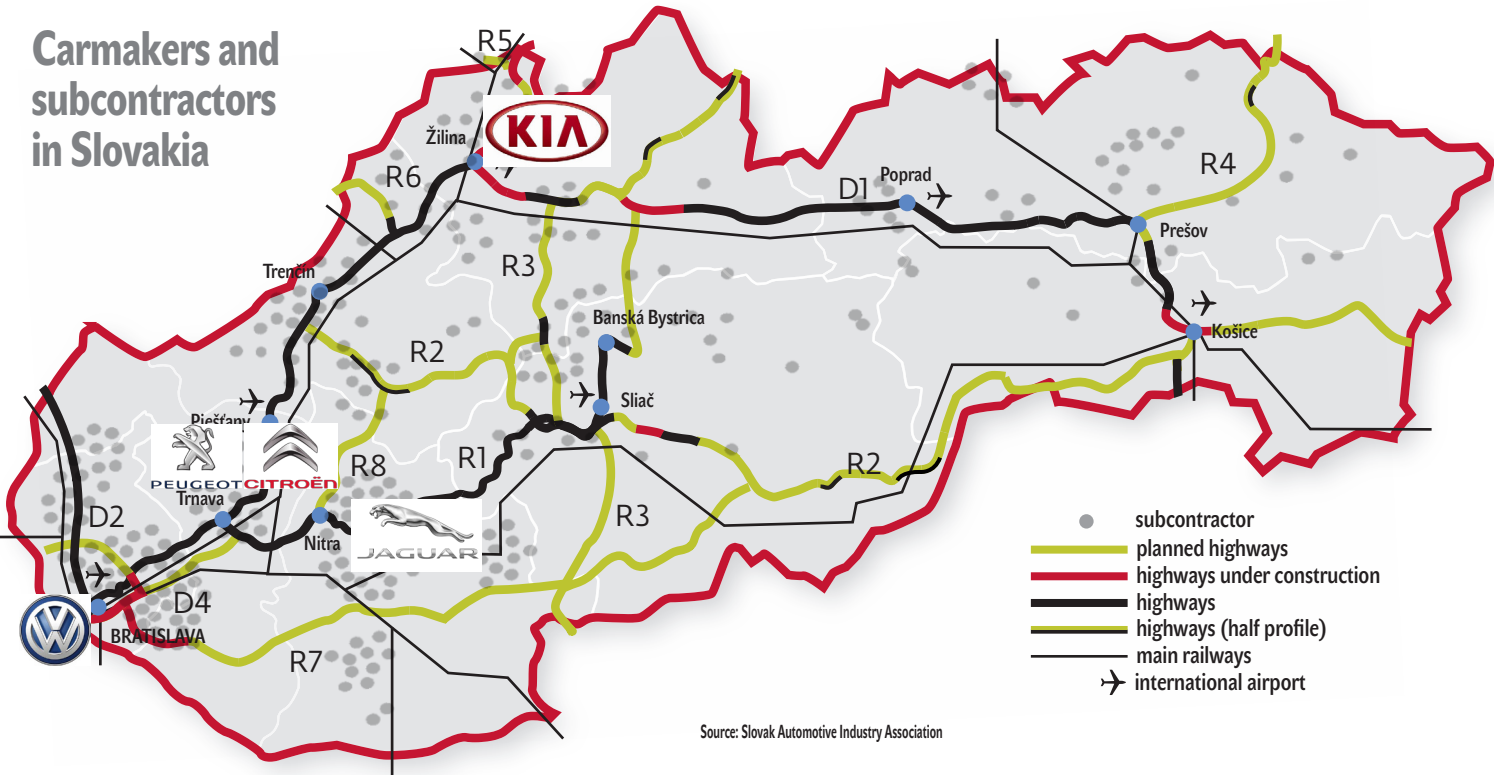
Tightening of emissions regulations

Emissions regulations continue to be tightened in Europe, becoming one of the biggest challenges the automotive industry is facing. As one of the latest steps, members of the European Parliament in October 2018 proposed reducing CO2 emissions in new cars by 40 percent by 2030. Matušek sees this proposal as a lofty ambition by politicians lacking a realistic view on current technologies of alternative propulsions.

“We will have to wait for the final decision, but if the final reduction remains at the level of the EP’s ambitions, this will have a fundamental influence on the whole production chain in the automotive industry, employment and distribution of the added value,” said Matušek.

By Jana Liptáková

Carmakers and subcontractors in Slovakia



Source: Slovak Automotive Industry Association

Arbitration proceedings between member state and investor from other member states in the context of the CJEU decision

The Court of Justice of the European Union (hereinafter referred to as “CJEU”) has recently set the precedent regarding the issue of incompatibility of the Intra-EU BITS¹ with the EU law. In the highly anticipated Achmea decision², the CJEU maintained that arbitration clauses within Intra-EU BITS, such as the arbitration clause contained within Art. 8 of the Slovakia-Netherlands BIT³, are invalid because they are incompatible with the provisions of the EU law.

Prior to the accession to the EU, many European countries concluded BITS as a means of stipulation of the rules of foreign investments. The Netherlands and Slovakia (specifically its legal predecessor the Czech and Slovak Federal Republic) concluded BIT with the intention to protect mutual investments in the respective countries. Art. 8 of the BIT set out the process of dispute settlement by granting contractual parties the right to refer any dispute, if not settled amicably, to the arbitral tribunal. In 2008, Achmea B.V., a Dutch insurance company operating in Slovakia, initiated an arbitration proceeding against Slovakia in response to Slovakia tightening its regulation of the private health insurance sector. After the arbitral tribunal ruled in favour of Achmea B.V. and declared that Slovakia had breached the BIT, Slovakia initiated a setting-aside proceeding before German courts. In the course of the court proceeding, Slovakia challenged the jurisdiction of the arbitral tribunal, claiming the incompatibility of Art. 8 of the BIT with EU law, specifically its articles 18, 267 and 344. Subsequently, the German Federal Court of Justice referred the question of compatibility of Art. 8 of BIT with the EU law to the CJEU. In its reasoning, the CJEU notably considered⁴:

- (i) whether issues referred to the arbitral tribunal mentioned in the Art. 8 of the BIT relate to the interpretation or application of the EU law;
- (ii) whether the arbitral tribunal forms part of the judicial system of the EU, particularly whether the tribunal may be considered part of the court of the member state concerned and
- (iii) whether arbitral award made by such an arbitral tribunal is subject to court review in accordance with Art. 19 of the TFEU.

CJEU concluded that Art. 267 and 344 of the TFEU preclude any international agreement, under which it is possible to bring proceedings against the latter member state before an arbitral tribunal whose jurisdiction that member state has chosen to accept, such as Art. 8 of BIT. Achmea’s decision strongly asserts



Mgr. Barbora Ivanová

the principle of primacy of the EU law and reaffirms the obligation of the member states to uniformly and consistently apply the EU law. In its reasoning, CJEU rejected the view of the Advocate General⁵, who argued that BITS, as well as arbitration agreements contained therein, are compatible with the EU law and do not undermine the principles of the European Union. On the contrary, CJEU emphasized that considering its nature and its purpose, arbitral tribunal within the meaning of Art.



JUDr. Andrea Erbenová, PhD., LL.M.

8 of BIT does not form part of the judicial system of the member state and therefore cannot be regarded as court or tribunal for the purposes of Art. 267 of the TFEU. Moreover, CJEU pointed out that since the arbitral tribunal, as defined in Art. 8 of BIT, cannot be considered court or tribunal for the purposes of Art. 267 of the TFEU, BIT established a special manner of dispute settlement that prevents full effectiveness of the EU law.

Following the abovementioned, what does the Achmea decision mean for the future of BITS and arbitration agreements contained therein? The Dutch government has already indicated⁶ it will terminate BIT concluded with Slovakia as well as all BITS concluded with other member states. Several member states have challenged the awards rendered in the Intra-EU disputes in light of the Achmea decision⁷. Nevertheless, there are still many Intra-EU BITS in force with arbitration clauses similar to the one contained within Art. 8 of BIT.

First, despite succeeding in obtaining an arbitration award related to Intra-EU BITS, claimants might face difficulties with enforcement of such awards. In this regard, the European Commission issued a communication⁸ in which it

emphasised that EU investors cannot have recourse to arbitral tribunal established by Intra-EU BITS, which are incompatible with EU law and no longer necessary in the single market.

Moreover, although the Achmea decision focuses on Intra-EU BITS, it also implies consequences for agreements with non-EU countries. Notably, issues may arise in connection with ratification of CETA⁹ since tribunal under CETA may constitute the same impediments to the full effectiveness of the EU law as did the tribunal under Art. 8 of the BIT. The compatibility of CETA has already been questioned with the Kingdom of Belgium requesting an opinion of CJEU regarding the compatibility of Chapter 8 (“Investments”), Section F (“Resolution of investment disputes between investors and states”) of CETA with the European Treaties¹⁰.

Additionally, in light of the Achmea decision, investors from member states may reevaluate the placement of their business activities. The lack of protection under Intra-EU BITS and the lack of possibility to arbitrate disputes may serve as an incentive to shift the investments to non-EU countries such as Switzerland or, in the future, the United Kingdom¹¹.

Whether the Achmea decision represents the final position of the CJEU in the matter of compatibility of Intra-EU BITS with the EU law is yet to be determined. In the future, the conclusions of the CJEU may remain unchanged, regardless of the nature of challenged Intra-EU BIT agreement or they may very well become isolated for being specifically tied to BIT. However, considering the rather straightforward position of the CJEU as well as the content of the communication, it seems that time of Intra-EU BITS and arbitration agreements contained therein might just come to an end.

SOUKENÍK - ŠTRPKA

¹ Intra EU BITS = bilateral investment treaties concluded between two member states prior to their accession to the European Union.
² Decision of the CJEU in Slovak Republic vs Achmea BV, case No. C-284/16, March 6, 2018 (hereinafter referred to as “Achmea decision”).
³ Agreement on encouragement and reciprocal protection of investments between the Netherlands and the Czech and Slovak Federal Republic

concluded on April 29, 1991 (hereinafter referred to as “BIT”).
⁴ Sections 39, 43 and 50 of the Achmea decision.
⁵ Opinion of Advocate General Wathelet delivered on September 19, 2017.
⁶ According to the letter of Minister for Foreign Trade and Development cooperation dated April 24, 2018.
⁷ E.g. Spain has recently challenged the

Novenergia award (SCC Case No. 063/2015). Similarly, Hungary sought post-award remedies with regards to the Edenred award (ICSID Case No. ARB/13/21).
⁸ Communication from the Commission to the European Parliament and the Council in the matter of Protection of intra-EU investment issued on July 19, 2018 (hereinafter referred to as “communication”).

⁹ Comprehensive Economic and Trade Agreement between the European Union and Canada approved by European Parliament on February 15, 2017 (hereinafter referred to as “CETA”).
¹⁰ Request of September 6, 2017.
¹¹ Following the public vote, the United Kingdom is set to leave the EU on March 29, 2019.

The automotive industry will undergo revolutionary changes

Slovakia is part of the global automotive industry and thus Brexit and US import tariffs, as well as tightening emissions regulations, are challenges for the automotive industry in Slovakia. Apart from these issues, Slovakia also has to tackle a lack of qualified labour and keep the Slovak automotive industry competitive in the long run.

The Slovak Spectator spoke with the new president of the Slovak Automotive Industry Association (ZAP), Alexander Matušek, about the challenges the Slovak automotive industry faces and more.

The Slovak Spectator (TSS): How do you assess the year 2017 and 2018 so far in the automotive industry in Slovakia?

Alexander Matušek (AM): The year 2017 in the automotive industry was stable. Car production again exceeded one million passenger cars, and the suppliers' sector not only supplied components to carmakers in Slovakia but also to those beyond the borders, exporting 60 percent of its production. The development so far this year has been very similar, though the launch of production in the brand new facility of the British-Indian Jaguar Land Rover in Nitra in late October may affect results of the automotive industry in 2018.

TSS: What are the biggest challenges the Slovak automotive industry faces?

AM: In the short-term, the biggest challenges are the influence of Brexit, as the industry depends on what conditions the European Union and United Kingdom agree on, and the threat of imposition of tariffs on cars imported to the USA.

In the long-term, the development of the automotive industry, not only in Slovakia, will be affected by legislation adopted



President for Energy Union, Maroš Šefčovič, announced in early October 2018?

AM: The alliance requires very close cooperation between the industry and R&D capacities, all with significant financial injections. It is necessary to say that currently, only a few positive examples of such cooperation exist in Slovakia. We would like to believe that this might be one of the impulses to start up such a cooperation. On the other hand, we realise that narrowly focusing on alternative propulsions on the basis of batteries can be at odds with the long-term interests of Europe. It is necessary to start up development and production of traction batteries of new generations and in this way eliminate the headway and dependence on other economic groupings. Nevertheless, we believe that Europe should excel in something different, as there is a huge space in the usage of gases, hydrogen and synthetic fuels.

TSS: The lack of labour force is one of the most pressing problems of the Slovak automotive industry and dual education is one of the cures. What is the current situation?

AM: Partly thanks to the initiative of the automotive industry, the law on dual education in secondary education was adopted some years ago. We have actively participated in the implementation of this law, tested it with real data and simultaneously identified weak points. Afterwards, the law was revised to motivate schools and employers to enter the dual education scheme. We believe that we have created basic systemic preconditions so that we can further develop this scheme. For the time being, it is necessary to change the general negative opinion on work in the industry and increase the interest in studying technical subject fields in general.

by the European Commission on reduction of emissions in road transport and increase of safety measures that will impact future systems of mobility and their propulsion systems. The behaviour of drivers and expectations of the younger generation will have an influence on the future of mobility, too.

TSS: How do you see the future of cars with diesel and combustion engines in general? Not only have members of the European Parliament agreed on the 40-percent reduction of CO2 emissions in new cars by 2030, but also an increasing number of European cities are banning diesel cars.

AM: These are two different things. Diesel vehicles produce less CO2, i.e. the emissions targeted by the just negotiated EU legislation, than petrol ones. Thus a higher market uptake of diesel vehicles with modern technologies for particulate filtration and elimination of nitrogen oxide emissions would create more opportunities for carmakers to reduce CO2 emissions from automobile transport. On the other hand, the aggressive campaign launched against diesel

vehicles disinform potential buyers and directs them to other alternatives, including petrol cars. It is also necessary to add that diesel bans in cities do not apply to modern diesel technologies, as is often presented in the media.

In terms of the 40-percent reduction of CO2, the proposal with which the European Parliament is going into negotiations within the Trilogue, i.e. the Commission, European Parliament and Council, should be understood as a high ambition of politicians lacking a realistic view on current technologies of alternative propulsions while forcing Europe into a strict orientation on the electric propulsion of cars, in which the energy source is a battery.

We will have to wait for the final decision, but if the final reduction remains at the level of the EP's ambitions, this would have a fundamental influence on the whole production chain in the automotive industry, employment and distribution of the added value.

TSS: How do you perceive the launch of the Slovak Battery Alliance in Slovakia, which the European Commission's Vice-

Source: Courtesy of ZAP

TSS: Out of three solutions for a lacking labour force – dual education, re-qualification and import of workers from non-EU countries – the latter is the preferred solution. How do you assess the current setting of conditions for employing foreigners in Slovakia?

AM: Transforming the schooling system and launching the dual education scheme were our priorities five to six years ago. However, as the problem with missing workers became urgent, importing foreign workers has proven to be the preferred solution. The industry indicates that as it is failing to find new workers, it cannot take up new orders and projects, which may be very dangerous in the long term.

I have to admit that permitting workers from non-EU countries to fill vacancies in Slovakia is getting easier. But we cannot be satisfied with the speed of the whole process of making it simpler and the

inflexibility of some ministries to deal with barriers.

TSS: Slovakia needs to focus more on activities with added value, including R&D, to remain competitive in the automotive industry. Where do you see space for such development?

AM: We see such space in the creation of a motivating environment for companies to build these activities in Slovakia, but also in the transformation of the education system so universities, especially technical ones, can attract good students in a greater extent. These then should be prepared at universities either for practice or R&D, and application of their knowledge in industrial development and innovation.

TSS: ZAP, as well as other experts, claim that there is space for another carmaker in Slovakia. Where would such a carmaker stand and on what type of production would it focus?

AM: Another carmaker would be welcomed in Slovakia. Its best locality would be eastern Slovakia and, to diversify vehicle production in Slovakia, it should focus on heavy commercial vehicles.

TSS: You were elected the new ZAP president in April 2018. What are your plans in this position?

AM: For me, the goal is to keep the Slovak automotive industry competitive. We at ZAP have defined barriers standing in the way of permanent development of the automotive industry in Slovakia and our goal is to work on their gradual removal. I'm pleased by progress like the revision to the dual education law offering higher motivation to employers as well as schools joining the scheme. Along with representatives of universities, we are working on a professional bachelor project. Here, our ambition is to better prepare university graduates with practical skills according to the

market's needs. ZAP has also initiated the creation of a project on re-qualification of the unemployed for the needs of not only the automotive industry in Slovakia. We are also taking steps to make hiring foreigners from non-EU countries easier.

ZAP also recently became part of a tripartite, i.e. the platform for discussion between the government, trade unions and employers. This enables us to participate in the creation of new legislation and conditions towards foreseeable developments in the business environment.

The automotive industry will undergo revolutionary changes in the upcoming years and, during the development of alternative propulsion systems, we want to be a significant part of this change, and thus we pose huge expectations on the Slovak government and systemic changes.

By Jana Liptáková

Law firm

relevans.sk

2 offices

3 divisions

8 years on market

38 lawyers

∞ enthusiasm

Each detail is relevant, all details are RELEVANS

Meet your Slovak startup

Several events take place during the year where Slovaks present their ideas, projects and startups.



Source: TASR

Though not well-known for research and science, Slovakia is full of good ideas waiting for the right investor.

More than a few innovative ideas born in Slovakia have found fans around the world, such as the cycling charger Ridelo that charges a smartphone while riding a bike, the ultimate Q&A and polling platform for company meetings and events, Sli.do, or the oft-mentioned AeroMobil, the flying car.

Several events presenting the best Slovak ideas and startups take place throughout the year, including Startup Weekend in the northern-Slovak town of Žilina. The event focuses on the discovery stage, running a business, the startup ecosystem and building a community.

“The basic idea is to rework an idea to obtain a minimal functional product and gain

customers or at least their interest,” said Daniel Harcek, one of the organisers of Startup Weekend Žilina. Early-stage startups benefit from mentoring by experienced entrepreneurs and the intense focus on a project.

Final project presentations on Sunday afternoon are key for investors, providing them with information about teams, their projects, the phase of work and their business plan.

“We try to co-build and support the startup community in the region and bring in interesting people and opportunities,” Harcek added.

He is convinced that Slovak startups can stand up to international competition and Startup Weekend Žilina is one way to build self-confidence in future businessmen. The projects presented at the event are mostly of a technical character, though non-

technical ideas can also be found. The majority of participants are young people between 20 and 30 years; Slovak and Czech investors usually attend the event.

Profit on both sides

Another significant event in this field is the FutureNow conference coupled with the Startup Awards, meant to support and motivate the business environment in central Europe.

Investors have a chance to meet those with the most interesting and innovative projects of the region, as well as representatives of successful companies in one place, at one time, as Valentína Kasperová, manager of the conference, explained.

“Visitors can get to know each other and create a base for new business opportunities thanks to our networking tools,” Kasperová said.

The FutureNow conference welcomes primarily people from the business and investor environment, especially from fields such as IT, financing, development, mobility, transport and many others. Representatives from corporations and investors are attendees, as well as students, usually from colleges and universities, and startuppers. The startup competition offers mentoring for visibility and contact with investors.

“Doing business is attractive for self-realisation but also a way to change society and the surroundings for the better,” said Kasperová.

At Innovation Day in Bratislava, organised by the Slovak-German Chamber of Commerce (SNOPK) and the Slovak Business Agency (SBA), startups present their ideas and concepts. They mainly offer innovative IT

solutions applicable to various sectors of the economy, noted Markus Halt, spokesperson of SNOPK.

Innovation Day includes two major parts.

“The conference on innovation gives an overview about current trends, solutions and ways of funding, followed by a coordinated match-making between participants,” Halt explained.

The idea is to bring together innovation-driven SNOPK member companies and creative startups under one roof.

“Both sides can greatly profit from mutual cooperation,” said Halt. Startups gain access to funding while companies have the opportunity to strengthen their product portfolio.

The ideas being presented by startups at Innovation Day are interesting and show a lot of potential, according to Halt. Their major challenge is, of course, to transform their ideas into viable business concepts. This is also a reason why events such as Innovation Day can be so helpful for them.

The startup Agrobotix, for instance, which develops smart farming devices, was voted as the most innovative startup by the participants of Innovation Day.

“We also had a prominent Slovak startup from EcoCapsule speak about the event,” Halt said, adding that the company will soon

launch production of its self-sufficient living-units for the world market.

Several companies from Germany with subsidiaries in Slovakia attended Innovation Day in the last two years, mostly from the industry, trade and service sectors.

Important part of the future

The Techsummits event gives space to startups that develop products usable on the financial market, such as apps for more efficient internal function of financial institutions or more effective communication with clients.

“We think that if the developing idea differs somehow, then it has additional value,” said Davy Čajko, founder and organiser of the conference.

Besides startups that are looking for investment, the conference is a platform for the critical exchange of opinions between the traditional world and the world of innovation and technology. Meeting interesting people and creating new business opportunities is a matter of course.

Representatives from Austria, Estonia, Italy, Brussels, the Czech Republic and Poland come to the event regularly.

“Our aim is to catch the attention of the investor community outside of Slovakia and show them that in our small country, ideas with the potential to



Source: SME

break through the global market can also arise,” Čajko added.

Startups are an important part of the system, Čajko continued, as the innovative ideas they bring push us forward as an economic unity and as a society. They are vital to the economy of every country, which means they have to be an active part of the discussion about our future – not as passive consumers of rules but as active creators, Čajko added.

For those who have no time to personally attend events, startup-like projects can be supported on the StartLab website, a crowdfunding platform focused on

beneficial projects open to creative people, designers, artists, active citizens and, last but not least, to startuppers.

Altogether, more than 200 projects have been crowdfunded by close to 19,000 people, granting almost €800,000. Projects include books for children, community help, environmental projects, festivals, forums and new films.

All organisers of events and conferences for startups and innovation agree that Slovak ideas and projects have the potential to succeed in the world.

By Nina Francelová

Startup B2B

ONLINE

www.startlab.sk

Crowdfunding platform for new ideas and projects.

CONFERENCES

Techsummit

When? May **Where?** Bratislava

What? This significant conference in the central and eastern Europe region is focused on cybersecurity, artificial intelligence, smart cities, Industry 4.0, health and startups. **Web:** techsummit.sk

Innovation Day

When? September **Where?** Bratislava

What? Innovation Day brings together global

players and hidden champions (family-run medium-sized world market leaders from Germany and other countries) active in Slovakia with innovative startups. The event particularly addresses international companies that carry out development (engineering) in Slovakia and are looking for tangible innovative solutions in automation, connectivity and Smart Factory. **Web:** innovation-day.b2match.io

FutureNow

When? October **Where?** Bratislava

What? FutureNow Conference is the leading tech & startup event in Slovakia gathering entrepreneurs, innovators, tech enthusiasts and investors in one place. The day is packed with 25+ top notch international speakers, data & learning, interactive workshops to get your

brain buzzing and engaging business themed discussions on the Startup Stage. **Web:** futurenowconf.com

Startup Weekend

When? October **Where?** Žilina

What? Techstars Startup Weekend is the place to look for a team, create a prototype of your idea, validate your business idea, and receive feedback from experienced entrepreneurs, all on one weekend. **Web:** communities.techstars.com

Fin.Techsummit

When? November **Where?** Bratislava

What? Fin.Techsummit is an opportunity to openly discuss the future of financing influenced by new technologies and digitalisation on a large scale. **Web:** fintechsummit.sk

Coworking spaces in Slovakia

A ranking places Bratislava among top cities for freelancers in the world.



Source: Courtesy of Nádvorie coworking

For many people, being a freelancer or small entrepreneur is a dream lifestyle. But no office hours or home-based work is also possible in large companies, who offer home office as a benefit or design some job positions as home-based. This is most frequently seen in the fields of IT, telecommunications, marketing, advertising and PR, data from the Platy.sk website shows.

"The number of respondents who work from home has increased," Martin Menšík, marketing manager of the Profesia.sk job portal, told The Slovak Spectator, adding, however, that in the past, the number grew faster than it does now.

Home office is an important benefit for employees, according to Jitka Součková from the Grafton recruitment company.

But working on one's own can create challenges regarding self-discipline, especially with the bed close by, the TV on and perhaps dirty dishes in the sink. Some people do just fine on their own, others feel they cannot handle working in the same room where they also eat and relax after work, with no colleagues to chat or argue

with. Coworking spaces, springing up like mushrooms in Slovakia, are a solution in such cases.

"The use of coworking spaces is a modern trend in Slovakia," Součková told The Slovak Spectator, adding that it usually applies to larger towns in Slovakia.

Coworking everywhere

Today, it is possible to find coworking spaces in most regional capitals and even in smaller towns like Poprad, Spišská Nová Ves, Šaľa, Dunajská Streda and Pezinok.

In the eastern-Slovak town of Prešov, a group of friends had a problem working from home, so they decided to start Eastcubator.

"A home office may look like a dream, but it has its downsides," said Michal Rázus of Eastcubator, listing isolation and boredom among them. It is simple things like interaction with people, sharing work problems and having lunch together that people working from home often miss.

Clients included both those who have worked at the coworking space for a long-time and those who stop in for just a day or week. New people always bring a new

perspective on both life and work, Rázus believes. Most people are Slovaks, but they have already had visitors from the US and Russia. People are not afraid to share their ideas and help each other.

"There is no hierarchy in the company, the atmosphere is friendly," Rázus said. His colleagues work mostly in IT, web design and online marketing. However, there is also a photographer, architect, translator and genealogist.

Matej Babuliak of Ateliér coworking has a similar experience. When he listed everything he needed in the office to be a creative architect, he was sure that he would not be able to pay for it all on his own, so he decided to start a coworking space. It's a smaller space for those searching for a calmer atmosphere. There are about eight places in an open space and one closed office for two to three people. Most people working here are freelancers: architects, designers, IT programmers, translators and marketing workers.

"Many started alone or as a two-person company in our coworking space and now they have their own space since they grew

rapidly," Babuliak told The Slovak Spectator.

Babuliak opines that there are several advantages of coworking in comparison with home-office, particularly for people who have a problem with self-discipline. Also, presenting work to a client may be problematic at home.

With childcare

Michaela Hrnčiarová is a co-founder of Coworking Cvernovka, which aims to connect the professional world with parenthood through its corner for children.

"We wanted to focus on work while our children play next door under the supervision of teachers," Hrnčiarová told The Slovak Spectator.

Coworking Cvernovka has 40 stable members, others visiting on an irregular basis. The members of Cvernovka said that it is easier to maintain their work habits, that they are less disturbed and able to focus more on the job. They often ask each other for cooperation as they come from different work fields.

Founder of Nitra-based coworking space Ponk, Natália Rondziková, realised she needed a space when many of her ideas failed in practice because people were unable to meet in person. She was always fascinated by freelancing and interesting, unstereotypical work.

"We wanted to create an atmosphere to motivate people to overcome obstacles," she explained, adding that "ponk" in Slovak is a small craft desk, which best describes the efforts given to create the coworking space.

Coworking spaces often help build a community where relationships are friendlier and people want to cooperate, which differs from the corporate world where relationships among employees could be naturally competitive.

Nitra is a small town, but they have never been short on people interested in joining Ponk, said Rondziková. Some come for a few days, others stay for months and some stay for good.

"Our aim was to create a strong community and we succeeded," said Rondziková.

Ponk connects people of different professions who exchange experiences and enrich each other with various skills.

"I dare say that many progress thanks to Ponk," Rondziková opined.

Keeping young people in town

Eva Ščepková decided to found Link coworking in Banská Bystrica to create a space in the city that removed the financial burden from new entrepreneurs. She believes that small businesspeople are the motivating power of the region.

"We want Banská Bystrica to be a city where young people can meet, develop and work in the field they like," she opined, adding that the town will die out without young people since they tend to move to bigger cities. She created an open space for everyone interested in sharing ideas and networking.

Her friends working from home lost interest in social contact with others, the level of their verbal communication dropped, and they felt demotivated since they had no stimulus to be more creative. At the

same time, bad habits developed, such as laziness, procrastination, night work and a permanent online life.

"A person working in a coworking space is freer than those working in a usual office and more social than those working from a home office," said Ščepková.

Link underwent reconstruction recently. In their new spaces in the centre of Banská Bystrica, there is also a café, workshop rooms and separate offices, including a centre for children.

Among the traditional educative and networking activities, there will be new events for mothers and female entrepreneurs. Moreover, the community coworking centre promotes a zero-waste lifestyle to improve the environment.

"We want to be an inspiration for other companies and organisations to merge a nice environment of coworking space and events," said Ščepková.

Waiting list

The HUBa coworking space is a room for about 20 friends to work and share their experience. Its founders Jakub Ivančo and Pavol Mészáros brought the idea from foreign work experiences and decided to implement it at home.

"We are totally booked now, we even have people on a waiting list," Boris Kriško of HUBa told The Slovak Spectator, describing that the project was successful and

attracts many young people. They also hosted enthusiastic workers from Great Britain, Ukraine, Poland and the Czech Republic.

The citizens of Trnava have a new coworking space in Nádvorie (Courtyard). It serves as a space for contemporary culture and coworking where great ideas are exchanged.

"People feel great here and that is important," Rastó Petráš of Nádvorie told The Slovak Spectator. There are also two foreigners among the members who are mostly startups, freelancers, photographers and translators. Petráš hopes the place continues to support small entrepreneurs and local companies that have special importance to a town or region.

He pointed out higher productivity and contact with people as advantages of coworking spaces.

Downsides

Not everyone is satisfied with working in coworking spaces. Součková sees the need to make reservations as the biggest disadvantage.

"When you work at a spasmodic tempo, it could be a problem," she opined.

Martin Linkov talks about a negative experience, too. He worked in a coworking space for a year.

"It was too noisy and distracting," Linkov told The Slovak Spectator. It may be more advanta-



Source: Courtesy of Coworking Cvernovka

geous to rent an office for a team of colleagues, he opined.

Is the networking of working people in our nature and after some time alone, do we feel like joining a bigger group? Psychologist Martin Miler believes so, even though it is individual. Some can work from home for years and some give up after a few weeks.

He stressed that when working from home, it is necessary to have at least a working room to divide work time and free time. In his experience, however, even introverts start looking for company sooner or later.

"Just the feeling that you are in the same room with other people often helps a lot. It is not necessary to chat, but the possibility that you can if you want to makes people feel better," Miler told The Slovak Spectator.

By Nina Francelová

Coworking places

WESTERN SLOVAKIA

Bratislava
0100 Campus; www.0100campus.com
Ateliér coworking; ateliercoworking.sk
Business Cloud; businesscloud.me
Connect; connect-network.com
Coworking Cvernovka; coworkingcvernovka.sk
Dvojbodka; dvojbodka.sk
eDocu coworking; FB: eDocu
HUB Bratislava; hubbratislava.eu
Impact HUB Bratislava; impacthub.sk
Láska a nerest; FB: laskanerest
Platform House; www.platformhouse.sk
Progressbar; cowork.progressbar.sk
RubixLab; rubixlab.com
The Spot; FB: TheSpotSK

Unicare centrum; FB: UniCareCoworkingCenter
Unpublic coworking OFFIS; offis.sk
Dunajská Streda: Anchor; anchor.sk
Nitra
ASData Coworking; coworking.asdata.sk
Hive 5; www.coworking-nitra.sk
Ponk; ponkworking.com
Pezinok: B-zone Pezinok; www.bzone.sk
Šaľa: Coworking Šaľa; coworking-sala.sk
Trnava
Nádvorie coworking; nadvorie.com/coworking
Trenčín
Facility System Hub; www.fsh.sk/coworking

CENTRAL SLOVAKIA

Banská Bystrica
Business Innovation center; e-inkubator.sk
Coworking Benar; www.coworkingbenar.sk

Link coworking; linkcoworking.sk
Oblok; FB: otvoroblok
Martin: Cancel; www.cancel.sk
Žilina
Banka Žilina; www.bankazilina.sk
VTP Žilina; www.vtpzilina.sk

EASTERN SLOVAKIA

Košice: Co-Šické; cosicke.sk
Halmi space; halmispace.sk
HUBa working; www.hubacoworking.sk
Salia; www.saliala.sk
Poprad
Coworking Cityhub Poprad; cityhub.sk
Prešov
Eastcubator; FB: EastcubatorPresov
Spišská Nová Ves
co|WORKING|spiš; www.aplagency.sk

How does Slovakia support innovations?

Do you have innovative ideas? In Slovakia, you might be left to your own resources for now, but change is coming – albeit slowly.

The Slovak system of innovation is below the EU average, although there are some researchers and firms giving their country a good name. However, Slovakia's R&D support is the lowest among the Visegrad Group (V4) countries.

The total share of R&D investment in GDP in the Czech Republic is more than twice as high as it is in Slovakia. Moreover, corporate funds account for only a quarter of the total Slovak funding, said Peter Kolesár, chairman of the board and CEO at Neulogy consulting company. Hungary's private sector accounts for one half.

All V4 countries have equal access to EU funds, but when it comes to the actual drawing of EU funds, Slovakia is lagging behind, according to Kolesár. By the end of January 2018, the country spent only 4 percent of the €2.2 billion it was assigned from the 2014-2020 Operational Programme Research and Innovation (OP VaI).

"Final drawing efficiency is weaker than in surroundings and



Source: SME

in the previous period," Kolesár told The Slovak Spectator.

Slovak innovations are dependent on EU money, said Daniel Straka of the Slovak Organisation for Research and Development Activities (SOVVA). Up to 89.1 percent of foreign resources, which account for 39.4 percent of all resources, come from the EU.

"The funds should be perceived only as complementary to national resources," Straka told The Slovak Spectator.

Current EU funding

OPVaI supports R&D within the domains of the 2014-2020 Strategy for Intelligent Specialisation. In Slovakia, the domains include the production of transportation, healthy food, environmental issues, digital technologies and the creative industry.

The programme is managed by both the Education and Economy Ministries, while their subordinate organisations, the Research Agency and the Slovak Innovation and Energy Agency (SIEA), are implementing the support processes. Recent calls for support focus on mobilisation of excellent research teams, centres of excellence, teaming research centres and long-term strategic R&D in the domains.

The European Commission (EC) offers a special SME Instrument scheme that serves to transform the R&D products of small and medium enterprises (SMEs) into commercial success and attract future investors. To obtain support, the company must have a breakthrough product and a good business plan, according

to Ivan Filus of the BIC Bratislava company.

While 11 Slovak firms have received funding so far, now only SAFTRA Photonics, a spin-off of the Pavol Jozef Šafárik University in Košice, is involved in the scheme, said Filus. Its product is a nanoparticle capable of identifying organic pollutants.

"The company won two SME Instrument projects and the Slovak Startup Awards in 2017 and now deals with production and investor negotiations," Filus said.

The SME Instrument is funded through the Horizon 2020 programme, allocating about €80 billion in the 2014-2020 period. So far, 158 participants from Slovakia have taken part in Horizon 2020, some more than once. The most successful company, Energochemica Trading, has drawn more than €15 million, the Innnews website reported.

Basic vs applied research

The Education Ministry supports R&D projects through State R&D programmes, R&D incentives, general calls, programmes and

international cooperation within the Slovak Research and Development Agency (APVV), subsidies for science and technology services and funding of the EU initiatives EU-REKA, Eurostars and ECSEL JU.

R&D incentives support only applied R&D, while other schemes support both basic and applied research. The system works through tenders of legal entities and consortia. Scientists can apply for support through parent institutions, the ministry's science and technology section wrote.

The ministry is now preparing State R&D programmes for the 2019-2023 period with regard to 2028, R&D incentives for 2018-2021, implementation of the APVV call in 2019-2022, APVV programmes approved in 2016 and extension of the scheme for the return of experts from abroad.

Another project will be the SK roadmap for research infrastructure, which focuses on Slovakia's cooperation with the EU.

Vouchers and other projects

The Economy Ministry now provides innovative vouchers to support innovations of products, technological processes and services, said the ministry's spokesman Maroš Stano.

In addition, Stano pointed to the support of innovative solutions in SMEs, known as the Smart City concept. Another initiative is the Startup Support Programme and Scheme.

"The aim of the ministry is also to develop international cooperation in the field of industrial R&D

in order to contribute to the greater competitiveness of Slovakia," Stano told The Slovak Spectator.

SIEA manages creative vouchers to support creative industry, innovative workshops at schools and corporate mentoring.

As of August 2018, the Office of the Deputy Prime Minister for Investment and Informatisation (ÚPVII) started implementing the hybrid financing model, combining public and private resources, to help young SMEs with innovations abroad. In total, five projects were announced, to which 16 companies were registered, the SITA newswire informed.

Venture capital lags behind

Another source of financing is private equity and venture capital, which provides private support for young companies with a high level of risk.

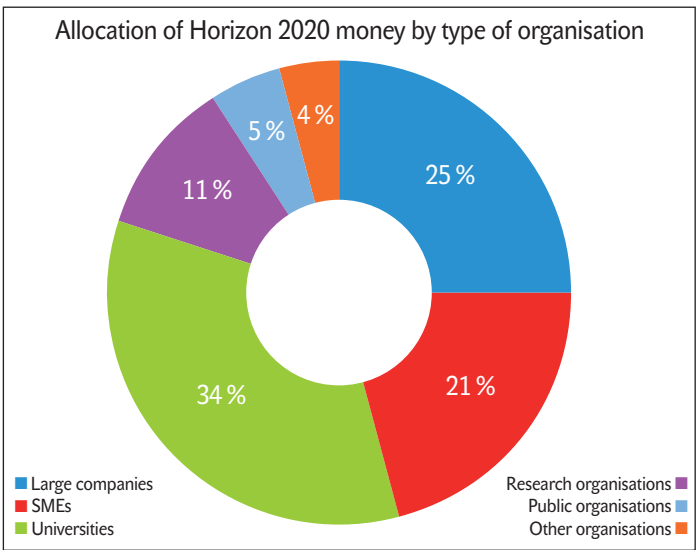
Private equity investment in Slovakia reached only €4 million in 2017, while the whole CEE received €3.5 billion in investments, according to 2017 Central and Eastern Europe Private Equity Statistics. The region's venture capital fundraising reached €360 million, which is a disproportionately smaller volume compared to western Europe, said Kolesár.

"The EU is behind the USA in both the average investment size and overall size of the funds," Kolesár said.

However, the trend is growing, said Kolesár. Total CEE fundraising grew by 46 percent compared to 2016.

SMART SPECIALISATION DOMAINS FOR SLOVAKIA AND LATEST CALLS (OP VaI)				
Smart specialisation domain	Number of call	Allocation (EUR mil)	Minimum drawing (EUR mil)	Maximum drawing (EUR mil)
1: Vehicles for the 21st century	OPVaI-VA/DP/2018/1.2.1-04	63.07	3	15
2: Industry for the 21st century	OPVaI-VA/DP/2018/1.2.1-05	107.71	3	20
3: Digital Slovakia and creative industry	OPVaI-VA/DP/2018/1.2.1-06	36	3	12
4: Population health and medical technologies	OPVaI-VA/DP/2018/1.2.1-07	47.52	3	12
5: Healthy food and environment	OPVaI-VA/DP/2018/1.2.1-08	33.7	3	12

Source: Education Ministry



Source: Ivan Filus, innnews.blog

Support will change

The turn of the decade will change opportunities for support. While the EU may reduce funding, Slovakia adopted a commitment to sustainable development, citing innovation as a key need, under the OECD Agenda 2030.

The 2019-2023 State R&D programmes will be the largest tools, according to ÚPVII. The estimated budget for the programmes to Slovak domains is €450 million. Other focus areas include Slovakia's integration into the European Research Area, higher involvement in international projects and SME support, which will reach an estimated €61 million by 2030.

Horizon Europe, the successor to the Horizon 2020 programme, is currently in the preparatory phase, said Filus. The EC is considering two hybrid funding elements. Path Finder will assist companies in the very early stage of product development while Accelerator will help ready-made companies enter the market and distribute their product.

What should we do?

The system may be improved with the stability of the environment, the government's prioritisation of the sector and the support of excellent researchers, according to Straka. A good example of stability is Switzerland,

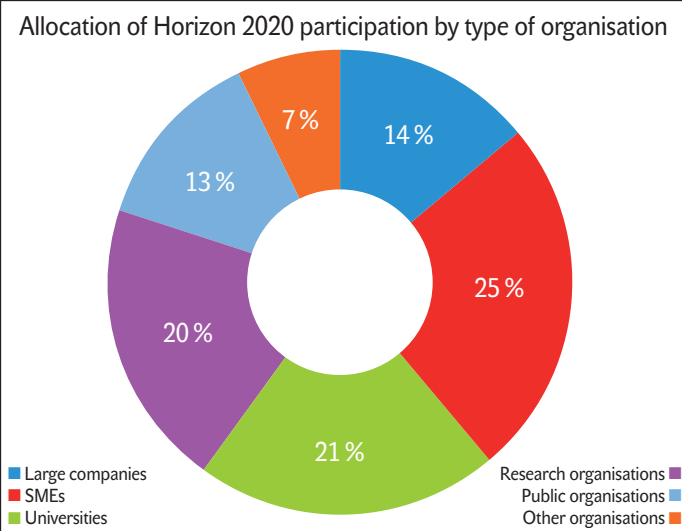
where the so-called 'three nos' are valid.

"No reduction of state R&D investment, no priorities and no funding for industrial research from the state budget," Straka said.

The country has to increase investments in prospective economic areas and the participation of Slovak scientists, institutions and companies in EU programmes, said Kolesár.

"We must ensure conditions for the return of top scientists from abroad, or at least connect them with research teams in Slovakia," Kolesár said.

*By Peter Adamovský,
analyst at the Slovak Innovation
and Energy Agency*



Source: Ivan Filus, innnews.blog

TOP10 SLOVAK ORGANISATIONS IN HORIZON 2020 BASED ON NET CONTRIBUTION FROM THE EU		
Name	Number of projects	EUR mil.
Energochemica Trading a.s.	2	15.71
Alexander Dubček University in Trenčín	2	12.69
Comenius University in Bratislava	13	4.85
Slovak University of Technology in Bratislava	20	3.47
Farma Oborin s.r.o.	1	3.07
Technical University in Košice	10	2.49
Slovak Academy of Sciences	20	1.85
Bavenir s.r.o.	2	1.4
Centre of Science-Technical Information	21	1.47
National Agricultural and Food Centre	5	1.32

Source: Ivan Filus, innnews.blog

How to cope with waste

Slovakia lags behind when it comes to recycling and waste separation. But there are some examples, from both countries and companies, that it can learn from.

The Heineken company, for instance, tries to reduce the amount of non-recyclable waste it produces and achieve the highest possible amount of recycled waste.

"This means producing as little as possible, ideally zero, non-recyclable waste that ends up in landfills while recycling as much as possible," Hana Šimková, manager of corporate relations at Heineken Slovakia, told The Slovak Spectator.

To achieve this goal, the brewery applies effective waste separation involving a complex system of training and informing employees, control checks and also searches for new approaches and solutions to deal with waste. They currently recycle as much as 99 percent of side products, packaging and industrial waste.

"Side products like yeast and brewer's grain are used again as fodder for animals," Šimková added.

Slovakia's position is not good

Overall, Slovakia still lags behind the rest of the European Union when it comes to recycling and separating waste.

The Eurostat data indicate that in 2016, roughly 67 percent of communal waste ended up in landfills, while only 23 percent was recycled.

Moreover, the country appeared among those EU member states that are at risk of missing the 2020 target of recycling by as much as 50 percent of waste, as stems from the early warning report published by the European Commission in late September. In order to help countries, the EC recommended country-specific actions to close the gap.

"If implemented swiftly by national and local authorities, these



Source: Sine

suggested actions will significantly reduce the risk of the targets not being met," the EC report reads.

The Environment Ministry is setting its waste management policy in order to separate and recycle more and landfill less, said its spokesperson, Tomáš Ferenčák.

The changes are to be introduced by a brand new law on waste disposal fees that the parliament passed in October 2018 and the amendment to the law on waste.

The latter was passed by parliament in September 2018. It increased the fees for landfilling that currently sits among the lowest in Europe, the SITA newswire wrote.

Examples to follow

Slovakia can learn from several countries where the transition to a circular economy is more complete. This includes the Netherlands, Sweden, Finland, Norway, Denmark, and Italy, according to Ivana Maleš, co-founder of the Institute of Circular Economy in Slovakia.

"The trends from all of these countries are slowly coming to Slovakia, although they are coming from culturally different environments," Maleš told The Slovak Spectator.

When fighting waste, it is most important to avoid creating it in the first place and to reuse it when-

ever possible, according to Jana Štátná, economic officer for water management and environment at the Embassy of the Netherlands in Slovakia.

"If waste happens to be created, an effort is taken to recover material from the waste," Štátná told The Slovak Spectator. "The rest is incinerated and only after it is landfilled."

The Netherlands incinerates more than the EU average. However, there are special private-public investments for innovation that look for how CO2 can be used further to close the loop.

Moreover, landfilling in the Netherlands is very expensive, which forces companies to look for innovative solutions.

"The Dutch government has a special tool to be more supportive to businesses, the so-called Green Deals, aiming to remove barriers and accelerate sustainable initiatives," Štátná said, adding there are many successful outcomes.

Helping Slovakia

The Netherlands has been very active in helping Slovakia reduce waste. In 2018, for example, the Dutch Embassy was a partner of the Pohoda festival that is famous for and successful in reducing waste during the event.

The embassy also supported the conversation on topics such as a shared economy, smart cities, and sustainable mobility, which is also part of waste prevention. Back in the spring, two Slovak delegations visited the Netherlands, with one focusing on the circular economy.

"The delegates returned to Slovakia and are now discussing the possibility of establishing the Slovak platform for a circular economy taken from the Dutch model, as a feasible one for Slovakia," Štátná said.

Apart from Heineken Slovakia, other Dutch firms are also taking care of the environment. Unilever has a strong approach to dealing with plastic waste. Plastic-recycling is a scope of business of NMH in Sered', and Philips Lighting, currently named Signify, is advanced in efficient light-solutions.

The Dutch embassy itself achieved success in the transition towards a zero-waste office.

"It started with the sustainable reconstruction of our building a year ago and it continues with measures on reducing waste," Štátná said, adding that they placed second in the evaluation of almost 100 Dutch embassies and missions.

By Radka Minarechová

Urban Residence: Move in immediately, if you feel like it

Living close to the centre of Bratislava has many advantages. Very soon, those who move into the completed building of the Urban Residence's A Project on Račianska Street will get to experience this. The B building is under construction, with the final approval planned for the first half of 2019, while the sale and construction of the high-rise building C should be completed by winter 2020.

You can now join fellow residents of the unique residential project of the Lucron company and choose between more than 80 flats and apartments, all of which are equipped with a spacious balcony.

In Bratislava's wider centre, close to Račianske Mýto, the first apartment houses of the Urban Residence project have been erected along Račianska Street. Not far from the expanding locality Filiálka, a clearly distinguishable, beautiful, and modern residential project, created by the Lucron company, appeared. It offers urban living in well-equipped flats, plenty of parking, shops, services and a 6 000 m2 park in the inner yard. It is the biggest public park on a private plot in Bratislava.

Urban Residence is particularly attractive for those who want to be as close as possible to the heart of the city and enjoy everything it has to offer – i.e. not just culture and shopping centres, but also relaxation zones and natural surroundings for sports and hikes. It takes just a short walk, bike ride, or ride on city transport to get to work, entertainment, and sporting areas. Urban Residence also offers services and small shops in a parterre, including a chemist's, pharmacy, general practitioner, along with cafés, a grocery store and a fresh gastronomy products shop.

FLATS FOR DEMANDING CLIENTS FOR A GOOD PRICE

When designing flats, the right architectural set-up is key. Each flat is spacious and functional, without unnecessary rooms. The living room has a French window that provides great natural lighting during the day. Every flat has the advantage of a big balcony and good-quality equipment for added convenience and efficiency. Thus, the prices already include top products by renowned suppliers, such as an anti-fire entrance door, high-quality windows, a modern interior door, big-sized parquet floor, designer bathrooms, tiles and sanitary equipment.



Living in Urban Residence is a combination of modern convenience, a nice environment, great accessibility and an advantageous price.

Thus, you can save money compared to an unfurnished flat, and you have above-standard equipment you would have to pay extra for elsewhere.

Services are another story: the concept of apartment living brings residents various opportunities of maintenance, use and habitation of the flat/apartment. The administrator of Urban Residence is Lucron's sister company Bytrex, which was founded to promote greater cooperation between residents, the developer, builder and administrator "under one roof". Residents use and pay for services only when they really need them. This includes cleaning, washing, various minor repairs, and package and letters retrieval. They can also order meals or food from ground-floor shops to be delivered to their door.

Purchasing an apartment in the Urban Residence is also an excellent investment. If you plan to rent the space for the short or long-term, real-estate experts are at your disposal and will help you place your offer on specialised websites and oversee the contractual relations. For short-term rentals, cleaning and washing is on offer as well.

RAČIANSKA STREET COMES ALIVE

The investor of the Urban Residence project has had several successful modern housing projects in Slovakia, and plenty experience from abroad.

Lucron is behind the successful project Malé Krasňany in Bratislava and the new Trnava borough



Arboria. Houses in Urban Residence were finalised by the renowned local studio Compass Architekti, which has already completed many projects.

The architects' intention was to include new urban facilities and services in the project and bring life to the public space on the other side of Račianska Street. They designed a generous park in the inner courtyard which – together with a lively parterre – will create a cohesive city environment. They also focused on wheelchair and general accessibility. The crossing passages will connect Račianska Street with the inner courtyard and the wider space towards Škultétyho Street. Along the city road, a new cycling path and pavement will also be made.

READY TO MOVE IN?

The final approval of the A building has been completed in accordance with the time schedule. In the upcoming weeks, the first residents will start moving into their new flats, and the whole project will come to life. In construction, Lucron relies on the sister construction company L-Construction, which has been building a solid reputation and sticking to deadlines with the best experts on the market. Lucron also foresees meeting the construction schedule and deadline of final approval in mid-2019 for the B building and in winter 2020 for the C building. There are still free flats in the finished building A, so you can move into the Urban Residence now!

In cooperation with the bank, the developer also offers the unique possibility of financing with a 0% mortgage. From flat or apartment purchase all the way to final approval, they will pay all mortgage rates for you.

Available flats and apartments can be found on the project's www.urbanresidence.sk website, in the showroom, and the Urban Residence sales point, directly in the building on Račianska 24. You can arrange to see the finished flats in person at predaj@urbanresidence.sk.

The rise of clean technologies in Slovakia

The world is shifting from industrial to post-industrial as the population's interest in the surrounding environment grows. Clean technology, also known as cleantech, is stimulating this interest and preserves the planet for future generations.

Experts and enthusiasts think that Slovakia has great potential in the use of the cleantech concept. The country has amazing nature, biodiversity, rich resource reserves and significant afforestation, according to Radoslav Mizera, a partner at Solved – The Cleantech Company, a Finnish-Slovak cleantech advisory service.

The development of cleantech solutions is particularly evident in transport and mobility innovation. This includes new-generation car systems, including charging stations, infrastructure and bound business models, said Mizera.

“While there is potential in terms of natural conditions and economy, the question now is how to really exploit and exhaust the potential,” Mizera told The Slovak Spectator. Some startups are already trying this, he added.

Improving the environment

Cleantech is a system of processes, products and services that aim to reduce negative impacts on the environment. It includes all technologies that help to improve the energy efficiency of the industry, use resources in a sustainable way and protect the environment.

Cleantech involves cleaner technologies and environmental agriculture solutions, energy, transportation, mobility, urbanism and smart solutions, according to Mizera. The origin of the term, the foreign equivalent of which is greentech, comes from Silicon Valley, Mizera said.

The Environment Ministry combines the concept with



Source: TASR

the transition to a low-carbon, resource-efficient circular economy.

“Only a model of the economy that takes into account the impact of economic activity on the environment and applies innovative approaches can provide intelligent, sustainable and inclusive growth,” the ministry’s spokesperson Tomáš Ferenčák told The Slovak Spectator.

The circular economy focuses on production processes that reduce the amount of non-recyclable and hazardous waste generated, streamline the collection and use of resources and intelligently design products. In practice, this involves reusing, repairing, refurbishing and recycling existing materials and products.

Companies see the concept

While small and medium-sized enterprises (SMEs) tend to be more innovative, large companies engage in cleantech as well. The largest industrial air polluter in Slovakia, U.S. Steel Košice, considers reducing the environmental burden and increasing efficiency a long-term strategic goal. Ľubomíra Šoltésová, the company’s media relations &

visitor centre manager, pointed to the maximum use of secondary metallurgical gases to reduce the consumption of coke, coal and natural gas in the production of pig iron and steel.

“We try to use the heat of the flue gas from our processes in order to reduce the fuel-energy demand of the production of hot blast in blast furnaces,” Šoltésová told The Slovak Spectator.

Another major polluter is the Slovnaft oil company. In environmental terms, Ladislav Procházka from the corporate and marketing communications department at Slovnaft underlined the recycling of metals, plastics, electrical and petrochemical waste and the introduction of the latest technologies for mineral oil refinement resulting from legislation.

“In the near future, we plan to install low-emission burners on the ethylene unit boiler and hydrocracker vacuum ovens to reduce nitrogen oxide emissions,” Procházka told The Slovak Spectator.

Since 2005, Tepláreň Košice has invested €125 million from its own funds along with EU resources in ecological and renewal projects. The company

has replaced boilers to increase energy efficiency and effectiveness since 2017, according to Diana Kozáková, head of the office of the chairman of the board of directors of Tepláreň Košice.

Everything should be smart

The cleantech concept, moreover, includes the popular term ‘Smart’, which covers the use of innovative technologies in public spaces in cities, regions and other areas. 10 years ago, we were already talking about solutions that are sustainable and environmentally friendly, improve life quality and have a positive impact on society and the economy, said Mizera.

“It is a cross-cutting perception – the link between the economy, social development, the environment and ecology,” Mizera said. The dominant smart technologies in Slovak cities are public lights, flashing pedestrian crossings, electronic public services, Wi-Fi coverage, parking systems, shared services, and technologies for energy savings and environmental waste management.

While Nordic countries have implemented the smartest ideas, in late-September the Smart Cities

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klub, which is a Slovak supporting platform, signed a memorandum of cooperation with the Smart City Norway Network in order to benefit from Norwegian knowledge and technology, the TASR newswire reported.

Successful startups

Slovak startups are not lagging behind. Mizera pointed to Ecocapsule, an egg-shaped micro-house that utilises solar and wind energy, collects rainwater into a water tank and allows owners to live out of reach of infrastructure. One of its developers, Igor Žáček, also works on the Nice Visions project of the solar facade.

Another construction startup is Domotron, a system of home technology management that includes lighting, heating and cooling, louvre windows, ventilation, security, audio, irrigation and energy saving. In the field of transport, C2i manufactures carbon-based components for cars in Dunajská Streda. In addition, Mizera mentioned the developed ecological and local agriculture, wastewater treatment plants, bikesharing, carsharing and wooden ski manufacturer Forest Skis. In the IT sector, Decent is a startup with its own blockchain infrastructure that made the first Slovak initial coin offering (ICO).

ICO is the cryptocurrency's equivalent to the initial public offering, used to earn funds from individual investors by selling digital tokens.

"Such blockchain infrastructure is environmentally friendly compared to bitcoin as people do not need much to mine currency," Mizera said.

Mining gains additional cryptocurrencies from cryptocurrency payments for solving puzzles generated by the cryptocurrency network.

Education and edification needed

Interest in cleantech depends on education as people can gain a better understanding of the impact of this technology during environmental lessons in schools, educational programmes and courses, according to Mizera. Another necessary element is the edification on the topics of renewable resources, energy savings and IoT technologies.

In 2016, during Slovakia's Presidency of the Council of the European Union (SK PRES), the Environment Ministry started the so-called edifying Bratislava Green Economy Process, within which it plans to conduct international conferences, including those under the Transition to Green Economy (T2gE) initiative.

In 2017, the ministry, together with the United Nations Industrial Development Organization (UNIDO), the Economic Ministry and the Embassies of Norway and the Netherlands in Slovakia, organised a conference on the circular economy in the automotive sector "Driving towards circularity".

Currently, the ministry is



Source: SME - Jozef Jakubčo

preparing strategic documents, such as the Strategy of Environmental Policy of Slovakia Until 2030 and Low-Carbon Development Strategy of Slovakia Until 2030 With a View to 2050.

The Slovak Environmental Agency (SAŽP) provides an information platform for the green economy through which firms can exchange experiences, search for new solutions and new partnerships and disseminate information.

Weak state and legislation

The greatest potential lies in the shift of the business environment to enable innovation, networking, clustering and better collaboration with universities, according to Mizera. Slovakia should apply best practices from Nordic countries, Austria, Switzerland and Germany. For example, Finland has evolved by adopting very strict legislation.

"There should certainly be more stringent legislation and law enforcement in Slovakia," Mizera said. He pointed to China, which invests a third of the world's total cleantech investments. Its market, supported by public interest and affordable prices, receives more than half of the world's traded electric vehicles.

"At present, having a classic car with a combustion engine is much more expensive in China," Mizera said, adding that Norway significantly supports the purchase of electric cars, too.

Subsidies should not distort but start the carbon-free industry, Mizera said. The problem is that the fossil economy is currently one of the most subsidised areas in the world.

We should grasp a vision

Mizera believes that economic affairs still take precedence to ecology in Slovakia. Nordic countries, which are comparable to Slovakia, are already interesting players in many sectors.

While the world is facing climate change, waste and plastic pollution, there is an increasing demand for cleaner solutions.

"In the future, Slovakia needs to return to political and business leaders and try to grasp the cleantech vision," Mizera said.

By Peter Adamovský,
analyst at the Slovak Innovation
and Energy Agency

Source: Solved - The Cleantech Company

Slovak cleantech startups:

Aeromobil - flying car
Carrivederci - carsharing platform
C2i - carbon-based car components
datacity - online information city dashboard
Decent - blockchain ecosystem
Domotron - smart house solution
Ecocapsule - self-sustainable house
EcoHeart - ecological toothbrush
Ekocisticky - ecological wastewater treatment
Foldee - ecological folding e-scooter
Futupilot - bikesharing platform
GA Drilling - plasma-drilling technology developer
Greenway - electric vehicle charging network
ITUD - interactive tool for urban design

Menestor - energy storage solutions
Nice Visions - innovative creative studio developing solar facade
Rain for Climate - global climate restoration solution
SEAK - smart city management platform
Sensoneo - smart waste management
SLE - lighting solutions platform
SmartHead - platform for presentation of CSP projects
Solved - The Cleantech Company - cleantech advisory service
Tercial - ecological wastewater treatment
TrashOut - illegal dumps mapping app
VermiGo - composting and vertical garden
Voltia - electric urban van delivery

DLMU: CELEBRATING 25 YEARS OF TRUST

The number on the bar membership card of one of the founding partners of DETVAI LUDIK MALY UDVAROS (DLMU) reads 0001. During the 25 years of the firm's existence, its partners have contributed considerably to the advancement of the legal profession in Slovakia and raised many accomplished lawyers. We sat down with Dr. Zoltan Ludik, one of the founding partners of the firm, and Mgr. Jakub Maly, who represents the new generation of lawyers at the firm.

How different is practicing law today compared to 25 years ago?

Zoltán Ludik: The early 90s was a period of substantial uncertainty. The laws were changing rapidly. This was also a period when the foundations of modern advocacy were being laid down; some of our partners have participated in drafting of the Slovak Act on Advocacy or helped establish the Slovak Bar Association. Slovakia joining the EU was an important milestone, which led to the adoption of crucial European doctrines and principles and the establishment of Slovakia as a much more trustworthy partner in the eyes of our clients. The effort to adopt e-government and electronic communication with courts is also noteworthy. What's changed in our firm? We are one of the oldest Slovak law firms and during our 25 years of practicing law, we have trained many talented, young people, some of which became accomplished and successful attorneys. Almost all the founding partners take part in the firm to this day and share their knowledge with our younger colleagues.

How have your clients changed? Do they have different expectations now than in the past?

ZL: In the past, Slovakia was regarded as a great big unknown. Almost all commerce was conducted through Prague, the capital of the former federation. After the dissolution of Czechoslovakia in 1993, an unusual situation occurred. Companies that had previously conducted business in Slovakia and intended to continue doing so were forced to establish daughter companies or separate entities, which posed a certain challenge. Clients have often commissioned attorneys as directors or board members to ensure that the duties are performed with due care and diligence and in a manner compliant with the applicable legislation. International clients have much better situational awareness today, with many locals involved

in managerial duties, as opposed to before when these duties were performed mostly by foreigners. The expectations of the clients remain the same, however. They want their interests to be protected to the maximum extent and matters to be resolved in a reliable and efficient manner. The most notable difference is the problems or queries our clients turn to us with are more complex in nature.



Zoltán Ludik, partner

What about the problem with enforcement of law and excessively lengthy court proceedings?

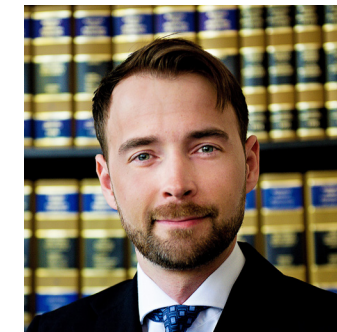
ZL: Legal certainty has gotten better, although there still is plenty of space for improvement. The handling of the commercial registry agenda is certainly worth noting. The company's foundation, transfer of shares and registration of changes used to take months, sometimes even years to complete. Today, it's a matter of days thanks to digitalization of proceedings and communication with the registry courts.

Jakub Malý: Alternative dispute resolution options have contributed to the enhancement of legal certainty while simplified and accelerated proceedings have aided the process of debt collection and receivables recovery. The so-called "anti-shell company law" (protišchránkový zákon) aims to bolster transparency and introduce a sense of decency in public procurement.

Do you concentrate on different areas of law than you did in the past?

ZL: We have always aimed to provide our clients with a compre-

hensive service that meets their needs, therefore the firm's main areas of practice have grown to include data protection and certain "industry specific" matters. **JM:** The affairs that our clients entrust us with essentially follow the current trends in the economy. The positive outlook may be visible in the recent real estate "boom". We have advised our clients on a significantly higher



Jakub Malý, partner

number of real estate transactions compared to five years ago. Noticeable increase in the volume of labour and employment agenda is attributed to the dynamic development in the labour market. A strong domestic and international economy has manifested itself in the high number of M&A (mergers & acquisitions) transactions we have advised our clients on. One of the notable challenges that lie ahead will be the need to deal with the consequences of Brexit.

Is it difficult to maintain clientele when the multi-national companies generally use international law firms even in Slovakia?

ZL: Large corporations (and an increasing number of small to medium-size companies) demand a certain level of service. This includes specific formal requirements and expectations for their matters to be handled and communicated in a certain way.

In-depth knowledge of not only laws but also local and international customs is a necessity. We advise many of our colleagues from abroad, including international law firms and their clients. They value many years of experience and perceive our firm as a stable and reliable partner.

Has the internal structure and workflow changed in any way? What were the influences?

ZL: We attend international conferences and forums, keep up to date with current trends in the trade. We have always strived to employ new technology and accommodate the needs of our clients, including those stemming from their corporate culture, which resulted in the adoption of certain elements in our firm as well.

JM: The technology and implementation of innovations in an effort to serve our clients as efficiently as possible has definitely influenced our workflow. Higher availability and mobility is an essential factor.

What is the most valuable asset of a law firm in general?

ZL: Reliability and dependability. The clients must have confidence that the firm safeguards their interests at all times. The attorney must not fear power and authority. We have represented clients in disputes against the state, since we have no conflict of interest (we do not provide legal services to the government). The attorney must always remain independent from the influence of third parties and the authorities, loyal to the client while maintaining confidentiality.

The founding partners of the firm have had a major influence on the development of the modern legal profession in Slovakia. One of the partners served for 20 years as the president of the Slovak Bar Association, other partners as disciplinary committee members at the Supreme court. Has this benefited the firm in any way or do you perceive it as detrimental?

ZL: Although the performance of these duties posed many challenges, it's been an honour to contribute in this way.

THE SLOVAK SPECTATOR

10 LARGEST LAW FIRMS

IN SLOVAKIA 2018

FINANCIAL DATA PROVIDER



GENERAL PARTNER

SOUKENÍK - ŠTRPKA 

CONTENT ADVISOR



10 LARGEST LAW FIRMS IN SLOVAKIA 2018

1. SOUKENÍK - ŠTRPKA
2. Advokátska kancelária RELEVANS
3. RUŽIČKA AND PARTNERS
4. Allen & Overy Bratislava
5. Dentons Europe CS LLP
6. Škubla & Partneri
7. PETERKA & PARTNERS
8. Barger Prekop
9. TaylorWessing e/n/w/c advokáti
10. PRK Partners

This ranking of the 10 largest law firms in Slovakia was created based on five factors derived from 2017 data to which we gave different weights: number of attorneys (36% weight); number of law graduates (practising longer than 3 years) besides attorneys (18% weight); number of law graduates (practising less than 3 years) besides attorneys (6% weight); sales revenue (25% weight); net profit per partner (15% weight). A few law firms decided not to provide information and are not included in this ranking.

THE SLOVAK SPECTATOR

10 LARGEST LAW FIRMS

IN SLOVAKIA 2018

10 LARGEST LAW FIRMS BY REVENUE*

1. Advokátska kancelária JUDr. Radomír Bžán
2. Allen & Overy Bratislava
3. ADV. KANCELÁRIA DVORECKÝ & PARTNERI
4. Advokátska kancelária RELEVANS
5. SOUKENÍK - ŠTRPKA
6. Kinstellar
7. RUŽIČKA AND PARTNERS
8. White & Case
9. Dentons Europe CS LLP
10. Barger Prekop

* sales revenue in 2017 (based on data from FinStat s.r.o.)

10 LARGEST LAW FIRMS BY PROFIT* PER PARTNER**

1. Advokátska kancelária JUDr. Radomír Bžán
2. Advokátska kancelária RELEVANS
3. SELTON legal
4. Advokátska kancelária ECKER - KÁN & PARTNERS
5. ADVOKÁTSKA KANCELÁRIA DVORECKÝ & PARTNERI
6. Advokátska kancelária Gábor Gál
7. IKRÉNYI & REHÁK
8. LEGATE
9. Dentons Europe CS LLP
10. Škubla & Partneri

* net profit in 2017 (based on data from FinStat s.r.o.)

** includes only partners with share on profit

10 LARGEST LAW FIRMS BY PROFIT*

1. Advokátska kancelária JUDr. Radomír Bžán
2. Advokátska kancelária RELEVANS
3. IKRÉNYI & REHÁK
4. Hillbridges
5. Barger Prekop
6. SELTON legal
7. Advokátska kancelária ECKER - KÁN & PARTNERS
8. ADV. KANCELÁRIA DVORECKÝ & PARTNERI
9. TaylorWessing e/n/w/c advokáti
10. METIS Legal

* net profit in 2017 (based on data from FinStat s.r.o.)

10 LARGEST LAW FIRMS

NUMBER OF LAW GRADUATES

IN SLOVAKIA 2018

		Number of law graduates	Number of attorneys	Law graduates* besides attorneys (practice > 3 years / practice < 3 years)
NUMBER OF LAW GRADUATES	1. SOUKENÍK - ŠTRPKA	60.33	26.92	33.41 (19.33 / 14.08)
	2. Advokátska kancelária RELEVANS	34.42	18.5	15.92 (13.92 / 2)
	3. RUŽIČKA AND PARTNERS	33.34	26.75	6.59 (4.92 / 1.67)
	4. TaylorWessing e/n/w/c advokáti	22.09	10.42	11.67 (6.67 / 5)
	5. Allen & Overy Bratislava	22.08	15.08	7 (3 / 4)
	6. Škubla & Partneri	21	14.42	6.58 (2 / 4.58)
	7. PRK Partners	20.33	13	7.33 (3 / 4.33)
IN SLOVAKIA 2018	8. PETERKA & PARTNERS	19.92	14.5	5.42 (4 / 1.42)
	9. HAVEL & PARTNERS	19.5	9.5	10 (3.8 / 6.2)
	10. HMG LEGAL	18.33	7.08	11.25 (5.58 / 5.67)

* average number of full-time law graduates in 2017 (including law graduates who cooperate with a firm on a daily basis with an exclusive contract)

THE SLOVAK

SPECTATOR

10

LARGEST

INTERNATIONAL

LAW FIRMS

IN SLOVAKIA

2018

10 LARGEST INTERNATIONAL LAW FIRMS IN SLOVAKIA 2018				
An international law firm has at least two of its own offices outside the V4 region territory (Slovakia, Czechia, Poland and Hungary)				
1. Allen & Overy Bratislava				
2. Dentons Europe CS LLP				
3. PETERKA & PARTNERS				
4. TaylorWessing e/n/w/c advokáti				
5. Kinstellar				
6. White & Case				
7. bnt attorneys-at-law				
8. Ernst & Young Law				
9. Deloitte Legal				
10. Noerr				
This ranking of the 10 largest international law firms in Slovakia was created based on five factors derived from 2017 data to which we gave different weights: number of attorneys (36% weight); number of law graduates (practising longer than 3 years) besides attorneys (18% weight); number of law graduates (practising less than 3 years) besides attorneys (6% weight); sales revenue (25% weight); net profit per partner (15% weight). A few law firms decided not to provide information and are not included in this ranking.				

10 LARGEST INTERNATIONAL LAW FIRMS BY REVENUE*
1. Allen & Overy Bratislava
2. Kinstellar
3. White & Case
4. Dentons Europe CS LLP
5. TaylorWessing e/n/w/c advokáti
6. PETERKA & PARTNERS
7. PRK Partners
8. Squire Patton Boggs
9. Ernst & Young Law
10. Noerr

* sales revenue in 2017 (based on data from FinStat s.r.o.)

10 LARGEST INTERNATIONAL LAW FIRMS BY PROFIT* PER PARTNER**
1. Dentons Europe CS LLP
2. Allen & Overy Bratislava
3. Rödl & Partner Advokáti
4. TaylorWessing e/n/w/c advokáti
5. PricewaterhouseCoopers Legal
6. Ernst & Young Law
7. PETERKA & PARTNERS
8. Kinstellar
9. Noerr
10. bnt attorneys-at-law

* net profit in 2017 (based on data from FinStat s.r.o.)

** includes only partners with share on profit

10 LARGEST INTERNATIONAL LAW FIRMS BY PROFIT*
1. TaylorWessing e/n/w/c advokáti
2. Dentons Europe CS LLP
3. Allen & Overy Bratislava
4. Kinstellar
5. Rödl & Partner Advokáti
6. PETERKA & PARTNERS
7. Noerr
8. bnt attorneys-at-law
9. PricewaterhouseCoopers Legal
10. Ernst & Young Law

* net profit in 2017 (based on data from FinStat s.r.o.)

10 LARGEST INTERNATIONAL LAW FIRMS		Number of law graduates*	Number of attorneys	Law graduates* besides attorneys (practice > 3 years / practice < 3 years)
NUMBER OF LAW GRADUATES	1. TaylorWessing e/n/w/c advokáti	22.09	10.42	11.67 (6.67 / 5)
	2. Allen & Overy Bratislava	22.08	15.08	7 (3 / 4)
	3. PETERKA & PARTNERS	19.92	14.5	5.42 (4 / 1.42)
	4. Dentons Europe CS LLP	18.25	12.92	5.33 (2 / 3.33)
	5. Deloitte Legal	15.59	7.92	7.67 (4 / 3.67)
	6. White & Case	14.58	10	4.58 (3.58 / 1)
	7. bnt attorneys-at-law	14	11	3 (0 / 3)
IN SLOVAKIA 2018	8. Kinstellar	13.75	9.25	4.5 (2.17 / 2.33)
	9. Ernst & Young Law	13	8.17	4.83 (2 / 2.83)
	10. Noerr	10.92	7	3.92 (3.42 / 0.5)

* average number of full-time law graduates in 2017 (including law graduates who cooperate with a firm on a daily basis with an exclusive contract)

THE SLOVAK

SPECTATOR

10

LARGEST

LOCAL

LAW FIRMS

2018

10 LARGEST LOCAL LAW FIRMS 2018				
A local law firm has offices mostly within the V4 region territory (Slovakia, Czechia, Poland and Hungary)				
1. SOUKENÍK - ŠTRPKA				
2. Advokátska kancelária RELEVANS				
3. RUŽIČKA AND PARTNERS				
4. Škubla & Partneri				
5. Barger Prekop				
6. IKRÉNYI & REHÁK				
7. PRK Partners				
8. Hamala Kluch Víglaský				
9. ČECHOVÁ & PARTNERS				
10. HMG LEGAL				
This ranking of the 10 largest local law firms was created based on five factors derived from 2017 data to which we gave different weights: number of attorneys (36% weight); number of law graduates (practising longer than 3 years) besides attorneys (18% weight); number of law graduates (practising less than 3 years) besides attorneys (6% weight); sales revenue (25% weight); net profit per partner (15% weight). A few law firms decided not to provide information and are not included in this ranking.				

10 LARGEST LOCAL LAW FIRMS BY REVENUE*
1. Advokátska kancelária JUDr. Radomír Bžán
2. ADV. KANCELÁRIA DVORECKÝ & PARTNERI
3. Advokátska kancelária RELEVANS
4. SOUKENÍK - ŠTRPKA
5. RUŽIČKA AND PARTNERS
6. Barger Prekop
7. IKRÉNYI & REHÁK
8. Adv. kancelária ECKER - KÁN & PARTNERS
9. Škubla & Partneri
10. Hillbridges

* sales revenue in 2017 (based on data from FinStat s.r.o.)

10 LARGEST LOCAL LAW FIRMS BY PROFIT* PER PARTNER**
1. Advokátska kancelária JUDr. Radomír Bžán
2. Advokátska kancelária RELEVANS
3. SELTON legal
4. Advokátska kancelária ECKER - KÁN & PARTNERS
5. ADVOKÁTSKA KANCELÁRIA DVORECKÝ & PARTNERI
6. Advokátska kancelária Gábor Gál
7. IKRÉNYI & REHÁK
8. LEGATE
9. Škubla & Partneri
10. HMG LEGAL

* net profit in 2017 (based on data from FinStat s.r.o.)

** includes only partners with share on profit

10 LARGEST LOCAL LAW FIRMS BY PROFIT*
1. Advokátska kancelária JUDr. Radomír Bžán
2. Advokátska kancelária RELEVANS
3. IKRÉNYI & REHÁK
4. Hillbridges
5. Barger Prekop
6. SELTON legal
7. Advokátska kancelária ECKER - KÁN & PARTNERS
8. ADV. KANCELÁRIA DVORECKÝ & PARTNERI
9. METIS Legal
10. PRK Partners

* net profit in 2017 (based on data from FinStat s.r.o.)

10 LARGEST LOCAL LAW FIRMS		Number of law graduates*	Number of attorneys	Law graduates* besides attorneys (practice > 3 years / practice < 3 years)
NUMBER OF LAW GRADUATES	1. SOUKENÍK - ŠTRPKA	60.33	26.92	33.41 (19.33 / 14.08)
	2. Advokátska kancelária RELEVANS	34.42	18.5	15.92 (13.92 / 2)
	3. RUŽIČKA AND PARTNERS	33.34	26.75	6.59 (4.92 / 1.67)
	4. Škubla & Partneri	21	14.42	6.58 (2 / 4.58)
	5. PRK Partners	20.33	13	7.33 (3 / 4.33)
	6. HAVEL & PARTNERS	19.5	9.5	10 (3.8 / 6.2)
	7. HMG LEGAL	18.33	7.08	11.25 (5.58 / 5.67)
2018	8. Barger Prekop	17.75	11.67	6.08 (4.5 / 1.58)
	9. Hamala Kluch Víglaský	17.25	8	9.25 (9.25 / 0)
	10. ČECHOVÁ & PARTNERS	17.08	10.25	6.83 (4.83 / 2)

* average number of full-time law graduates in 2017 (including law graduates who cooperate with a firm on a daily basis with an exclusive contract)

Zero-tolerance for corruption is an unrealistic aim

A top lawyer's view on Slovakia's business environment, including the lack of a qualified workforce, corruption, business laws, and security.

The right to privacy is the biggest challenge of our time, and personal data protection is just a small part of it, says Peter Štrpka, one of the founding partners of the Soukeník-Štrpka law firm, which regularly places among Slovakia's top law firms in the rankings.

The Slovak Spectator (TSS): One of the main issues that businesses active in Slovakia are dealing with is the lack of a qualified labour force. Is that a problem that also concerns a law firm like yours?

Peter Štrpka (PŠ): Very seriously so. In our early years, we had tens to hundreds of candidates for a job position. Nowadays, it's a recruitment rather than selection process. We even need to work with headhunters to try and find good people and win them over from our competitors. This is a new situation that started in the past two or three years. It might be due to demographics, and the sociological problem of our generation postponing children until later. Young people nowadays also seem happy being average, and I don't mean that scornfully, I understand them. They are also sceptical and say there is no room for them on the market.

TSS: Is that true?

PŠ: I remember having similar thoughts when my partner David Soukeník and I started in 2003. We thought, what a shame we're not in the year 1990, we don't have the opportunities that the older generation, now in their sixties, had. They populated the market and left no chance for us. But we came up with something new. We wanted to be innovative in the legal



Source: Courtesy of Soukeník-Štrpka, s.r.o.

business, to turn this into a big company and invest our money in it.

TSS: How was it, starting your business from scratch?

PŠ: In 2002, David and I agreed on a partnership within the BL Consulting advisory company. Neither of us had a bar licence at that time, so we started our company in 2003 after David successfully passed the bar exam. By that time, competition was tough on the legal services market. We did not fear big challenges,

hiring new people or taking risks. In hindsight, I chalk our quick start up to our youthful enthusiasm, innovative approach and the will to work hard every day, including weekends. We have been lucky with the people who have worked for us and the people we worked for. Our cooperation with successful clients was key to our firm's success. We aimed to build a firm with a large number of lawyers, each with a professional specialisation, applying an active approach to clients while using modern technology. There

was a gap in the market of doing law this way 15 years ago. The old-style barristers, one-man law firms, are now disappearing and lawyers are joining forces. A firm like ours is now standard in the market of legal services.

TSS: You say you now have difficulty finding good lawyers. What is the problem?

PŠ: There are too many law schools in Slovakia, six of them, which is nonsense. For this market, we could easily do with two public schools and

one private school, to preserve competition. There are many lawyers, but most of them are useless in business. And then you need to think of barristers as one of many legal professions, and a very complicated and demanding one, with no certainty and little security in terms of business. That uncertainty discourages many young people. That is also why we, in a big company, try to offer some level of security to our young lawyers, as a benefit for the people who have their mortgages and want to start their lives somehow. We set our system the way it works abroad – barristers are also people who have some business drive, who can get clients and take care of them, but then there are people in our law firm who do the actual work on files and who might not be successful as barristers on their own, but in a firm like ours, they are an essential part of the team.

TSS: What are the most common concerns or questions that foreign companies ask you when they are considering entering the Slovak market?

PŠ: Foreign clients tend to make comparisons. Most often they have difficulties understanding the still extremely tough red tape, the turbulence due to frequent changes in business-environment-related laws, and instability of legislation. This is one of their biggest fears, that they will enter into some kind of status quo, but we cannot guarantee that it will remain unchanged, whereas at home they might be used to a more stable environment. Another thing is our judicial system. We warn clients who consider doing business in Slovakia that there might be problems if there is a lawsuit. In such cases, though, we try to act as mediators and keep people out of courts; we try to explain to them that it is wiser to go for a compromise. We're not typical barristers in that sense.

TSS: The most frequent complaints that investors in

Slovakia voice are about law enforcement and the state of the judiciary. Has this improved?

PŠ: I see an improving trend.

In our early years, it could take weeks or even months to list a company in the Business Register. Today, we seem to have forgotten things that used to complicate the business environment in the past, and many have been resolved. Land registry offices have moved forward, many things can be done fast online. There has been much improvement regarding the agenda that is not related to lawsuits and legal disputes, even though it could be much faster. Problems arise when it comes to lawsuits and cases. Courts deal with things that in my view are not really conflicts, meaning all the statistics about the length of court processes are deformed and do not have much telling power. An actual case, a dispute between two parties, can take several years to be resolved.

TSS: Another thing that often resonates among investors is problems with transparency and corruption.

PŠ: There are several levels of corruption. One is when I try to make someone do things for my benefit other than according to the law. Second is doing something earlier than it can or should be done. Next are overpriced state orders. Some of this is irremovable, because it is part of human nature. It's impossible to get to zero tolerance, in any democratic country. The point is to make it an exception, a marginal thing, or a socially acceptable level of corruption that is not running the system. I am far from seeing an idealistic picture of a country where nobody ever does anything for a friend or a relative. But it should be a secondary matter, an exception that does not harm the system, rather than the essence of the way the system works. A system built on corruption can never work.

TSS: Politicians tend to say that Slovakia has above-standard legislation in transparency, like

the publishing of contracts or register of partners of the public sector. Are our laws really that good?

PŠ: I consider them sufficient, in some ways unique. It creates space for society to be sustainable, opens up information that society can work with and use to put pressure on those who feel untouchable and who feel they can do whatever they want. The laws we have are a good warning sign – the contracts are public, anyone can take a look, like journalists or NGOs. This is the case for the info-law and register of partners of the public sector. However, any law is effective only to the extent to which it is enforced.

TSS: When these laws were introduced, the main concern was that they would pose another bureaucratic burden for companies and hinder business.

PŠ: The register is another duty that was added, and it is neither simple nor cheap. On the other hand, it only concerns those who want to do business with the state. I believe that the right of the state to know who they are doing business with outweighs the right of the individual not to be bothered with some additional red tape. I understand it posed a new burden on businesses and I believe it can be done differently. There are too many registers. It would be enough to have one register gathering all the information the state needs, without introducing special registers. But that would only make the existing system more efficient. It is not an argument against the register of partners of the public sector.

TSS: The most discussed issue around the EU this year was the GDPR. Is personal data protection sufficient? Could it become a hindrance to business?

PŠ: As a lawyer and citizen, the main concern of our times is the loss of the right to privacy. Personal data protection is only part of the right to privacy. I do not see the new rules around

the GDPR as an obstacle for businesses, although they do make doing business harder. Small and medium-sized companies tend to suffer due to the implementation of the GDPR rules the most, since they are forced to spend a relatively large amount of money and time for extensive documentation. Bigger clients have the financial and personnel means to treat GDPR implementation more responsibly, but they are then faced with demanding red tape and lack of application of the new rules.

TSS: What are the positives of the new rules?

PŠ: I would see GDPR positively if it applied to these big companies, transnational corporations, internet services and IT app providers and companies doing business in specific areas, like health-care providers. GDPR was needed to define the complex framework of personal data processing in the EU, but the practical and real personal data protection is still only being created.

TSS: So what about the right to privacy? What are your main concerns?

PŠ: When I was younger I read 1984 by Orwell thinking it described the regime we lived under before 1989. Recently, I read it again and it strikes me as a description of a regime we are headed towards. If the state is to have access to everything, from your bank account, the history of your credit card payments, information about your movement, thanks to your phone's GPS. It seems like humans of the 21st century have understood the dilemma between security and privacy. We are experiencing it now, linked to the Kuciak case. Thanks to the suppressed right to privacy, we are able to find and accuse the perpetrators. On the other hand, there will be more and more people who will want to stay outside the system.

By Michaela Terenzani

Top law deals: Slovak google, meds, and bonds

The sale of the Zentiva company to American investors, the launch of the automotive factory Jaguar Land Rover in Nitra and the development of world-known Slovak hi-tech companies GA Drilling and Ecocapsule: these are just a few of the 50 biggest or most important transactions that Slovakia's largest law firms were involved with.

In 2018, transaction consultancy for mergers and acquisitions dominated the deals. Lawyers advised clients during transactions in telecommunications, pharmaceutical business, energy sector, automotive industry, finance and retail. In several cases it concerned the sale of companies whose services are used by thousands of clients, such as the merger of the Benestra and Swan mobile operators, the fusion of insurance companies NN and Aegon, or the sale of the Zvolenská Mliekareň dairy producer.

The list of the top 50 biggest and most important deals also includes real estate transactions, ground-breaking court cases and advice in financing real estate projects. Among these were the development of the Sky Park skyscrapers authored by the Zaha Hadid studio and the new neighbourhood Nuppu in the Bratislava district of Ružinov.

Japanese capital comes in

Several of the top deals are worth hundreds of millions of euros. Significant for the Slovak industry is the sale of the world-known producer of compressors, Embraco. The American producer of household appliances Whirlpool sold the company to the Japanese producer of electrical engines, Nidec Corporations, for USD1.08 billion. The Japanese bought their plants in Brazil, China, Mexico, and Slovakia. The transaction was supervised by the Kinstellar law firm. Embraco employs 2,300 people in the eastern-Slovak town of Spišská Nová Ves and the local



Ecocapsule mobile home (Source: SME)

plant also comprises a development centre for cooling compressors. Nidec has also owned a factory in Zlaté Moravce since 2017, employing some 1,000 people. The company thus employs altogether more than 3,300 people in Slovakia, making it one of the top 20 biggest private employers in the country.

Kinstellar also provided advisory services in another transaction with a wide impact on society – the Dutch insurance company Nationale Nederlanden (NN) hired the firm to help them purchase the Aegon insurer in the Czech Republic and in Slovakia. The transaction is worth €155 million and it concerns some 250,000 clients.

Meds, internet, yoghurts

The Dentons law firm, the fifth biggest in the country according to the ranking compiled by The Slovak Spectator for the Investment Advisory Guide 2018, advised the pharmaceutical firm Sanofi with the sale of its Zentiva division, active in 50 countries of the world and with the strongest position in central/eastern Europe, particularly the Czech Republic, Slovakia, and Romania.

Zentiva is responsible for the production and distribution of generic drugs, that is medication that have the same effect as original drugs but are only released on the market when the patent protection of the original drug expires. Zentiva

produces, among other drugs, Paralen, the best-selling over-the-counter medication in Slovakia. The value of the transaction is estimated at €1.9 billion. American company Advent International bought Zentiva.

Another deal, the merger of the Benestra and Swan companies, gave rise to the fourth biggest telecommunications operator in Slovakia. The change affected tens of thousands of households. The deal was supervised by the Relevans law firm, the second biggest in the country. The value of the transaction has not been published, but it is estimated at several hundreds of thousands of euros.

The Peterka & Partners law firm, the seventh biggest in the ranking, advised the American company Schreiber Foods in the sale of the Zvolenská Mliekareň dairy producer, which the Americans bought in 2015. They sold the plant to the long-term Slovak managers of Zvolenská Mliekareň.

Penta bought Tesco's pharmacies

The Škubla & Partneri law firm, the fifth biggest in Slovakia, advised the pharmacy chain Dr. Max, owned by the Penta Investments group, during their purchase of 11 Slovak pharmacies from British Tesco, the biggest retail chain in Slovakia.

The PRK Partners law firm, the 10th biggest in the country, secured

the complex legal advisory for the Swiss-German publishing house Ringier Axel Springer when it purchased the advertising websites Autobazar.eu and TopReality.sk from their competitor, the News & Media Holding publishing house.

Slovak Google and Ecocapsule

The GA Drilling company has been nicknamed the Slovak Google, even though its business is not in information and communication technologies. It is, however, expected to achieve success around the world much like the American internet giant Google. GA Drilling is developing a unique way of drilling and cutting with the use of phlasma. The technology is expected to bring a ground-breaking change to the mining industry.

In recent months, GA Drilling passed another investment round, assisted by two major law firms. Allen & Overy, the fourth biggest in the ranking, advised the state-run investment companies SRZB Asset Management and Slovak Investment Holding with their first investment into GA Drilling. TaylorWessing, the ninth biggest law firm, advised the other side of the transaction, for GA Drilling.

Attorneys from Peterka & Partners advised another world-known startup from Slovakia, the Ecocapsule company, that develops and produces a self-sufficient ecological mobile home.

Korbačka shops in Spain

The top deals in real estate are dominated by “the legal advisory to the buyer of three shopping centres in Spain for €500 million”. Even though the Relevans law firm did not specify who the client was, the Spanish media reported that it was the real estate tycoon Peter Korbačka who started with J&T.

By the time the Investment Advisory Guide went to print it was not clear whether Korbačka bought shopping centres in Zaragoza, Bilbao and Santander together with his partners in the J&T Real Estate developer group, or on his own through the Eurovea company.

The Ružička and Partners law firm, the third biggest in the ranking, advised the Health Ministry in the development of the new University Hospital, and court cases connected with the project worth €20 million. The construction of the hospital is to cost €343 million and the facility is to be built in Bratislava's Rázsochy.

Sporiteľňa a ZSE issued bonds

The highest value among the top 50 deals of local lawyers is attached to the advisory services for Slovenská Sporiteľňa, the biggest bank on the Slovak market. The Allen & Overy law firm advised it in the long-term programme of issuing bonds with a cumulative value of €5 billion.

The same law firm also advised the Citigroup bank with the emissions of bonds for the ZSE electric-

ity and gas distributor worth €315 million. This is the third biggest emission of company bonds of the ZSE, all of which are marketed on the Irish stock exchange.

The Dentons law firm provided advisory services to the consortium of banks led by Tatra Banka in providing financing for the National Football Stadium.

The Škubla & Partneri law firm also advised on several significant loan transactions, among them the advisory to the group of banks in financing the “leading media holding in the Slovak Republic”, referring to the News & Media Holding of the Penta Investments group.

Bratislava bypass and Jaguar

Several of the biggest law firms provided advisory services in significant infrastructure projects. Ružička, for instance, has advised the Jaguar Land Rover automotive firm since its arrival to Slovakia, regarding its construction of the Nitra plant worth €1.4 billion.

The government used the services of lawyers from Ružička in dealing with the German automotive plant BMW that negotiated about the construction of the new plant in eastern Slovakia.

Important infrastructure projects also include the 60-kilometre bypass of Bratislava, parts of the D4 highway and R7 dual carriageway around the capital. The construction is provided through a public-private partnership project, with the state paying for the construction and maintenance of the

roads worth €1.7 billion in the next 30 years.

The National Highway Company was advised by the Soukeník – Štrpka law firm regarding this project. The firm is the biggest in Slovakia in the ranking. The other side of the transaction, the consortium consisting of the Spanish company Cintra, the Australian bank Macquarie Capital and the Austrian construction company Porr, was represented by the PRK Partners law firm.

What about court cases?

Several other significant transactions concern litigation at court. Law firms tend to be cautious when reporting about these, and they only provide vague references. The details of the cases in question are thus not known.

Relevans, for instance, represented an unspecified bank in a bankruptcy proceeding regarding a €166-million debt claim. Škubla & Partneri represented an unspecified industry company in cases regarding the unacceptable taxation of excessive emissions quotas.

Dentons law firm represented the original investors of the Gance House apartment building in Bernolákovo, who were stripped of their property by a group around Marián Kočner. Developer Róbert Číž, who built the property, has been stripped of charges for alleged fraud. His criminal prosecution was initiated by people around Kočner.

Soukeník – Štrpka mentioned “representing the Health Care

Surveillance Authority in a case for damages” worth €280 million. The firm did not publish details about the case, but publicly accessible sources show that it is the case involving the Flow company. In 2016, the surveillance authority dismissed the request for a licence from a new health insurer, Vivia.

Bžán a Dvorecký

TaylorWessing represented the state agency MH Manažment in its lawsuits regarding the €17.6-million reward for the law firm of Radomír Bžán for representing Slovakia in the case regarding the hydro power plant in Gabčíkovo.

Thanks to the fee from the state, the Bžán firm saw its revenues grow by 474 percent, since the state paid the firm a bigger part of the controversial reward. Prosecutors, however, blocked the money on its account immediately and the state demanded the firm to return the money.

Revenues grew even more steeply for the Dvorecký & Partneri law firm, from €900,000 to €7.1 million, by 697 percent. This is also due to a controversial reward linked to the law services for the National Property Fund in the lawsuit regarding the privatisation of the Bratislava cargo shipyard.

In reaction to these cases, the Justice Ministry proposed rules for state officials that should limit them in agreements concerning payments of rewards in big lawsuits.

By Adam Valček

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	Deal 1					Deal 2					Deal 3					Deal 4					Deal 5				
Názov (v abecednom poradi) www																									
Company (listed alphabetically) www	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other
Advokátska kancelária RELEVANS s.r.o.	•									•						•									•
www.relevans.sk	Legal advisory to buyer in relation to the purchase of three shopping centres in Spain (app. €500 mil.).					Legal advisory in creation of joint enterprise of shareholders of Benestra and SWAN, which created the 4th biggest operator in Slovakia.					Representing MCH in a dispute over damages of > €50 mil. due to profit payment restrictions to shareholders of private health insurance company.					Representing a bank for its €166 mil. receivable in an insolvency proceeding.					Legal advisory to a Slovak real estate developer in relation to creation of Eurovea City in Bratislava.				
Allen & Overy Bratislava, s.r.o.				•		•					•									•					•
www.allenover.com	Advising SZRB Asset Management/ Slovak Investment Holding on the first venture capital investment in company GA Drilling a.s.					Advising Západoslovenská energetika on the acquisition of the largest combined heat and power plant in Slovakia from E.ON.					Advising a financial institution on the possible acquisition of Fincentrum.					Advising Citigroup and other lead managers on €315 mil. eurobond issuance of Západoslovenská energetika.					Advising Slovenská sporiteľňa as the issuer and dealer on establishment of its €5 bn debt securities issuance programme.				
Dentons Europe CS LLP, organizačná zložka			•							•	•						•								•
www.dentons.com	Representing the consortium of banks led by Tatra banka in connection with the financing of the construction of the Slovak National football stadium.					Civil and criminal defence of prosecuted investors in Glance House case for alleged fraud in the transfer of business shares in several companies.					Advising CNIC Corporation Ltd on purchase and subsequent financing of Prologis Park Galanta-Gáh, the largest logistics asset ever sold in the CEE.					Advising Sanofi across several European jurisdictions on regulatory, competition, contract, employment, and GDPR for generic division business sale.					Advising YIT Slovakia on creation of Nuppu (700 apartments), project Zwirn (258 apartments in first phase).				
Kinstellar, s.r.o.		•				•						•				•									
www.kinstellar.com	E.ON Group - sale of a CCGT power plant in Malženice to the regional power producer and distributor, Západoslovenská energetika (ZSE).					Veolia Energie International - acquisition of PPC Investments, which owns and operates a combined cycle, natural gas-fired power plant in Bratislava.					ProLogis - sale of portfolio of logistic properties in Galanta - Gáh to Chinese investor CNIC.					Nidec Corporation - USD1.08 bn acquisition of the Brazilian compressor business, Embraco, from Whirlpool Corporation.					Nationale-Nederlanden - acquisition of Aegon's life insurance and pension businesses in Slovakia and the Czech Republic.				
PETERKA & PARTNERS advokátska kancelária s.r.o. organizačná zložka			•							•		•													•
www.peterkapartners.com	Advising Bibby Financial Services, a major UK financial services company, on €150 mil. loan facility provided by HSBC.					Advising YCE HOUSING I, a Finnish fund managing real estate investment and development funds, in relation to 4 major projects in Bratislava.					Advising Schreiber Foods, global producer of dairy products, in the sale of its Slovak subsidiary to local Slovak management.					Assistance provided to the founders of Ecocapsule, prize-awarded Slovak startup, active in development of mobile, ecological off-grid housing.					Advising Constellium, global leader in innovative aluminium products for automotive sector, on long-term lease and expansion in Slovakia.				
PRK Partners s.r.o.		•								•						•									•
www.prkpartners.com	PRK Partners advised SABMiller group in relation to the sale of its CEE businesses, including Pížeňský Prazdroj and Pivovary Topvar (€7.3 bn).					Providing complex legal advice to the Consortium consisting of Cintra, Macquarie and Porr in relation to the PPP D4/R7 Project (€1.7 bn).					Legal support in relation to an acquisition of Autobazar.eu and TopReality.sk of the leading digital publisher.					Legal consulting, including a legal review on indirect sale of Slovak subsidiary.					Legal consulting on the intra-group reorganisation and transfer of shares within the Slovak company.				
RUŽIČKA AND PARTNERS s. r. o.			•							•			•												•
www.r-p.sk	Advising the Slovak Ministry of Health on the development of a new university hospital in Bratislava (€250 mil.) and related lawsuits (€20 mil.).					Advised a leading global car producer on its major investment in Slovakia (€1.5 bn).					Advising the government on potential greenfield investment of BMW in Slovakia.					Advised J&T Real Estate on preparation of its approx. €1 bn investment in central Bratislava, focusing on obtaining the significant investment status.					Advising Prologis, the global leader in industrial logistics real estate, in connection with several developments in Slovakia.				
Škubla & Partneri s. r. o.				•						•	•														•
www.skubla.sk	Related to tax on greenhouse gas emissions. Representing a major producer in a dispute against the Slovak Republic before Slovak Courts and CJ EU.					Complex one stop-shop legal advice on the construction of Sky Park, an exceptional residential and administrative project designed by Zaha Hadid.					Complex legal advice for Slovak banks on the acquisition and restructured financing of a Central European Holding active in entertainment.					Advising a syndicate of banks on financing of a leading media holding and its activities on the Slovak market and acquisition refinancing.					Advising client on partial acquisition of a retail pharmacy chain from a UK-based, multinational grocery and general merchandise retailer.				
SOUKENÍK – ŠTRPKA, s. r. o.	•		•		•	•							•												•
www.akss.sk	Legal advice for Národná diaľničná spoločnosť, a.s. (Ministry of Transport and Regional Development) in relation to D4/R7 Project (€1.7 bn).					Legal advice on notice of concentration (€360 mil.).					Legal representation of Health Care Surveillance Authority seeking damages (€280 mil.).					Legal advice in proceedings of the European Commission in matter of offering unlawful state assistance (€166 mil.).					Legal advice in agreement of postponement of recovery of claims (€385 mil.) with English law element.				
TaylorWessing e/n/w/c advokáti s. r. o.			•		•					•	•										•				
www.taylorwessing.com	Advised the subsidiary of a Slovak ministry in a dispute with its legal representatives on the adequacy of legal fee arrangements (€34 mil.).					Advised a Slovak hi-tech company on a ground-breaking technology in the subsequent investment round.					World-leading registry provider for ccTLDs, gTLDs and DotBrands on purchase of the manager of the country code and top-level domain for Slovakia.					Advised producer of high-tech medical equipment on IT-related claims (€13 mil.).					Advised Slovak investment group on purchase of traditional producer and supplier of machine components.				

	Deal 1					Deal 2					Deal 3					Deal 4					Deal 5				
Názov (v abecednom poradi) www																									
Company (listed alphabetically) www	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other	Buy side	Selling side	Government	Creditor/Borrower	Other
Advokátska kancelária RELEVANS s.r.o.	•					•									•						•				
www.relevans.sk	Legal advisory to seller related to the sale of majority package of shares in EPH (app. €3 bn).					Legal advisory to buyer on the acquisition of the multifunctional property Eurovea in Bratislava (app. €360 mil.).					Representing state cargo companies ZSSK Cargo, Inc. and Railway Company Slovakia, Inc., as defendants in a dispute for compensation of damages of more than €82 mil.					Representation of Mr. Grund and Mr. Hruby in "Carlton case" (34 legal proceedings, cumulative value of three main disputes is over € 200 mil.).					Legal advisory to ZSSK Cargo, Inc. on the preparation of contractual documentation in respect to the sale of its rolling stock of freight carriages to a successful tenderer (€266 mil.).				
Allen & Overy Bratislava, s.r.o.		•				•									•						•				
www.allenover.com	Advising ENEL on the sale of its 66 % stake in Slovenské elektrárne to EPH and creation of a temporary joint venture with EPH.					Advising Infracapital, one of the largest European infrastructure investment funds, on the acquisition of the Slovak utility group CGE.					Advising Slovenské elektrárne on the construction of units 3 and 4 of the Mochovce Nuclear Power Plant.					Advising Slovak Telekom in connection with initial public offering of stakes and global depository receipts in the amount of €850 mil.					Advising Slovintegra on the sale of its remaining shares in Slovnaft to MOL.				
Dentons Europe CS LLP, organizačná zložka				•					•					•							•	•			
www.dentons.com	Advising Dr. Max on €180 mil. senior leveraged dividend credit facility provided by group of banks to largest retail pharmacy group operation in CEE region. English, Czech, Slovak and Polish law advice, coordinated by Bratislava office.					Advising a group of banks on preparation and negotiation of loan documentation to finance the construction of a major residential project SKY PARK, designed by reputable Zaha Hadid Architects and developed by Penta Real Estates.					Advising group of Slovak banks led by Tatra banka in relation to a syndicated €250 mil. credit facility for refinancing of the Eurovea multipurpose complex in Bratislava. This was the largest real estate loan on the Slovak market in 2016.					Representing National Council in proceedings before Constitutional Court in the abolition of self-amnesty issued by acting president Vladimír Mečiar in 1997, concerning abduction of the president's son and the frustrated referendum.					Advising Slovak electronics retailer NAY on the acquisition of the Electro World chain of 26 shops from Dixons Retail in Slovakia and the Czech Republic.				
Kinstellar, s.r.o.			•			•					•										•		•		
www.kinstellar.com	Advising on privatisation of SPP (Slovak gas company), one of the largest ever transactions in the history of Slovakia, valued at USD2.7 bn.					Advising Cermer Corporation, a leading global supplier of healthcare technologies, on the USD1.3 bn acquisition of Siemens Health Services.					Advising Arcapita Bank on its €240 mil. acquisition of the real estate portfolio and asset management operations of Pinnacle Central & Eastern Europe.					Advising VINCI CONCESSIONS and MERIDIAM INFRASTRUCTURE on €1.24 bn refinancing of the Slovak Republic's first PPP project, the R1 Expressway, through the issue of bonds listed on the Luxembourg Stock Exchange by the concessionaire, Granvia.					Advising Ballymore Properties Limited on the sale of their retail, office, hotel and residential property EUROVEA in Bratislava to Trenesma Limited.				
PETERKA & PARTNERS advokátska kancelária s.r.o. organizačná zložka	•									•					•										•
www.peterkapartners.com	Acquisition of two companies, Stredoslovenská vodárenská prevádzková spoločnosť and Podtatranská vodárenská prevádzková spoločnosť, by Veolia Water (value of the transactions app. €40 mil.).					Representing the French group SANEF during its successful participation in a tender concerning the comprehensive service of toll collection in SR, one of the largest PPP projects in Slovak history. Value €852 mil. granted for 13 years.					Advising SCA on its €1.32 bn acquisition of Georgia-Pacific's European tissue business. PETERKA & PARTNERS was a member of a team of advisors providing legal services in relation to Slovak law.					Assistance to the construction group YIT in relation to acquiring important real estate in an area of historical importance, including assistance with the structuring of the deal, due diligence, and transactional documentation.					Advising Atlas Copco, a global producer and distributor of industrial equipment and machinery, in acquisition of companies from the Schneider Druckluft group, a German manufacturer of air compressors for professional use.				
PRK Partners s.r.o.					•		•							•							•				
www.prkpartners.com	Providing complex legal advice to the Consortium, consisting of Cintra, Macquarie and Porr, in relation to the PPP D4/R7 Project (€1.7 bn).					Local legal advice to GDF Suez and E.ON Ruhrgas on divestment of their shareholding in Slovenský plynárenský priemysel, a.s.					Providing complex merger/control advice for HOLCIM in relation to a planned transaction in western and central Europe.					PRK Partners advised SABMiller group in relation to the sale of its CEE businesses, including Pížeňský Prazdroj and Pivovary Topvar (€7.3 bn).					General legal assistance for Colas in relation to negotiations with Slovenské elektrárne on the completion of the Mochovce nuclear power plant.				
RUŽIČKA AND PARTNERS s. r. o.	•	•						•			•														•
www.r-p.sk	Advised Slovak government on 3 motorway PPP projects (total value over €10 bn). The R1 project was the 1st PPP project that reached financial closure and received the Project Finance Int. Europe Infrastructure Deal Award in 2009.					Advised JESS, a.s. on the development of a new nuclear power plant worth €4-6 bn.					Advised National Motorway Company on the development of an approximately €1 bn electronic toll collection system in Slovakia.					Advised U.S. Steel on the establishment of a joint-venture with the largest Slovak steel producer, VSŽ a.s. Košice, with a share capital of USD130 mil., on privatisation and investment contract negotiations with the Slovak Government.					Advised E.ON Energie AG on the acquisition of 49% of shares in Západoslovenská energetika, a.s. in the process of privatisation.				
Škubla & Partneri s. r. o.					•					•					•						•				
www.skubla.sk	Representing client in an international arbitration case against the Slovak Republic in connection with investment protection and damage compensation claim worth over €500 mil. Represents connected national cases and proceedings.					Representing a Slovak financial institution in a case regarding financial derivatives valued at over €100 mil. in court and arbitration proceedings and connected complex legal counselling for the major shareholder of this institution.					Legal counselling and due diligence, focusing on complete contractual and legal documentation in connection with acquisition of a Slovak bank (Dexia), incl. legal counselling after the takeover.					Acquisition of Sberbank - leading legal advisor of purchaser in one of the largest acquisitions of 2015. Legal advice incl. competitive bidding, due diligence, SPA negotiation, representation before National Bank of Slovakia and Antitrust Office.					Fully fledged assistance on the acquisition of the leading Slovak media houses Plus 7 dní, Trend and a 45 % stake in media house Petit Press, including subsequent corporate restructuring and merger clearance.				
SOUKENÍK – ŠTRPKA, s. r. o.	•	•	•		•					•					•										•
www.akss.sk	Legal advice for Národná diaľničná spoločnosť, a.s. (Ministry of Transport and Regional Development) in relation to D4/R7 Project (€1.7 bn).					Provision of legal services to the company VODOHOSPODARSKÁ VYSTAVBA, STATNÝ PODNIK in the matter of final property settlement of Gabčíkovo - Nagymaros Waterworks (€800 mil.).					Provision of legal services connected to one of the most important credit transactions in the Slovak Republic (€236 mil.).					Legal representation of a client in court proceedings for issuing (mutual) claims, which resulted from the operation of Hydraulic structure Gabčíkovo (€1.9 bn)					Representation of client before the Antimonopoly Office of the Slovak Republic on the alleged breach of the competition law (business company operating in retail).				
TaylorWessing e/n/w/c advokáti s. r. o.		•				•								•	•						•				•
www.taylorwessing.com	Advised a German world-leading supplier of robot-based automation systems on the sale of its toolmaking division in Slovakia to a German automobile manufacturer and corporate re-organization after the sale.					Advised a Swiss construction holding on acquisition of the leading manufacturer of windows and doors in CEE and subsequent expansion of the production facility in Slovakia.					Advised a foreign state export bank with regard to its €168 mil. receivable against a Slovak steel mill in an insolvency proceeding.					Advised a Slovak developer on acquisition of a 40,000 m² brownfield industrial site and development to a residential and multi-function city centre.					Advised a Slovak real estate developer on construction, leasing and management of a major 23,000 m2 shopping mall in Slovakia.				

An international law firm has at least two of its own offices outside the V4 region territory (Slovakia, Czech Republic, Poland and Hungary).

Názov (v abecednom poradí) Adresa Mesto PSČ E-mail Company (Listed alphabetically) Address City, Postal code E-mail		www Telefón Fax www Phone Fax	Riaditeľ Telefón E-mail Chief executive officer Phone E-mail	Year of establish / No. of lawyers (lawyers besides attorneys) in 2018 / Languages Rok založenia / Počet právnikov (počet právnikov bez advokátov) v r. 2018 / jazyky	No. of attorneys in SK (no. of foreign) in 2018 / No. of attorneys worldwide / No. of branches in SK / Poč. advokátov v SK (zahraničných) v r. 2018 / poč. advokátov vo svet / poč. pobočiek v SK	Three sectors, in which your law firm has the most clients / Tri sektory, z ktorých má vaša kancelária najviac klientov	Five areas, which account for the greatest proportion of the law firm's business in 2018 / Päť oblastí, ktoré v agende právnickej firmy mali v roku 2018 najväčší podiel											Other services / Ostatné služby	
Establishment	M&A	Litigation & arbitration	Bankruptcy law	Contractual & commercial law	Competition	Intellectual property	Labour law	Public procurement & PPP projects	Administrative law & regulation	Credit relations	Securities & transactions	Other	Environm. / Tax / Due diligence	Criminal / Sports / Family law					
1	Allen & Overy Bratislava, s.r.o.			Martin Magál															
Eurovea Central 1, Pribinova 4 Bratislava - Staré Mesto 811 09 infobank.bratislava@allenoverny.com	www.allenoverny.com +421(0)2 5920-2400 +421(0)2 5920-2424	+421(0)2 5920-2400 infobank.bratislava@allenoverny.com	1999 23 (8) E, F, H, G, R, PL	15 (3) NA 1	industry, banking & finance, energy								yes no yes	no no no					
2	bnt attorneys-at-law, s.r.o.			Margareta Sovova															
Cintorínska 7 Bratislava - Staré Mesto 811 08 info.sk@bnt.eu	www.bnt.eu +421(0)2 5788-0088 +421(0)2 5788-0089	+421(0)2 5788-0088 margareta.sovova@bnt.eu	2004 14 (4) E, G, R,	10 (3) 130+ 1	real estate, industry, health care								yes yes yes	no no yes					
3	bpv Braun Partners s.r.o., o.z.			Igor Augustinič															
Europeum BC, Suché mýto 1 Bratislava - Staré Mesto 811 03 bratislava@bpv-bp.com	www.bpv-bp.com +421(0)2 3388-8880 +421(0)2 2091-0844	+421(0)2 3388-8880 igor.augustinic@bpv-bp.com	2009 9 (3) E, G, H, I,	6 (2) 140 1	real estate, banking & finance, industry								yes no yes	no no no					
4	Deloitte Legal s. r. o., advokátska kancelária			Dagmar Yoder															
Digital Park II, Einsteinova 23 Bratislava - Petržalka 851 01 deloitteSK@deloitteCE.com	www.deloittelegal.sk +421(0)2 5824-9111	+421(0)2 5824-9111 dyoder@deloitteCE.com	2010 18 (13) E, K, G,	5 (3) NA 3	real estate, banking & finance, industry								yes yes yes	no yes yes					
5	Dentons Europe CS LLP, organizačná zložka			Peter Kubina															
Štefánikova 15 Bratislava - Staré Mesto 811 05 bratislava@dentons.com	www.dentons.com +421(0)2 2066-0111 +421(0)2 2066-0999	+421(0)2 2066-0223 peter.kubina@dentons.com	1996 23 (9) E, F, H, G, R, S,	14 (1) 9000+ 1	real estate, banking & finance, health care								yes no yes	yes no no					
6	Ernst & Young Law s. r. o.			Róbert Kováčik															
Žitkova 9 Bratislava - Staré Mesto 811 02 ey@sk.ey.com	www.ey.com/sk/en/services/tax/law +421(0)2 3333-9111	+421(0)2 3333-9111 robert.kovacik@sk.ey.com	2015 14 (6) E, G,	8 (0) 2100+ 1	real estate, IT, industry								no yes yes	no no no					
7	Kinstellar, s.r.o.			Patrik Bolf															
Hviezdoslavovo nám. 13 Bratislava - Staré Mesto 811 02 bratislavareception@kinstellar.com	www.kinstellar.com +421(0)2 5929-1111 +421(0)2 5929-1210	+421(0)2 5929-1111 patrik.bolf@kinstellar.com	2000 18 (9) E, F, H, G, R,	9 (2) NA 1	real estate, banking & finance, energy								yes yes yes	no no no					
8	Konečná & Zacha, s.r.o.			Radka Konečná															
Ventúrska 12 Bratislava - Staré Mesto 811 01 bratislava@konecna-zacha.com	www.konecna-zacha.com +421(0)2 5441-8470 +421(0)2 5441-8471	+421(0)2 5441-8470 konecna@konecna-zacha.com	2004 8 (4) E, Bul, F, H, G, R,	4 (1) 45 1	real estate, banking & finance, other								yes no yes	no yes yes					
9	Lansky, Ganzger & Partner Rechtsanwälte, spol. s r.o.			Martin Jacko															
Dvořákovo nábrežie 8A Bratislava - Staré Mesto 811 02 office@lansky.sk	www.lansky.sk +421(0)2 5930-8218 +421(0)2 5441-4039	+421(0)911 543-129 martin.jacko@lansky.sk	2007 10 (3) E, G, R,	7 (2) 21 1	real estate, industry, health care								yes yes yes	no no no					
10	Noerr s.r.o.			Pavol Rak															
Palisády 29/A Bratislava - Staré Mesto 811 06 recepciaba@noerr.com	www.noerr.com +421(0)2 5910-1010 +421(0)2 5910-1011	+421(0)2 5910-1010 pavol.rak@noerr.com	2004 11 (4) E, G,	7 (2) 540 1	real estate, industry, trade								no no yes	no no no					
11	PETERKA & PARTNERS advokátska kancelária s.r.o. organizačná zložka			Andrea Butašová, Ján Makara															
Kapitúlská 18/A Bratislava - Staré Mesto 811 01 butasova@peterkapartners.sk; makara@peterkapartners.sk	www.peterkapartners.com +421(0)2 5441-8700	+421(0)2 5441-8700 butasova@peterkapartners.sk; makara@peterkapartners.sk	2001 22 (8) E, Bul, F, H, G, R, PL, S,	14 (1) 150 1	real estate, industry, trade								yes yes yes	no yes no					
12	Rödl & Partner Advokáti, s. r. o.			Maroš Tóth															
Lazaretská 8 Bratislava - Staré Mesto 811 08 ra.bratislava@roedl.sk	www.roedl.com/sk +421(0)2 5720-0444 +421(0)2 5723-3643	+421(0)2 5720-0410 maros.toth@roedl.com	2001 12 (4) E, G, R,	8 (0) 480 1	real estate, energy, industry								yes yes yes	no no yes					
13	TaylorWessing e/n/w/c advokáti s. r. o.			Andrej Leontiev															
Panenská 6 Bratislava - Staré Mesto 811 03 bratislava@taylorwessing.com	www.taylorwessing.com +421(0)2 5263-2804 +421(0)2 5263-2677	+421(0)910 966-262 a.leontiev@taylorwessing.com	2004 27 (14) E, G,	13 (0) NA 1	real estate, IT, trade								yes yes yes	no no yes					
14	White & Case s.r.o.			Marek Staroň															
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NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

Compiled by The Slovak Spectator Team

What to watch out for in arbitration clauses

For many companies, arbitration is the tool of choice, especially when cross border issues are concerned. Certain state-run court jurisdictions may find that local companies are favoured, leading to an unfair benefit. On the contrary, arbitration decisions are passed by the legal representatives on whom both sides have agreed upon. The arbitral tribunal may focus more on equity rather than legal merit of the case.

Arbitration decisions are passed much faster than court decisions. Arbitration is a one instance decision proceeding unless agreed otherwise. However, the court system has several opportunities to appeal. Depending on the complexity of the case, the arbitration decision should not take longer than two years. Court decisions may take a substantially longer time.

There are several reputable arbitral tribunals all over the world, usually run by chambers of commerce. In cross border transactions for Slovak businesses, the Vienna Arbitral Centre, an international arbitral tribunal run by the Austrian Economic Chamber, may be a convenient choice. Furthermore, the ICC International Court of Arbitration, run by the International Chamber of Commerce in Paris or other tribunals located in Zurich, Sweden and London may serve its purpose. In our view, the arbitration court in Prague is a fairly neutral venue.

In the event that out-of-court negotiations fail and a business dispute must be submitted to an arbitral tribunal, it is important to be able to rely on a well-drafted arbitration clause. Presently, most arbitral tribunals have the recommended sample wordings on their websites. These templates

are often used when negotiating a business contract.

The first of these practical tips is to agree in the arbitration clause on a country and city where the arbitration is to take place, provided that the arbitration rules of the selected arbitral tribunal allow the place of arbitration to differ from the seat of the given arbitral tribunal. Naturally, in such a case, the costs of arbitration could be increased by the travel expenses of arbitrators. However, the total costs of arbitration can be lower if parties choose just one arbitrator to arbitrate.



JUDr. Daniel Grigel

Another frequent problem, which is often overlooked in practice, is the determination of language in which the arbitration is to be held. Most arbitral tribunals allow the arbitration to be written in a language other than the local language of the seat of the arbitral tribunal – for instance, in the English language instead of, let's say, the French language. By doing so, the parties may avoid the risk of not addressing this issue in the arbitration clause and having



JUDr. Daniel Futej

to depend on the language of the proceedings in accordance with the rules of the arbitral tribunal, which does not have to be identical to the contract's language.

With small-value contracts, it is more efficient to opt for just one arbitrator. However, for more comprehensive contracts, each party may be interested in a three-member arbitration panel. The rules of arbitral tribunals even make it possible to agree on the third arbitrator's selection mechanism by the parties themselves. This third arbitrator does not always have to be selected by the arbitral tribunal itself.

In principle, it is advisable to explicitly exclude in the arbitration clause the possibility to have the arbitration decision reviewed by an appeal arbitral tribunal or by a general court since it is the speed of the arbitration procedure itself compared to court proceedings that is advantageous. If, on the contrary, the parties want the decision to be reviewed by other arbitrators or by the

courts, then they should rather have this option included in the arbitration clause. They may even have to choose an appropriate arbitral tribunal for this because some arbitral tribunals exclude in their rules any possibility of appealing arbitration proceedings, or review of an arbitration decision by a court.

Pursuant to the New York Arbitration Convention of 1958, arbitration rewards are enforceable in 159 states worldwide. Final "victory" judgments passed by the Slovak courts against business partners in certain non-EU states may not be enforceable due to failure of signed international treaties to provide enforceability of the court's judgments.

It is important to determine in the arbitration clause what substantive law is to govern the review of a business contract. This primarily emerges as a problem when the parties fail to agree on the contract's governing law in other provisions of the contract.

It is also appropriate to establish in the arbitration clause that arbitration costs are to be covered by the party that loses the arbitration proceedings or the parties should agree to share the costs of arbitration in proportion to their success.

It should be pointed out that the national law of the country of the arbitral tribunal or of one of the parties may include certain compulsory standards relating to arbitration which, if not complied with, could result in unenforceability of a lawful arbitration decision in the given country. For instance, in the Slovak Republic, it is not possible to agree on any arbitration with consumer disputes or with disputes relating to the ownership title to real estate.



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More info on LEGISLATION

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THE
SLOVAK SPECTATOR

GDPR was the buzzword, but 2018 was more than that



Source: TASR

The past year has been turbulent in Slovak politics. In spring 2018, Robert Fico resigned as prime minister and was replaced by Peter Pellegrini from his own Smer party, who until then served as his deputy for investment and informatisation.

Economically, however, Slovakia is doing well, observers agree. Finance Minister Peter Kažimír, who is eyeing the top job at the country's central bank, proposed a draft state budget for 2019 with a record low deficit, with the outlook for Slovakia's first-ever balanced budget the following year. But the proposed expenditures do not satisfy those observers who believe Slovakia needs to invest in crucial reforms if it is to stay competitive for investors, including a better education system, improved law enforceability, less

red tape and more effective public administration.

To accommodate the calls of businesses for a lower administrative burden, the Economy Ministry has come up with two sets, or "packages" of measures that should lead to improved conditions for doing business in the country. The government presented the second one in May 2018 and it is expected to pass and become effective at some point in 2019.

So far, the so-called anti-bureaucracy law became effective in September 2018, with businesses calling it a big step forward (see pg 52).

GDPR brought more red tape

The buzzword of 2018 in business administration was GDPR. The impact of the General Data Protection Regulation (GDPR) was awaited nervously all around the

EU, although some observers point out that there was a lot of unnecessary hype around the regulation.

The fact remains that both the GDPR and Slovakia's amended Data Protection Act did have a significant impact on businesses in the country.

"GDPR was meant to curb the power of internet giants like Google, Facebook and Amazon," Markus Halt, the spokesperson of the German-Slovak Chamber of Commerce, told The Slovak Spectator. "What came into force as of May 25, however, affected every company in Slovakia and the whole EU."

Michal Krčmery and Natalia Spodniak, of the American Chamber of Commerce in Slovakia specified that it made companies rethink their internal processes and data flow in order to secure the personal data of clients and employees. The

process that followed brought both positives and negatives into their day-to-day operation, one positive being the increased awareness of personal identity among the public.

On the other hand, business representatives complain it brought another hike of bureaucracy in business and particularly affected small companies, "which suddenly had to adapt their whole customer relation management systems due to GDPR," Halt noted.

"From a company's perspective, it is a never-ending story that needs constant updates and reworking processes to improve and secure the data flow on both the external and internal side," Krčmery and Spodniak told The Slovak Spectator.

Labour market changes

In the meantime, Slovakia continued dealing with one of the main problems that businesses

have been reporting for the past few years – the lack of a qualified labour force.

The government now openly looks beyond Slovakia's borders for workers who could patch up the holes in the country's labour market. The Labour Ministry has come up with a set of rules to make the arrival of workers from non-EU countries easier and allow businesses to legally employ them with less red tape than there used to be in the past (see pg 84-85).

In 2018, the Labour Code saw a number of changes that were problematic for businesses operating in Slovakia.

Entrepreneurs cite the wage surcharges for night, weekend and public-holiday work among such.

"This was a financial burden in particular for smaller and medium-sized production companies based in central and eastern Slovakia," Halt noted, adding that the measure was accompanied with a hike of the minimum wage from €435 to €480, pushing the surcharges based on the minimum hourly wage further up.

AmCham lists the introduction of surcharges among those changes in 2018 that "were adopted without a proper analysis or discussions with employers" and brought a significant impact. They also listed changes in income tax law, which changed the definition of permanent establishment and introduced the concept of digital permanent establishment.

"By doing so, Slovakia unilaterally breached bilateral treaties for avoidance of double taxation," Krčmery and Spodniak said.

Better regulation

Positive changes that became effective as of 2018, on the other hand, include the Economy Ministry's Better Regulation Strategy, also known as RIA 2020. It is a set of pro-business tools that should lead to, among other things, the increased transparency of law making.

"The strategy's ambition is to cover the whole regulation cycle, including the implementation phase, that is the evaluation phase of the purpose and effectiveness of the regulation," the ministry wrote.

Another measure that became effective as of January 1, 2018 and is viewed as a positive step among businesses is the so-called Patent Box. It is an amendment to the Income Tax Act, which introduces a tax exemption on income from intangible assets, such as protected patents or software.

Finally, AmCham lists the new law on Regional Investment Aid as a significant improvement to the business environment.

"The new law aimed at supporting investments in lesser developed regions and in more sophisticated jobs is a positive sign," Krčmery and Spodniak said.

The law omits the requirement to create industrial jobs in order to be eligible for investment aid. The Economy Ministry



Source: SME

says the new rules for regional investment aid are a reaction to the automatisisation trends and an attempt to push investors to look at northern, eastern, and southern Slovakia as an investment destination.

"We will try to offer investors who come to invest in Slovakia tax relief rather than cash and we will push them towards investing into technologies with higher added value," Economy Minister Peter Žiga said when the law was passed in February 2018, as quoted by the SITA newswire.

Distraintment changes stuck

Over the past two years, the Justice Ministry has been working on new rules for distraintment. Following the political crisis in the spring that brought down the Robert Fico government, Lucia

Žitňanská left her post as justice minister and was replaced by Gábor Gál, also from Most-Híd.

Žitňanská's team introduced the institute of personal bankruptcy as a systemic tool to tackle the problems of people with accumulated debts.

The next extraordinary step was to be the distraintment amnesty, which would tackle the historical accumulation of distraintment proceedings at courts.

Slovak courts register some 3.5 million cases, often with debt that has no chance of being recovered.

"However, the cost incurred by such proceedings must be paid, and that's the mainstay of the problem," Gál said, explaining why he has not proceeded with the amnesty as of October 2018.

By Michaela Terenzani

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New guidelines for investment support across Slovakia

Investment aid is an important tool that reduces economic disparities across the country with the main aim of promoting the inflow of investments into less developed Slovak regions and increasing the competitiveness of the economy. Support and encouragement for new and established investors with the realisation of their investment projects in existing or new operations is another key feature.

The year 2018 saw a change to the legislative framework. The new Regional Investment Aid came into force on April 1, 2018 and responded to a transformation of the business environment in Slovakia. Key priorities include support of investments with high added value, research and development, increase of innovation and automation in line with Industry 4.0 technological trends and smart specialisation strategy - RIS3.

Key changes in the new legislative framework include:

- investment aid can also be provided in the form of a transfer or lease of real estate at a price lower than market value
- the obligation of new job creation in industrial production has been omitted

- vendor tooling for industrial production is allowed up to 20%
- tax allowance is a preferred form of investment aid.

Supported areas continue to include:

- industrial production
- technology centres
- shared service centres

A combination of investment aid for industrial production and technology centres is also possible.

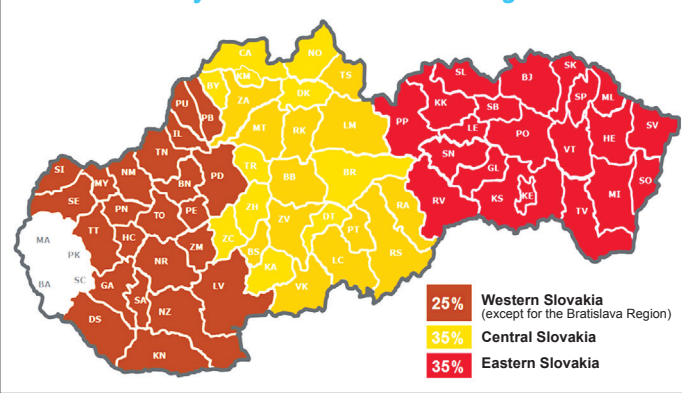
Forms of investment incentives include:

- tax allowance (tax holiday)
- subsidy for acquired non-current tangible and intangible assets
- subsidy for newly-created jobs
- transfer or lease of real estate at a price lower than market value.

Zones

Slovakia is divided into three parts – western, central and eastern – upon which maximum intensity of investment aid granted is dependent. Support can be granted up to 35% of the total amount of eligible project costs,

Maximum intensity of investment aid in Slovak regions



Source: SME

depending on the main location of the investment.

General conditions

- initial investment is defined as the creation of a new business, expansion of an existing business, diversification of production or radical change in existing production
- eligible project costs are either capital investment costs or wage costs or a combination of both
- the investor cannot start work on an investment project before submitting an investment aid application to the Ministry of Economy.

Depending on the form of investment aid, the location of the investment project and the character of production, the following specific conditions for supported areas apply:

Industrial production

- minimum investment of €200,000-40,000,000
- minimum share of new technology in the total eligible capital investment costs 30-60%

- 20-200 created jobs (obligatory if investor wishes to receive subsidy for newly-created jobs)

Technology centres - R&D and innovation

- minimum investment of €100,000-400,000
- 10-20 obligatory newly-created jobs
- minimum multiple of the average gross monthly wage (AGMW) paid to employees compared to AGMW for a particular district (1.7-2 multiple)

Shared service centres

- minimum investment of €200 000
- 20-50 obligatory newly created jobs
- minimum multiple of AGMW paid to employees compared to AGMW for a particular district (1.5-1.8 multiple)

By Viera Sláviková
Manager, PwC in Slovakia

Changes to the System of Remedies under the Amendment to the Public Procurement Law

LIFE AND LAW ARE FULL OF CHANGES

The system of remedies under European procurement laws is governed by the principle of procedural autonomy according to which, in the absence of EU regulation, the national legal order of each member state will establish procedural rules for actions intended to safeguard the rights of individuals. Given that the EU rules on this subject are limited to very general Remedies Directives, this area of procurement law suffers from the creativity of states with significantly negative effects for international tenderers. Broad autonomy leads to different national systems, which are constantly changing. Slovakia is no exception. Users of any given system can hardly get used to it before it is tweaked at best, or totally changed at worst. This malaise is further cemented by the introduction of the amendment to the Slovak Public Procurement Act, adopted by Parliament in October 2018. This article is intended to briefly summarize some of the effects of the amendment on the national remedy system from the perspective of the tenderers.

FEES - LOWER OR HIGHER?

Lawmakers claim that the fees associated with remedies have been decreased, strengthening the position of tenderers in enforcing their rights. This is not entirely true, however, and to put the claim into perspective, we must mention some important facts. First, the amendment introduces a fee floor of EUR 2.000. For example, in the past, if a tenderer were to challenge a contract notice for goods in the estimated value of EUR 150,000, it would have to pay EUR 1,500 in administrative fees. Given the introduction of the floor, in the same situation now, the tenderer would be set back by EUR 2.000. This is the less painful part, however, because the amendment

START OF THE REMEDY PROCEDURE - RETURN TO THE OLD WAYS

Along with cancellation of submission of tenders in two envelopes, the amendment abandons the system of two levels of joined remedy procedures. Similar to the past, the challenges will be handled on an individual basis, and each challenge will trigger its

own procedure. There will be no automatic suspension effect on the tender. Although the Public Procurement Office will have the right to issue an interim injunction or combine several procedures, the new system may lead to tenderers endlessly filing challenges for the sole purpose of sabotaging the procedure. Contracting authorities will likely be hesitant to continue in the tender before the decision of the Public Procurement Office on a challenge is made, which may have a significant impact on the duration of tenders.



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RUŽIČKA AND PARTNERS s. r. o.

also significantly raises the ceiling. The maximum fee for challenges filed against contract notices or other documents necessary for submission of tenders was increased to EUR 10,000. This means a challenge against a contract notice related to a EUR 30,000,000 service contract would cost the tenderer EUR 10,000 instead of EUR 4,000. Finally, the costs of challenges against disqualification of bids skyrocketed. For example, if a tenderer were to be disqualified for failing to meet the selection criteria in a EUR 50 million construction tender, it would cost him a maximum of EUR 10,000 under the old regulation. When the amendment comes into force, the same situation would require the tenderer to pay EUR 50.000. So, generally,

the fees may have gone south, but there will be situations when international bidders will find themselves worse off than before.

NO MORE BLAC KLISTING FOR IMPROPER PERFORMANCE

Along with rendering the list of references generally meaningless, the amendment also abolishes the obligatory blacklisting of tenderers who were given negative references by contracting authorities or whose contracts were terminated due to a substantial breach. Given the fact that the effects of poor performance were rather draconian (1 or 3 years ban on participation in tenders for different breaches), the tenderers will not complain about this change. Their responsibility to provide genuine bids will hardly be supported either.

OVERALL ASSESSMENT

The new system is in many ways nothing more than a return to the old ways. Paradoxically, those were abandoned because they did not work. It can be argued that lessons have been learnt and the problems of old have been identified and removed, but only time will show if this is the case. Although we must give credit to the Public Procurement Authority that it intends to improve the system, it seems that stability and time to develop settled case law would accommodate the needs of stakeholders better than endless modifications. It remains to be seen how the new system works, and, especially, how long it will last.

RUŽIČKA
AND PARTNERS

The amendment was vetoed by the president of the Slovak Republic who proposed certain modifications which will have to be discussed by the Parliament. None of those modifications relate to the topics outlined in the article.

State promises to cut down red tape

Despite years of promises, people acted as delivery persons between state offices, bringing various state offices the same documents, even though offices were supposed to find the documents in the online registers due to the informatisation process.

A new law is changing that, however. The government has taken the first step in the form of a new law against bureaucracy that came into force on September 1, 2018. Public servants should no longer require an extract from business, trade and land registers. Moreover, as of January 1, 2019, state offices will not ask people to deliver an extract from criminal records.

"We're facing a new era of communication between people and entrepreneurs and offices which act as a prolonged arm of the state," said Deputy Prime Minister for Investments and Informatisation Richard Raši in late August 2018, stressing that the law is expected to change the thinking of public servants. Though the representatives of entrepreneurs addressed by The Slovak Spectator welcome the changes, they are calling for more documents to no longer be required.

"No office should require any information which is already possessed by another office or institu-

tion within the public sector, from individuals or entrepreneurs," Ján Oravec, president of the Association of Entrepreneurs in Slovakia, told The Slovak Spectator. "This is a general principle all politicians claim allegiance to. The law against bureaucracy is a retreat from this principle."

As he explained, the efficiency of the new law is degraded by the fact that only three extracts are not required after September 1, and their number will increase by only one more as of next January.

A big step forward

Individuals and entrepreneurs were asked for about one million extracts in 2017, as Raši wrote in his opinion piece for the *Hospodárske Noviny* daily in early September 2018. Thanks to applying the so-called once-only principle, people are expected to save more than €13 million a year on administrative fees and travelling costs and more than 600,000 hours currently spent in queues. The new rules impact about 40,000 state office workers.

The public administration bodies that are not integrated in the Central System of Referential Data will be able to use the Oversi.gov.sk website, where they will be able to find the necessary extracts.

Moreover, office workers will be able to turn to a contact centre if they have any questions.

"Slovakia has made a big step forward in eGovernment," Raši wrote in the opinion piece.

His office considers the first month of applying the new principle successful.

"More than 10,000 extracts from business, trade and land registers were checked before September 28," the press department of the Office of the Deputy Prime Minister for Investments and Informatisation told The Slovak Spectator.

Entrepreneurs assess the law as a significant step forward too. In the recent poll carried out by the Business Alliance of Slovakia they even described it as the best measure to improve the business environment, said its executive director, Peter Serina.

No big problems reported

Slovenský Živnostenský Zväz, an association representing self-employed trade and craft workers, also considers the new law a step towards using the benefits of informatisation in practice.

"It's important that office workers, who will actually apply the law, will be properly trained and that the potential failure of

information systems is eliminated as much as possible," its secretary general, Miriam Bellušová, told The Slovak Spectator.

Raši's office has admitted some technical problems concerning the connectivity of offices, non-functional logins or problems with connecting to Oversi.gov.sk.

"We were aware of the fact that the launch of the new system is accompanied with problems," its press department noted.

Most representatives of entrepreneurs and self-employed addressed by The Slovak Spectator said their members have not encountered any problems. Though Serina said that not all offices currently observe the law, he hopes that soon all public servants will apply the new rules.

The law also contains a sanctions mechanism, fining institutions €1,000-€5,000 if their officials still require these documents. Any wrongdoing can be reported via the *Stopbyrokracii.sk* website. Raši's office received 15 motions during the first month.

What will come next?

Apart from the extract from criminal records, the deputy PM's office plans to launch the second anti-bureaucratic package in 2019. It will stop offices from requiring documents such as confirmation of school attendance, arrears on social and health insurance, and confirmation on tax arrears.

Entrepreneurs would welcome more documents to be added, though. Serina said that all data entrepreneurs have to report to state and public administration bodies should gradually be added to the list.

"This concerns confirmation from courts that the respective subject hasn't declared bankruptcy or receivership, as well as confirmation from the social and health insurers about arrears," he added.

By Radka Minarechová

Register of Public Sector Partners – brief overview on duties for foreign recipients of public funds

The register of Public Sector Partners (hereinafter referred to as the "Register") is a relatively new public register introduced to Slovak legislation in February 2017, with the aim to incorporate all companies drawing funds from public resources provided they meet set financial limits and other legal prerequisites. The Act on Register of Public Sector Partners¹ was adopted as part of the anti-money laundering and anti-letterbox company legislation. The purpose of the Register is to reveal management and ownership structure of a company entering into a contractual relationship with the public sector, which is represented mainly by state bodies, state companies, municipalities and other entities operating with public finances and properties.

The Act itself is rather unique, even when considering the legislation of European countries, so it is struggling with some practical issues, both domestically and abroad. Awareness of the Slovak legislation and recognition of the register itself abroad remains one of the bigger problems. Shortly after the introduction of the Act, reluctance of foreign partners to duly register became an issue. Their reluctance to register may be related to the absence of comparable legislation in their country of origin, remuneration for the entry into the register or forced disclosure of the company's sensitive data.

Criteria for registration focuses on financial aspects of the contracts. However, a foreign partner is not necessarily obliged to recognize its obligation pursu-

ant to the Act. The public sector is required to monitor the conditions for registration in each and every individual case and unless the registration is completed, the representative of the public sector is not allowed to enter into the contract with the partner. On the other hand, the Act introduced an exclusive list of entities entitled to carry out the registration into the register – so called authorized persons. The role of an authorized person is quite positive for a foreign partner as such role can only be fulfilled by advocates, notaries,



Mgr. Adam Vozár

banks, branches of foreign banks, auditors and tax advisors. This list contains entities that have the greatest awareness of the law and can verify the partner's management and ownership structure with due care. Furthermore, as practice has shown, most registrations are carried out by advocates.

The choice of authorized person is up to the partner and their subsequent relationship is regulated by a mandatory written contract concluded between the two. Both the authorized person and partner are equally liable for the truthfulness and completeness of the data entered into



JUDr. Milan Gocník, LL.M.

register. Considering that only subjects situated in the territory of the Slovak republic can serve as authorized persons, full knowledge of the act should be granted. This substantially eases the position of the foreign partner, as he should only be duly following instructions of the authorized person to comply with the Act.

On the other hand, non-compliance with the Act results in fairly high fines. The general fine for breaching the Act amounts to the obtained economic benefit. If such a benefit cannot be determined, the fine ranges from 10,000 to 1,000,000EUR for the partner and 10,000 to 100,000EUR for each member of the partner's statutory body. As was previously mentioned, the authorized person shares the responsibility for data entered into the Register, and as such is liable for the imposed fine, unless the authorized person proves to have acted with professional care.

It is important to note that the obligation to be registered in the Register not only applies to the direct partner of the public sector applying for funds from public resources, but also to its suppliers meeting financial limits,

even though they are not in direct relationship with the public sector. The latter can cause practical problems, as many foreign partners fail to comply with their obligations, which may result in several problems for a domestic partner when applying for public funds, particularly in regard to public procurement, European structural and investment funds etc. In the case of non-compliance with the Act, the domestic partner can either change the foreign supplier or if such a change is not possible, the foreign partner can be liable for compensation for potential incurred damages.

Registration in the Register is not a one-time obligation but more of a continuous process where the partner and authorized person are obliged to keep the posted information updated. The time period in which the partner is required to be registered in the Register must at least equal the duration of the contract. However, the term "contract" refers to the part of the contract on the basis of which the fulfilment (public funds) is provided. This means that the partner has to be registered for as long as he essentially draws public funds. Once the monetary or non-monetary fulfilment pursuant to the contract is consummated, it is generally no longer required to be incorporated in the Register. The process of erasure from the Register is fully electronic and is completed in a matter of hours.

¹ Act. No. 315/2016 Coll. on Register of Public Sector Partners and on Amendment and Supplement on Certain Acts as amended (hereinafter referred to as the "Act").

SOUKENÍK - ŠTRPKA





Real estate section

Dúbravy Rezidencia

Location: Bratislava - Dúbravka, Pri Hrubej Lúke
Completion date: 2Q/2019
Website: www.dubrav.eu

DESCRIPTION:

A residential complex comprised of 8 apartment buildings, a shared courtyard with a kid's playground, multi-purpose sports ground and greenery with green roofs. Each building is individualised with mosaics created by popular Slovak contemporary artists.

PROJECT TYPE

Residential



DETAILS

Number of floors	7
Number of apartments	274
Size of apartments	27 - 319 m ² with terrace
Gross built area	21,029 m ²
Gross lettable area	14,827 m ²
Gross office space	-
Gross retail space	-
Gross storage area	206 m ²

Developer

Dúbravy Rezidencia, s.r.o.
Mýtna 48, 811 07 Bratislava
www.corwin.sk

DESCRIPTION:

Urban Residence is an urban housing project now offering flats and apartments in phase C of the project that will be finished in winter 2020. The project focuses on people who prefer an urban lifestyle and desire a location with great infrastructure. Living in Urban Residence is a perfect combination of modern life, a nice environment, simple accessibility and fair price.

PROJECT TYPE

Residential



DETAILS

Number of floors	12
Number of apartments	80
Size of apartments	41,41 - 607 m ²
Gross built area	530 m ²
Gross lettable area	4,012 m ²
Gross office space	-
Gross retail space	387 m ²
Gross storage area	-

Developer

Lucron
Legionárska 10, 811 07 Bratislava
www.lucron.sk

Urban Residence C

Location: Bratislava - Nové Mesto
Completion date: Q4/2020
Website: www.urbanresidence.sk



Nová Alej Martina Benku

Location: Kostolište
Completion date: summer 2019
Website: www.novaalejmartinabenku.sk



DESCRIPTION:

Nová Alej Martina Benku is a unique project for inhabitants who love rural living and pleasant natural surroundings, but want to remain close to town. The area includes about 100 building lands, 140 apartments and 15 houses. In addition, it is comprised of nearly 220 m² of commercial areas, a large park, children's play areas and sport facilities for open-air fitness.

PROJECT TYPE

Residential	✓
Retail & entertainment	✓

DETAILS

Number of floors	3
Number of apartments	140 apartments, 15 houses
Size of apartments	34 - 120 m ²
Gross built area	-
Gross lettable area	220 m ²
Gross office space	-
Gross retail space	220 m ²
Gross storage area	-

Developer

ATOPS Development s.r.o.
Mlynské Nivy 48, 821 09 Bratislava
www.atops.sk

SP017497/002

Blumental Rezidencia

Location: Bratislava, Old Town, Mýtna Street
Completion date: 09/2018
Website: www.blumental.eu



DESCRIPTION:

A state-of-the-art residential complex in an attractive location within Bratislava's Old Town offering stylish, functional and flexible spaces along with a shopping gallery - Blumental Passage, private green oases, terraces, roofs and the new square of Matej Korvín. The whole complex divided into eight blocks has an A1 energy certificate, cooled ceilings and sophisticated energy management.

PROJECT TYPE

Residential	✓
Retail & entertainment	✓

DETAILS

Number of floors	5 - 8
Number of apartments	210
Size of apartments	34 - 320 m ² with terrace
Gross built area	-
Gross lettable area	-
Gross office space	-
Gross retail space	-
Gross storage area	-

Developer

Corwin, a.s.
Mýtna 48, Bratislava, 811 07
www.corwin.sk

SP017482/002

DESCRIPTION:
Project Nová tehelná Senec is located in the northern part of Senec, close to the new crossroad Blatné. It's composed of 14 buildings with a total of 385 apartments with green spaces, children's play areas, sport facilities and commercial areas. Nová tehelná is a high-quality space located close to the town centre.

PROJECT TYPE

Residential	✓
Retail & entertainment	✓

DETAILS

Number of floors	6
Number of apartments	385
(56 apartments is in 1 st phase)	
Size of apartments	34 - 99 m ²
Gross built area	2,244.50 m ² in 1 st phase
Gross lettable area	685 m ² in 1 st phase
Gross office space	-
Gross retail space	685 m ² in 1 st phase
Gross storage area	-

Developer

ATOPS s.r.o.
Lombardiniho 17, 831 03 Bratislava
www.atops.sk

Nová tehelná Senec

Location: Senec
Completion date: autumn 2020
Website: www.novatehelnas.sk



SP017497/001

DESCRIPTION:
Blumental Offices is a modern class A office space with a LEED GOLD certificate. High-quality design of entrance spaces using natural materials, providing flexible office space, lots of natural lighting, windows in each area with heating and cooling control, triple glazing and external shielding.

PROJECT TYPE

Retail & entertainment	✓
Office (administrative)	✓

DETAILS

Number of floors	6 - 12
Number of apartments	-
Size of apartments	-
Gross built area	27,928 m ²
Gross lettable area	16,966 m ²
Gross office space	15,613 m ²
Gross retail space	1,153 m ²
Gross storage area	200 m ²

Developer

Corwin, a.s.
Mýtna 48, Bratislava, 811 07
www.corwin.sk

Blumental Offices

Location: Bratislava, Old Town, Mýtna Street
Completion date: 09/2018
Website: www.blumentaloffices.sk



SP017482/003

Einpark

Location: Bratislava, Petržalka, Einsteinova Street
Completion date: 10/2019
Website: www.einpark.sk



DESCRIPTION:

Project combines contemporary and stylish living with an attractive location on the Danube River bank. Its vicinity to the historical city centre with a cycling route in front of the house and excellent accessibility to all the main roads makes the project a perfect facility. EINPARK OFFICES is the first building in Slovakia that meets the highest LEED PLATINUM pre-certification criteria.

PROJECT TYPE

Residential ✓
Retail & entertainment ✓
Office (administrative) ✓

DETAILS

Number of floors	residential: 18; office: 6
Number of apartments	110
Size of apartments	35 - 211 m ²
Gross built area	30,570 m ²
Gross lettable area	18,058 m ²
Gross office space	16,083 m ²
Gross retail space	1,975 m ²
Gross storage area	108 m ²

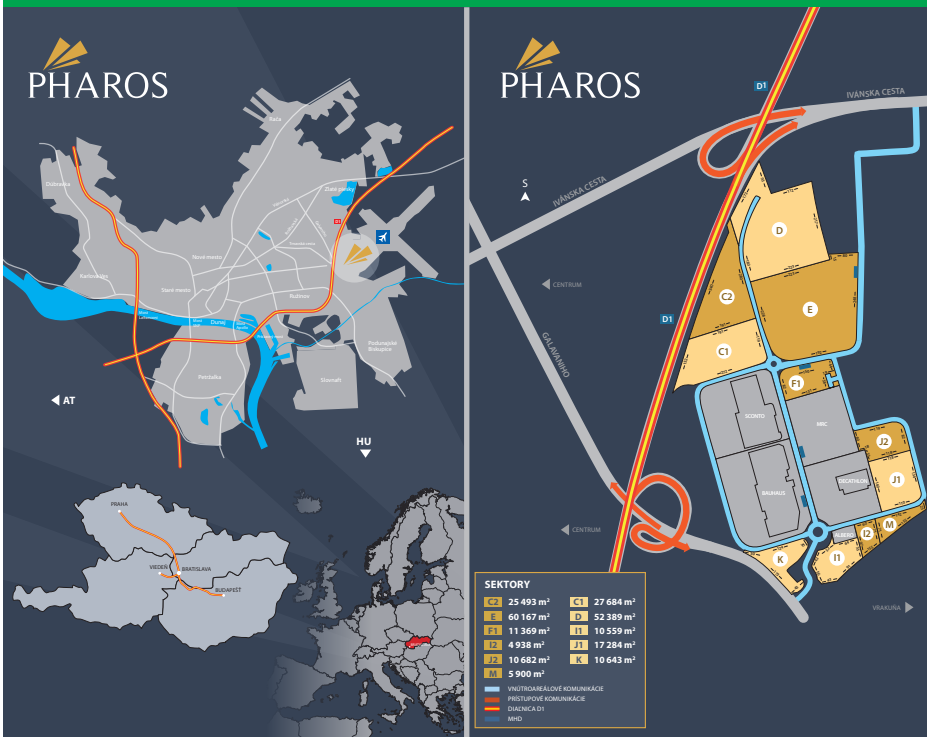
Developer

Corwin, a.s.
Mýtna 48, Bratislava, 811 07
www.corwin.sk

SP017482/004

Pharos Business Park

Location: Bratislava
Completion date: available for sale
Website: www.pharospark.sk/en



DESCRIPTION:

Pharos Business Park is a high-end business and retail park located next to Bratislava Airport, IKEA and Avion Shopping Center. With its own exit to the D1 motorway, this location offers huge potential. The project already has 4 major international retail clients (SCONTO, Albero, Decathlon, Bauhaus) on 11.5 hectares. 22 hectares of prepared plots are still available for developers in the office, hospitality, retail and logistics sectors. The area is fully equipped with infrastructure and utilities.

PROJECT TYPE

Other: land plots - retail, hospitality, office, logistics use

DETAILS

Total area:	520,175 m ²
Available for sale:	226,594 m ²
Land use intensity:	40%

Developer

Trajekt Plus, a.s.
Dvořákovo nábrežie 8/A, Bratislava 811 02
www.pharospark.sk/en

SP017480/001

DESCRIPTION:

The 7.2-hectare plot is located right next to the D1 motorway, the most important artery of the Slovak road network. Piešťany's location is ideal for investors wishing to setup their operation in the proximity of the capital city with much lower initial investment volume into the land plot. The offered area has valid construction permits for utilities connection and valid planning permits for warehouses of a total built area of 26,000 m².

PROJECT TYPE

Industrial: logistic and light industrial

DETAILS

Total area:	72,128 m ²
Available for sale:	72,128 m ²
Gross buildable area:	26,000 m ²

Developer

CZ Slovakia, a.s.
Dvořákovo nábrežie 8/A, Bratislava 811 02
www.czslowakia.sk/en

Logistic Center and Light Industrial Production Piešťany

Location: Piešťany, D1 Motorway, exit Piešťany
Completion date: available for sale
Website: www.czslowakia.sk/en



SP017480/002

DESCRIPTION:

Industrial Zone Sered' - South has a total area of 240 hectares and is located right next to the R1 motorway. Due to its central location within the most important automotive investments in Slovakia and the boom in e-commerce, it is the ideal choice for warehousing and light industrial real estate investments. There is still more than 100 hectares of land for sale, divided into sectors starting from 0.7 hectares up to 22 hectares. The plots are fully equipped with all utilities prepared for further development. There is a valid planning permit for the whole area.

PROJECT TYPE

Industrial: logistics and light industrial

DETAILS

Total area:	2,400,000 m ²
Available for sale:	1,000,000 m ²
Land use intensity:	70%

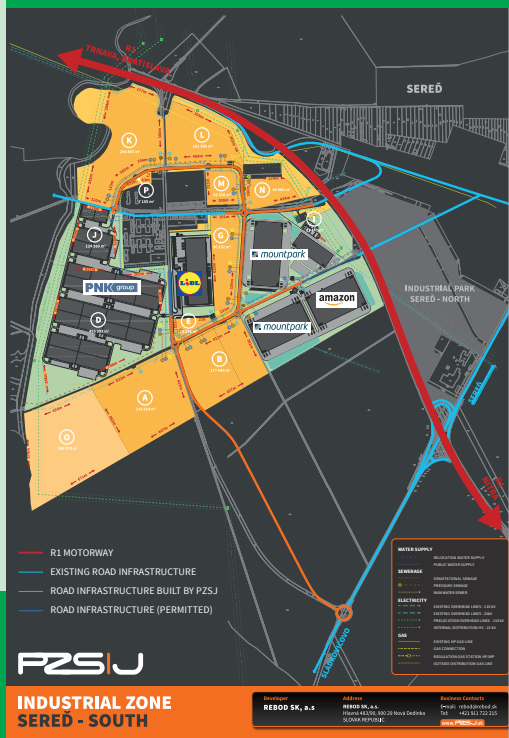
Developer

REBOD SK, a.s.
Hlavná 483/90, Nová Dedinka 900 29
www.pzs.sk/en

SP017480/003

Industrial Zone Sered' - South

Location: Sered'
Completion date: available for sale
Website: www.pzs.sk/en



Economic boom drives investments in real estate

The arrival of Jaguar Land Rover is impacting the industrial as well as residential real estate market.

With the economic growth that Slovakia is experiencing, investors are increasingly turning to the real estate sector again.

Slovakia remains one of the fastest-growing economies in the eurozone, with an expected growth of 4.1 percent of GDP in 2018, driven by the launch of production in the brand new plant of the British Jaguar Land Rover in Nitra. The automotive industry and its suppliers continue to fuel the current demand for new industrial premises while the positive development in the labour market drives further demand for office space. Growing wages drive retail sales and make the retail real estate sector more interesting for investors.

Find the right product

The total investment volume reached just under €500 million during the first half of 2018 in Slovakia, a significant amount compared to the €535 million for the year of 2017 and the record-breaking €850 million in 2016. Real estate consultancy company JLL Slovakia sees this as the result of several mid-volume level deals slipping from the end of 2017 to the first half of 2018, as well as increased liquidity and investment activity on the Slovak market.

"The investment market is boosted by the increased demand from Slovak and CEE-based investors, currently buying mainly core assets," said Rudolf Nemec of the capital markets department at JLL Slovakia. "There is also an ongoing appetite for value-added products at distressed prices, which is a very scarce product."

Moreover, more money is heading towards the regions outside Bratislava. While this trend started



Source: TASR

in the retail and industrial sectors, it is now arriving in the office space.

"Slovakia currently provides and is scheduled to provide several prime and risk-wise core opportunities, as well as core assets in non-prime locations," said Nemec. "Combined with competitive yields compared to other CEE countries, investors may likely find the right product in Slovakia."

JLL Slovakia estimates that the second half of 2018 will likely see an additional €300-330 million in commercial property transactions, so the total investment volume is expected to reach €800-830 million. The record Slovak investment volume from 2016 could be reached if one or two large trophy assets are traded.

"However, the total number of deals will definitely be higher than the previous year," said Nemec.

Industrial sector

The robust economic growth is the main factor affecting the sector

of production and logistics real estate in Slovakia. The shopping behaviour of clients is changing and companies implementing modern production technologies are increasing their requirements on production premises and logistics solutions.

"The arrival of the Jaguar Land Rover carmaker and its sub-contractors in Slovakia has a fundamental influence on the development of the market," Anton Jasenovec, head of industrial real estate at Cushman & Wakefield in Slovakia, told The Slovak Spectator.

The industrial sector, usually the most active market, was relatively inactive during the first half of 2018 and market watchers, in spite of the expected high demand from the side of tenants and continuing intensive activity in renting logistics premises, do not expect to reach the record levels of 2016 and 2017 in 2018. (For a closer look at the industrial and logistics sector, see pg 64-65).

Office rental up

While the centre of Hong Kong with monthly rental at about \$250 per m² remains the most expensive office market globally, tenants in Bratislava pay €13.50-€17 per m² for modern offices. Nevertheless, Slovakia is following the latest trends visible in Europe, the Middle East and Africa (EMEA) region. New office buildings are built on an international level and for many developers, BREEAM or LEED certificates are a matter of course. Along with low vacancy rates, these factors are pushing rental prices up.

"Offers on the office market remain low," Marek Vrbovský, director of asset management and developer services at Colliers International Slovakia, told The Slovak Spectator. "Not all new projects meet the requirements of potential tenants. Opportunity is looming for regional capitals, but they must respond more promptly to demand."

Vrbovský expects that the low vacancy rate, currently at 5.53 percent, will remain the same in Bratislava until the end of 2018. The volume of modern office buildings should increase by 15 percent by the end of 2020.

While the activity of developers remains especially strong in Bratislava, they lack courage for speculative investment in other regions of the country, even though companies have become interested in moving to other regions and are also interested in headquartering outside the capital due to the tense situation in the labour market in western Slovakia.

Košice has reported an urgent lack of new offices. Nitra, Prešov, Žilina, and Banská Bystrica have registered requirements for more offices, too. There are not enough offices built to meet current interest, however.

"But the interest of international companies to sit in a given town decreases significantly when they have to wait for one and a half to two years until a suitable office building is built," said Vrbovský.

Outlets not working

Only one shopping centre, Point in Banská Bystrica with about 5,000 m², was opened in Slovakia in 2018. The local retail market reports a significant saturation.

"The demand by tenants is relatively high, but there are few places where a new development is projected and will still make sense," Katarína Paule, head of retail agency at Cushman & Wakefield in Slovakia, told The Slovak Spectator.

Several projects have been announced, but the market has not yet showed which will be carried out in the end, based on the power of the concept, the development project itself, and the interest of tenants.

Experts see room for growth in smaller regional centres with good natural catchment areas and favourable locations.

"Transportation hubs, such as bus and railway stations, and unique free-time locations like river banks, may be an opportunity," said Lukáš Šarközy of retail consultancy company Mayflower for the real estate information website Reality.sk.

The biggest project underway is Bratislava's brand new bus station, combined with a shopping centre and an office tower, with a price tag of €345 million. Retail parks or retail warehouses can work well in small towns.

The trend of extending and renewing existing schemes continues as well. This way, they keep clients and underline their market positions.

But the recent problems in Slovakia's only outlet shopping centre in Voderady, which filed for bankruptcy, show that the concept of outlet shopping schemes is not working in Slovakia yet, according to Cushman & Wakefield.

Residential market

After Jaguar Land Rover announced its plan to build a plant in Nitra, local real estate prices skyrocketed. In the years 2016 and 2017, real estate prices in Nitra and its vicinity increased by 20-30 percent. In mid-2018, the situation seemed to calm down as the Naciona Bank of Slovakia (NBS) tightened conditions for taking out mortgages and developers announced projects for the construction of new apartments.

New mortgage conditions came into effect on July 1, 2018 and the central bank made the changes to halt the steep increase of indebted Slovaks. As a consequence, the average price of flats in all eight Slovak regional capitals increased over July by a mere €8 per m², from €1,613 to €1,621 per m². This was the lowest month-on-month increase over the last few months. But the real impact of the NBS' measures on the residential

market can only be assessed at the end of the year, experts indicate.

"The current situation on the market is, as expected, a slow-down in sale of real estate," Daniela Danihel Rázová, director of the real estate agency Bond Reality and head of Slovakia's Association of Real Estate Brokers, told The Slovak Spectator. "While sellers selling especially old apartments are still trying to keep prices high, buyers do not want or cannot afford to pay them." Prices are stable for new constructions. While low in the past, the number of apartments for sale is gradually increasing.

"There are still a few apartments that would be ideal in terms of price, size and condition," said Danihel Rázová, adding that in almost every location in Bratislava there are apartments under construction. "These were usually sold even when the project is just on paper."

By Jana Liptáková



Source: Cresco

Top 5 real estate projects in Bratislava

Bratislava has been experiencing a real estate boom incomparable to its past and other parts of Slovakia. The five largest and most significant developments are: the second building phase of the Eurovea shopping mall, Sky Park, Stanica Nivy – a brand new bus station combined with a shopping mall and office tower – and modern housing developments Bory and Slnecnice, which are being built on the outskirts of Bratislava.



Stanica Nivy

Bus station Stanica Nivy will be a combination of an international bus terminal, a shopping centre and the 125-metre-high Nivy Tower,

which will be the highest building in Bratislava. Bus platforms will be located on the first underground storey, while the building will have three above-ground and two underground floors. It will be topped by a multifunctional green roof as large as two football pitches. Stanica Nivy is just part of the developing city quarter Nové Nivy, into which the developer plans to invest about €1 billion.

- **Developer:** HB Reavis
- **Total acreage:** 133,000 m²
- **Total acreage of retail space:** 70,000 m² plus
- **Total space of the bus station:** 30,000 m²
- **Total acreage of offices:** 30,000 m² (Nivy Tower)
- **Start of construction:** 2017
- **Planned completion of construction:** Nivy Tower – 2019, Stanica Nivy – 2020
- **Total investment:** not specified

Sky Park

The project by the prominent Zaha Hadid Architects studio consists of four 31-storey residen-



tial towers and two administrative buildings. The project envisages a minimum built-up area and the creation of a new city park, with a historical industrial building, known as the Jurkovičova heating plant which will be turned into a publicly accessible place with a restaurant, café and coworking space.

- **Developer:** Penta Real Estate
- **Total acreage:** 139,200 m²
- **Total number of apartments:** 1,050 apartments (total acreage: 77,200 m²)
- **Total acreage of retail space:** 7,000 m²
- **Total acreage of offices:** 55,000 m²
- **Start of construction:** 2016

- **Planned completion of construction:** the first three residential towers should be completed by 2019/2020, the first office building during the third quarter of 2020, while the completion date of the fourth residential tower and the second office building is not yet set

Total investment: €326 million

Eurovea II

The long-awaited extension of the popular shopping and office area Eurovea on the Danube embankment, Eurovea II, will bring together residences, offices, shops,



public spaces, waterfront relaxation, restaurants and cafés. A 168-metre-high office tower, meeting the latest standards of a skyscraper, is also included. With the existing Eurovea, office building Tower 115, the Slovak National Theatre, residential Panorama Towers and Pribinova 19 office buildings, and a planned congress centre, Eurovea II will become part of Eurovea City. The Eurovea City's public spaces are designed by renowned Spanish architect Beth Galí.

- **Developer:** J&T Real Estate
- **Total acreage:** 155,000 m²
- **Total number of apartments:** 487
- **Total acreage of retail space:** 25,000 m²
- **Total acreage of offices:** 64,000 m²
- **Start of construction:** 2019
- **Planned completion of construction:** retail areas in 2020, (whole project in 2021)
- **Total investment:** not specified



Bory

Bory is a brand new development growing on the northeast outskirts of Bratislava. After completion, it will consist of residential, retail and office zones. These are in various phases of planning and construction; Bory Mall is already completed. Part of it will be a €200 million top-of-the-art hospital.

- **Developer:** Penta Real Estate
- **Total acreage:** 220 hectares
- **Total number of apartments:** 627 apartments are under construction within the first and second phases, other phases in planning

- **Total acreage of retail space:** Bory Mall (completed, 54,000 m²); Bory Retail Zone (under construction, 70 hectares)
- **Total acreage of offices:** Bory Business Park (planned, 30,000 m²); Bory Office (planned, not specified)
- **Start of construction:** 2010
- **Planned completion of construction:** not set
- **Total investment:** not specified (Bory Mall – €150 million, investments into preparation of the area – €125 million)

Slnecnice

The urban housing project Slnecnice (Sunflowers) is gradually growing in a new quarter of Bratislava located south of Petržalka near the Danube. It consists of the Viladomy Zone with low-rise residential buildings, urban villas and family houses, and the Mesto Zone with residential buildings in various

phases of planning, construction and completion.

- **Developer:** Cresco Group
- **Total acreage:** 723,960 m²
- **Total number of apartments:** 10,156; 539,391 m²
- **Total acreage of retail space:** 55,107 m²
- **Total acreage of offices:** 99,900 m²
- **Start of construction:** the fourth quarter of 2010



- **Planned completion of construction:** 2030
- **Total investments:** not specified

By Jana Liptáková
(Source: individual developers)

FAQ: Buying and selling a property in Slovakia

Q: I want to purchase an apartment in Slovakia. Which authorities will help me with ownership issues?

A: The only state office you will be dealing with as the buyer of real estate is the cadastre office, or land registry office (Kataster or Katastrálny Úrad) in your respective district office. If you are buying your apartment or house through a real estate agency, the agents usually handle this for you.

Q: What should I pay attention to before I sign a contract of purchase?

A: The contracts must contain certain features as stipulated by the law on cadastre (162/1995), amended 212/2018. The contract must clearly state: identification data of both parties of the contract, a detailed specification of the real estate including description, location, square metres, equipment, and technical condition. If the cadastre office finds any mistakes in this, they will suspend the proceeding. It should also clearly state the purchasing price, how the money will be transferred from the buyer to the seller, and the deadline by when the transfer needs to be completed. The details on how the apartment or house will be given over to the new owner, such as keys or new locks, needs to be clear in the contract, as well as the deadline by when it should be done.

By law, the contract should include the name and contact of the administrator of the apartment block and the sanctions for both parties if they fail to fulfil their duties as defined by the contract.

Q: How do I go about entering real estate in the land registry/cadastre office?

A: The transfer can be proposed by either the buyer, the seller, or both, based on the agreement between the two parties. They should then file the proposal to enter the ownership rights at the cadastre office (Návrh na Vklad Vlastníckych Práv). This needs to be done in person at your respective cadastre office (respective to where the transferred flat or house is located).

Q: How much does it cost to get the paperwork done?

A: If the transaction is facilitated by a real estate agency, these fees are usually included in the fee paid to the real estate agent. The fee can be a fixed sum or a percentage of the purchasing price. If you choose not to use the services of a real estate agent, you need to pay the fees for the cadastre proceeding (€66 for regular proceeding within 30 working days or €266 in a fast-tracked proceeding, within 15 working days).

There is also a fee for the verification of the signatures of the sellers on the contract (price per signature, at a notary office or your municipal office). The price per signature may be around €3 or so.

If you are buying real estate with a mortgage, you should also count on another fee at the cadastre office, €66, for entering the deposit contract with the bank in the registry.

Q: Who usually covers the costs - the buyer or the seller?

A: This depends on the agreement between the two parties.

Typically, the buyer pays the cadastre fees, but some people choose to divide the costs equally between themselves. If a real estate agency is involved, they pay the fees.

Q: Do I need to have permanent residence in Slovakia in order to be eligible for a bank loan from a Slovak bank?

A: No, banks also provide mortgage loans to foreigners who do not have permanent residence in Slovakia. Some banks, however, might require a confirmation of income from a company based in Slovakia.

Q: What other conditions do I need to fulfil in order to be eligible for a loan from a Slovak bank?

A: The standard criteria for Slovak citizens also applies to foreigners. The bank will want to see your ID, as well as any record of loan registry from your home country. When deciding on granting a mortgage, banks look at a range of parameters, including age, education, job, income, and number of children. It is not possible to guarantee your loan for real estate located outside Slovakia.

Q: How do I proceed at the cadastre office?

A: When paying for your real estate with a mortgage, you need to file a proposal to enter the depository right to your property in favour of the bank (Návrh na Vklad Záložného Práva).

You can do this simultaneously when filing the proposal to enter the property in the registry (Návrh na Vklad Vlastníckych Práv).

No. 1 Real Estate Classifieds in Slovakia

Nehnuteľnosti.sk



Industrial properties

The robust economic growth driven by the automotive industry has been the main factor affecting the production and logistics real estate sectors in Slovakia over the last few years. Another factor with a significant impact is the fast development of e-commerce when requirements of customers with increasing purchasing power are growing and becoming more complex. The lack of labour force stimulating automation and robotisation of production and logistics processes brings new challenges, too.

“The arrival of the Jaguar Land Rover carmaker and its subcontractors in Slovakia has a fundamental influence on the development of the market,” Anton Jasenovec, head of industrial real estate at Cushman & Wakefield in Slovakia, told The Slovak Spectator, pointing to the brand new plant the British-Indian carmaker opened in Slovakia. Its production started in late 2018.

Some statistics

In 2017, the greatest amount of industrial space was built in central and eastern Europe in history – more than 3.7 million m². This represented a 68-percent increase compared to 2016. The total industrial space in the region has increased by 17 percent as a result, Cushman & Wakefield wrote in its report based on its long-term monitoring of the industrial property market in

Slovakia, the Czech Republic, Poland, Hungary and Romania. Poland was a clear leader in terms of new development. Its share of 2.3 million m² accounted for 63 percent. The Czech Republic built 662,000 m² of new industrial space. Romania followed closely with almost 500,000 m² of newly built industrial space. Hungary and Slovakia added roughly the same amount of space at 120,000 m² of new industrial space each.

Slovakia is gradually becoming one of the logistics and production centres of Europe, Ján Rakovský, consultant of the industrial team at Cushman & Wakefield in Slovakia, pointed out.

“Huge interest of investment funds in the acquisition of industrial real estate here proves this,” said Rakovský, citing the record transaction of the year 2017 in CEE when Prologis sold its fully occupied 240,000 m² logistics park in Galanta to the Chinese government-owned CNIC Corporation.

Slovakia on the European map

The Polish market has reported the biggest development, followed by the Czech market.

“Following the arrival of new investments, Slovakia has started going up rapidly during the last two years with more than 120,000 m² of new developments built here annually,” said Jasenovec.

The JLL consulting company estimates the total logistics and

production halls in Slovakia open to the market, i.e. not owned by the final user, at 2.3 million m². The Czech market is approximately three times bigger.

Investors made their way to the Slovak market through the acquisitions and the creation of new localities along the D1 cross-country highway and the R1 dual carriage-way connecting Bratislava with Ružomberok via Banská Bystrica, according to Martin Varačka, head of the department of industrial real estate at CBRE Slovensko.

“Western Slovakia is one of the most attractive European locations in all of the CEE region for logistics development, thanks mostly to the immediate and fast transport accessibility,” said Martin Stratov, director of leasing and development at Prologis in Slovakia.

Western Slovakia keeps dominating

Bratislava and its vicinity remain the strongest location not only because Bratislava is the country’s capital with an international airport, but also because it is an important transport and logistics crossroad with other Visegrad Group countries and the rest of CEE. Moreover, western Slovakia is the centre of Slovakia’s automotive industry.

Jakub Volner, senior consultant at JLL’s industrial agency, estimates that 88 percent of the logistics and production real estates, except those owned by the users, are in western Slovakia.

DEVELOPERS MARKET SHARE 2018 (INDUSTRIAL MARKET)		
Developer	Total in m ²	Market share
Prologis	371,491	18.05%
CTP Invest	309,076	15.02%
CNIC	247,511	12.03%
P3	246,946	12.00%
Goodman International	134,035	6.51%
M7	118,206	5.74%
AIG	108,500	5.27%
Invest4SEE	105,000	5.10%
Accentis	100,300	4.87%
VGP	78,436	3.81%
Palмира	69,894	3.40%
Arete	48,202	2.34%
Immorent	46,072	2.24%
PNK Group	45,000	2.19%
DaK Kuester	29,400	1.43%

Source: CBRE

“The strongest demand is in areas close to Bratislava, but prospects are quite limited,” Volner told The Slovak Spectator. More and more investors have been eyeing central Slovakia over the last two years and several projects have been successfully completed. “Some bigger investments went to eastern Slovakia, but these were mostly building production facilities for the owners.”

In general, developers remain cautious in eastern Slovakia.

“While western Slovakia is a tested market for developers and keeps creating new locations, developers view central and eastern Slovakia as a challenge,” said Varačka, adding that some companies are surveying and preparing locations.

But the lack of labour force in western Slovakia and developing road infrastructure shows prospects for central and eastern Slovakia, especially in Košice and Prešov.

For example, Prologis Park Bratislava, the largest park in the CEE region, and Prologis Park Nitra, which is in the immediate vicinity of the new Nitra plant of Jaguar Land Rover, has its third locality in Ziar nad Hronom in central Slovakia. Here, it owns a six-hectare parcel of land ready for development.

“Once the rental contract is signed, we can build a facility of 22,500 m² within eight months,” said Stratov.

E-commerce challenges the sector

As more people do their shopping online, online retailers and parcel companies are looking for solutions enabling them to deliver ordered goods as soon as possible. These are either large hubs, which Slovakia can benefit from with its central location in Europe, or urban logistics parks close to cities, solving the problem of last mile delivery.

“E-commerce services require short logistics connection with the city and fast, trouble-free transport lasting 30 minutes at most,” Peter Jánoši, director of P3 Logistic Parks for Slovakia, told The Slovak Spectator. Centralisation into large hubs requires preparation of large plots. But such plots are getting scarce in Europe, especially close to large cities. P3 Logistic Parks sees as a solution a land bank with plots prepared for construction so the developer can respond to the increasing demand as soon as possible.

Varačka of CBRE points out that e-commerce developers

encounter obsolete legislation related to the issuing of permissions, which is not reflecting the current needs of tenants.

“They increasingly require a higher number of parking places for passenger cars, higher halls or more dense traffic of trucks, all of which are aspects offices did not foresee,” said Varačka. Slovak legislation also needs to catch up with the latest trends, like automated warehouses, added Volner of JLL.

A project that responds to the increasing e-commerce is P3 Bratislava Airport, a logistics park now in construction by P3. It is located close to the largest retail park in Slovakia, Avion, and to the airport, and is still easily accessible from the city centre and suburban areas. The park’s first building will feature floor space of more than 17,100 m² with potential office space of up to 5,100 m². In total, the park will offer up to 89,000 m² of new warehouse and office space in two warehouses and one stand-alone office building.

Five big players dominate the Slovak industrial and logistics market, and have been controlling an aggregate market share of more than 60 percent, according to CBRE. These are Prologis, CTP, P3, Goodman and Chinese CNIC Corporation. During the last three years, the Slovak market has witnessed the arrival of new market players, of which CBRE mentions Sisban Holding in Trenčín, Russian PNK and Mountpark in Sereď, Invest4SEE in Dubnica and Arete Invest in Nové Mesto nad Váhom.

Expectations

During the first half of 2018, the industrial sector, usually the most active market in terms of real estate, was relatively inactive. Market watchers do not expect to reach the record levels of 2016 and 2017 in 2018.

“New developments are being constructed either as built-to-suit or speculative, i.e. without any contracts signed in advance,” said Jasenovec.

Based of Cushman & Wakefield’s statistics, the vacancy rate increased from 3.8 percent at the beginning of 2018 to 5.5 percent in October 2018.

“But this year is very productive compared with previous years,” said Jasenovec, adding that the activities focus on building urban logistics around Bratislava.

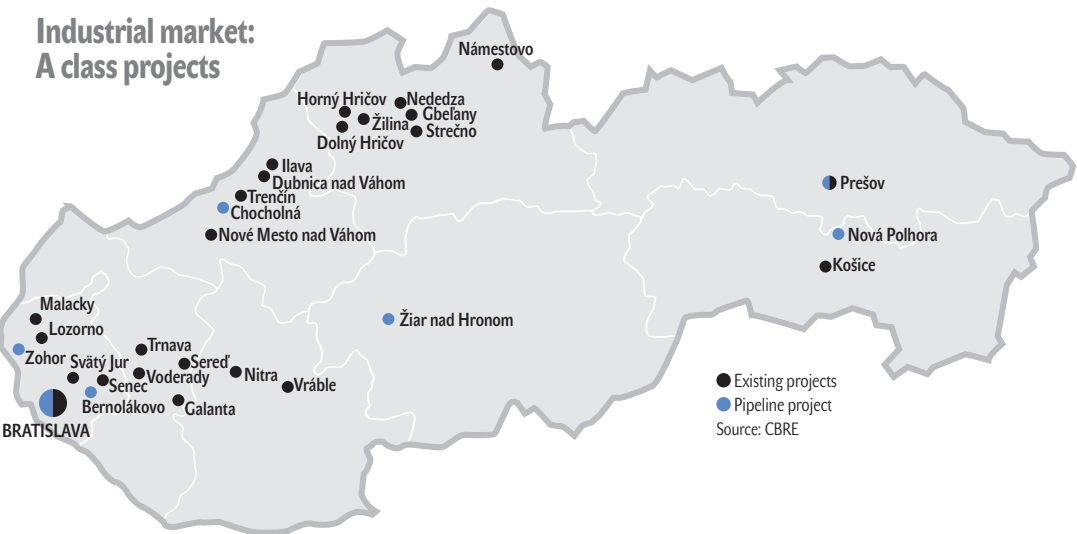
During the autumn of 2018, there were about 200,000 m² of logistics and production halls within development projects under construction, of which more than 90 percent is being built in western Slovakia, according to JLL.

Prologis expects the demand for high-quality facilities situated in superior locations to continue in Slovakia.

“The demand as such will continue to stem primarily from 3PL (third-party logistics), the automotive and light industries, and the increasing presence of e-commerce companies among customers,” said Stratov.

By Jana Liptáková

Industrial market: A class projects



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Locations for logistics industrial and commercial activities

Residential properties - SALE									
	Studio	1 - room	2 - room	3 - room	4 - room	5 or more rooms	Villa	Family house	Family house plots
	Average price in €	Average price in €	Average price in €	Average price in €	Average price in €	Average price in €	Average price in €	Average price in €	Price in €/m²
	Price in €/m²	Price in €/m²	Price in €/m²	Price in €/m²	Price in €/m²	Price in €/m²			
Bratislava I	80,129	107,564	174,209	248,856	413,200	380,563	590,181	562,839	862
	3,433	2,916	2,905	2,753	2,833	2,590			
Bratislava II	71,995	89,229	126,787	161,940	194,680	322,450	490,000	340,370	235
	2,802	2,621	2,337	2,176	2,070	2,082			
Bratislava III	69,221	94,418	141,772	193,660	283,886	367,485	434,099	439,573	317
	2,352	2,611	2,508	2,344	2,322	2,276			
Bratislava IV	62,706	88,041	122,031	149,778	181,571	278,050	727,208	457,417	234
	2,233	2,394	2,272	2,054	2,027	1,927			
Bratislava V	86,628	86,822	131,011	143,857	159,079	336,633	899,990	321,904	300
	2,541	2,376	2,348	1,936	1,859	2,387			
Banská Bystrica	36,320	54,133	81,200	103,150	190,294	173,601	374,983	172,253	58
	1,746	1,570	1,404	1,272	1,392	1,343			
Košice I	64,471	57,586	88,391	119,201	172,446	248,740	335,000	296,141	154
	1,979	1,504	1,623	1,552	1,541	1,569			
Košice II	53,529	64,457	76,265	98,166	120,249	90,000	586,667	277,473	85
	2,119	1,858	1,637	1,473	1,464	535			
Košice III	46,931	74,636	106,273	95,785	129,283	168,000	299,000	165,442	73
	1,977	1,554	1,552	1,314	1,319	812			
Košice IV	66,500	65,486	78,890	108,308	104,410	N/A	332,495	232,745	98
	1,799	1,707	1,640	1,564	1,322	N/A			
Nitra	52,025	71,590	91,689	104,272	119,452	129,592	260,800	145,045	61
	2,473	1,885	1,524	1,363	1,206	1,235			
Prešov	40,495	51,294	65,828	83,030	104,943	136,500	195,250	83,455	33
	1,464	1,245	1,213	1,185	1,154	1,259			
Trenčín	39,995	51,867	65,462	78,741	129,500	125,000	281,500	123,260	48
	1,666	1,175	1,182	1,110	918	969			
Trnava	36,958	68,211	81,965	104,230	144,016	225,000	454,749	148,576	65
	1,810	1,929	1,544	1,497	1,501	1,649			
Žilina	47,870	62,233	88,641	103,411	113,994	156,347	305,000	153,768	54
	2,081	1,704	1,543	1,431	1,344	1,381			

FAQ: Renting an apartment in Slovakia

Q: Do I need approval from my landlord in order to record my permanent address in the apartment that I am renting?

A: Yes, you need the approval of the property owner, your landlord, to be able to state the address of the property as your official address. Your landlord can come in person to state their approval or can give it to you in writing. Please note that the landlord's signature on the document needs to be verified by the notary public office. You will also need the deed of ownership, which cannot be older than three months, to prove that the landlord who signed the document actually owns the property.

Q: How do I get hold of the deed of ownership?

A: It can be obtained at any cadastre office. If your property is in Bratislava, you can obtain it at Ružová dolina 27, 821 09 Bratislava district II. Please be aware that you might need more than one hour to get such a document because of long waiting lines, especially at the Bratislava office. The deed of ownership can be also collected at a post office. The fee for collecting it is €8.

Q: What if the owner of the property I am renting is not in Slovakia?

A: The owner of the property can provide power of attorney to another person, who can represent the real owner and sign on their behalf. In such cases, a verified power of attorney, along with the notarised signature of the landlord on the rental contract, have to be provided. **Q: I am renting an apartment, and I have a problem with my neighbours. Is my landlord obliged to help me?**

A: First, you should speak directly to the neighbour to try to reach an agreement or compromise. If the situation persists, you should talk to the owner of the apartment, who might have more influence on the neighbour. If the noise at night is made by students, you can often place your complaint to the parents. If problems persist, you can turn to the municipal police or the municipal office.

Q: Someone broke into the apartment that I am renting. Do I have to pay for the things that were broken or stolen, or is it paid by the landlord?

A: Under the duration of a rental contract, the tenant is fully responsible for the equipment of the flat, even if it is damaged or stolen. Therefore, it is crucial to have a signed insurance contract that covers damages that might occur not only to the building itself, but also to equipment and personal belongings found in the flat. Such insurance often covers furniture and electronic equipment, as well as personal belongings. Luxury items and art, or even cash, can usually be insured with an extra fee.

Q: I want to sublet my apartment while I am not in Slovakia. Do I need to report anywhere? Are there any legal or tax duties connected with that?

A: If you are renting out an apartment as a private person, first you need to find out if you are entitled to sublet the property you are renting. Usually rental agreements do not entitle you to sublet, unless you have written confirmation from your landlord. In such cases, if you do sublet, even for a short period of time, you should register yourself as a landlord with the tax

authority office. The office will issue a card with your tax ID number (DIČ) that is delivered by post within a few weeks. If your total rental income does not exceed €1,901.67 (this is a number based on data from 2017 and is regularly updated by the tax authorities), you will not have to pay taxes on this income. In such a case, you will only need to submit a statement that the rental revenue for a particular year has not exceeded this amount. The income can be offset by expenses connected to the rental of the apartment, such as agency commission, renovation and other expenses that are directly connected to the rental of the apartment.

Q: I want to share my apartment for short-term stays with tourists. Do I need to report that anywhere?

A: If you are closing a rental contract with a tourist, you do not need to report this short-term rent to the tax authorities. However, renting your apartment this way is a business activity (running an accommodation facility) and, as such, requires that you have a business licence. It is important that you have the right type of contract, which also defines the services that you provide to the tenant. **Q: Do I have to pay taxes from short-term renting?** **A:** Yes, if you are renting an apartment based on a contract for short-term rental, and not based on your business licence, your income is taxable and needs to be reported on your tax return. If your total rental income does not exceed €1,901.67 (this is a number based on data from 2017 and is regularly updated by the tax authorities), you will not have to pay taxes on this revenue.

Residential properties - RENT (Price in € per month)								
	Studio	1 - room	2 - room	3 - room	4 - room	5 or more rooms	Villa	Family house
Bratislava I	515	539	741	1,031	1,904	2,075	4,072	2,389
Bratislava II	378	432	577	705	1,020	1,141	N/A	1,041
Bratislava III	379	439	548	775	1,246	1,037	2,611	1,809
Bratislava IV	403	426	541	694	1,054	1,363	3,165	2,213
Bratislava V	447	449	576	692	761	779	4,500	1,494
Banská Bystrica	232	325	445	547	630	712	N/A	558
Košice I	350	373	562	737	820	1,486	N/A	1,517
Košice II	330	360	671	734	625	N/A	1,200	1,093
Košice III	330	350	518	600	N/A	N/A	N/A	N/A
Košice IV	N/A	450	519	771	1,050	1,000	N/A	1,603
Nitra	342	407	544	632	1,079	1,300	180	1,029
Prešov	240	240	408	483	620	600	N/A	800
Trenčín	N/A	305	325	523	700	735	N/A	745
Trnava	343	407	525	663	600	660	1,200	695
Žilina	348	403	521	716	1,210	N/A	N/A	1,258

Industry & storage, Office and Retail Space - RENT & SALE (Price in €)								
	Banská Bystrica	Bratislava	Košice	Nitra	Prešov	Trenčín	Trnava	Žilina
Offices/ Rent (price per m²/month)								
high standard	10	13 (12-16 centre / 8-13 city)*	11	12	7	8	11	9
mid standard	6	9	7	7	5	5	7	6
lower standard	4	5	5	4	3	3	4	4
Offices/ Sale (price per m²)								
high standard	1,600	3,000	2,000	2,200	1,300	1,400	1,800	1,550
mid standard	1,200	1,700	1,300	1,500	750	800	1,100	1,200
lower standard	800	990	750	950	550	600	650	750
Retail space/ Rent (price per m²/month)								
high standard	13	22	14	16	11	12	14	12
mid standard	8	12	8	8	6	7	8	8
lower standard	4	4	5	4	4	4	4	4
Industry & storage/ Rent (price per m²/month)								
high standard	4	6.5	4.5	5	3	4	4	4
mid standard	3	4.5	3	3.5	2	3	3	3
lower standard	2	3	2	2	1	2	2	2
Industrial parks / Rent in high standard (price per m2/month)*								
Warehouse & assembly space	3.90 - 4.50	3.30 - 4.10	3.80 - 4.20	3.85 - 4.30	3.85 - 4.25	3.50 - 3.90	3.20 - 4.25	3.90 - 4.40
Office space - service charge incl.	8 - 9.50	8.50 - 9	8.25 - 8.75	8.50 - 9.50	8.25 - 8.75	8.00 - 8.75	8.20 - 9	8.50 - 9
Plots for industrial projects / Sale (price per m²)								
Industrial zones	47	74 - 117 (city)	62 - 146 (city)	39	42	35	43	69
Industrial parks*	30 - 50*	70 - 90 (city) 40 (exit)*	30 - 50*	30 - 50*	30 - 50*	30 - 50*	30 - 50*	30 - 50*

Názov (v abecednom poradi) Adresa Mesto PSČ E-mail	www Telefón Fax	Generalný riaditeľ Telefón E-mail	Year of establishment / No. of employees Rok založenia v SR / Počet zamestnancov	Revenue 2016 Tržby v r. 2017 / Tržby v r. 2016	Contract breakdown (%) Public/Private/Foreign Skladba objednávok (%) Verejná/Súkromná/Zahr.	Civil Občianske	Residential/Other Bytová/Ostatné	Industrial/Engineering Průmyslová/Inžinierske	Water works/Water Vodné dielne/Vodárne	Pipeline/Plumbing Potrubia/Kanálizácie	Transport/Logistics Dopravné	Underground/Other Podzemné/Ostatné	Environmental/Ecological Environmentálna/Ekologická	Property renovation/Reconstruction Rekonštrukcia	Projects in 2017 / 2018 Zákazky v r. 2017 / 2018	Major clients Hlavní klienti	Quality certificates Certifikát kvality
1 Doprastav, a.s.																	
Drieňová 27 Bratislava - Ružinov 826 56 sekrngen@doprastav.sk	www.doprastav.sk +421(0)2 4827-1500 +421(0)2 4827-1563	+421(0)2 4827-1501 sekrngen@doprastav.sk	1993 1,268	275 mil. EUR 281.80 mil. EUR	NA NA NA	•	•	•	•	•	•	•	•	•	Public institutions; private investors	Národná diaľničná spoločnosť; ŽSR; Slovenská správa ciest	ISO 9001:2016; ISO 14001:2016; OHSAS 18001:2007
2 EUROVIA SK, a.s.																	
Osloboditeľov 66 Košice - Barca 040 17 sekrss@eurovia.sk	www.eurovia.sk +421(0)55 726-1101	+421(0)55 726-1101 riaditelstvo@eurovia.sk	1952 552	167.50 mil. EUR 112.30 mil. EUR	68% 32% 0%					•	•	•	•		MET Košice; D1 Prešov west-south; sewerage Nedožery - Brezany	Národná diaľničná spoločnosť; Slovenská správa ciest; VÚC	ISO 9001; ISO 14000; ISO 18000
3 Goldbeck, s.r.o.																	
Dvojkrížna 9 Bratislava - Podunajské Biskupice 821 07 bratislava@goldbeck.sk	www.goldbeck.sk +421(0)2 4564-2084 +421(0)2 4564-2085	+421(0)2 4564-2084 bratislava@goldbeck.sk	2004 46	103.10 mil. EUR 102.80 mil. EUR	NA NA NA		•								NA	NA	NA
4 Keraming a.s.																	
Jesenského 3839 Trenčín 911 01 monika.zelenkova@keraming.sk	www.keraming.sk +421(0)32 652-0075 +421(0)32 649-1139	+421(0)32 652-9101 dusan.jasecko@keraming.sk	1991 180	34.20 mil. EUR 35.90 mil. EUR	20% 80% 0%	•	•	•	•	•	•	•	•	•	Rimtech Zlín; Retail Box in Myjava, D. Streda, Samorin; Kuk Coils T. Teplice	Honeywell; Wertheim; Fremach; RPC; J&T Real Estate; Gefco Slovakia	ISO 9001; ISO 14001; OHSAS 18001; AQUAP 2110
5 L-construction, s.r.o.																	
Legionárska 10 Bratislava - Staré Mesto 811 07 info@lconstruction.sk	www.lconstruction.sk +421(0)903 603-774	+421(0)903 720-524 info@lconstruction.sk	2015 35	27.50 mil. EUR 8.20 mil. EUR	NA NA NA	•	•								Arboria; Malé Kráľovce; Urban Residence; National Football Stadium	Lucron Group	NA
6 Skanska SK a.s.																	
Krajná 29 Bratislava - Ružinov 821 04 skanska@skanska.sk	www.skanska.sk +421(0)2 4829-5111	+421(0)2 4829-5111 miroslav.potoc@skanska.sk	1999 -	113.10 mil. EUR 89.80 mil. EUR	50% 32% 18%	•	•	•	•	•	•	•	•	•	D1 Budimír-Bidovec; Premiére Bratislava	NDS a.s.; SSC; ŽSR; municipalities; private investors; developers	ISO 9001:2009; ISO 14001:2005; OHSAS 18001:2008
7 SPIE Elektrovod, a.s.																	
Prievozká 4C Bratislava - Ružinov 824 66 sagelektrovod@sag.eu	www.spie-elektrovod.sk +421(0)2 5025-1111 +421(0)2 5296-1820	+421(0)2 5025-1100 tomas.malatinsky@elvba.sk	1949 -	54.90 mil. EUR 94.30 mil. EUR	NA NA NA		•							•	Overhead transmission lines; electrical assembly works	SEPS; ČEPS; E.ON; ČEZ	ISO 9001; ISO 14001; ISO 3834-2; OHSAS 18001
8 STRABAG Pozemné a inžinierske staviteľstvo s. r. o.																	
Mlynské nivy 61/A Bratislava - Ružinov 820 15 strabag-pozemne@strabag.com	www.strabag-pozemne.sk +421(0)2 3262-1111 +421(0)2 3262-3341	+421(0)2 3262-1111 juraj.hirner@strabag.com	1963 703	387.60 mil. EUR 316 mil. EUR	NA NA NA	•	•	•			•			•	Malé Kráľovce; water pipe Mlynské; IKEA Malacky	VW; Slovenské elektrárne; BROSE; INA; IKEA; Real Estate; Gebrüder Weiss; NFS	ISO 9001:2015; ISO 14001:2015; BS OHSAS 18001:2007
9 STRABAG s.r.o.																	
Mlynské nivy 61/A Bratislava - Ružinov 825 18 strabag.sk@strabag.com	www.strabag.com +421(0)2 3262-1040 +421(0)2 3262-3341	+421(0)2 3262-1026 strabag@strabag.com	1991 665	186 mil. EUR 144 mil. EUR	90% 10% 0%	•		•	•	•	•	•	•	•	D1 Hrdhradie-L. Lúčka; D3 Čadca, Bukov-Surčinovec; Industr. Park Nitra	NDS; SSC; ŽSR; VÚC	ISO 9001; ISO 10006; ISO 14001; ISO 27001; OHSAS 18001
10 TAKENAKA EUROPE GmbH, organizačná zložka																	
Havlíkova 34 Bratislava - Staré Mesto 817 02 zilina@takenaka.sk	www.takenaka.eu +421(0)41 507-7901	+421(0)41 507-7901 zilina@takenaka.sk	2000 50	150.60 mil. EUR 12.30 mil. EUR	0% 100% 0%	•	•	•				•		•	Jaguar Land Rover; Mubea; G-TEKT; Nitra Invest	Jaguar Land Rover; Mubea; KIA Motors Slovakia; Foxconn; SEJONG Slovakia	ISO 14001:2004; ISO 9001:2015; OHSAS 18001:2007
11 VÁHOSTAV - SK, a.s.																	
Priemyselná 6 Bratislava - Ružinov 821 09 info@vahostav-sk.sk	www.vahostav-sk.sk +421(0)41 517-1111	+421(0)2 4922-6204 sekretariat_gr@vahostav-sk.sk	1956 800	84.90 mil. EUR 101.70 mil. EUR	75% 18% 2%	•	•	•	•	•	•	•	•	•	D1 Hričovské Podhradie - Lietavská Lúčka; D1 Hubová-Ivachnová	NDS, a.s.; SEVAK, a.s.; NR SR; ŽSR; SVP, š.p. Bratislava; SSC	ISO 9001:2008; 14001:2004; BSI SAS 18001:2007

NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

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Názov (v abecednom poradí) Adresa Mesto PSČ E-mail Company (Listed alphabetically) Address City, Postal code E-mail	www Telefón Fax www Phone Fax	Riaditeľ Telefón E-mail Chief executive officer Phone E-mail	Year of establishment in SR / No. of branches in SR (No. of countries worldwide) / Languages Rok založenia v SR / Počet pobočiek v SR / Počet krajín vo svete / Jazyky	No. of employees / No. of Slovak / Foreign advisors / Počet zamestnancov / Počet slovenských / zahraničných	Management consulting / Management Financial & tax consulting / Finance & tax	Legal advice / Práve poradenstvo	Human capital consulting / Ľudský kapitál	Marketing & PR consulting / Marketing a PR	IT consulting / IT	Real estate consulting / Nehnuteľnosti	Other Iné	Major clients Hlavní klienti
1 CBRE s.r.o.												
Staromestská 3 Bratislava - Staré Mesto 811 03 bratislavaoffice@cbre.com	www.cbre.sk +421(0)2 3255-3300	+421(0)2 3255-3302 tomas.hegedus@cbre.com	2005 3 / 68 E, Cr, Chi, F, H, G, R, S,	200 40 2						real estate, work place consultancy, architecture, property management, finance		IAC, Lear, Cisco, DHL, Shell, At&t, IBM, Eset, SwissRE, Dell, Oracle, E&Y, PwC, Uniga, Johnson&johnson, Allplan, Citi, Pfizer, HP, ING
2 Colliers International spol. s r.o.												
Mlynské nivy 10 Bratislava - Staré Mesto 821 09 colliers@colliers.sk	www.colliers.com +421(0)2 5998-0980	+421(0)2 5998-0980 ermanno.boeris@colliers.com	2003 1 / 66 E, G, I, S,	- 17 2						real estate financing consultancy		NA
3 Cushman & Wakefield Property Services Slovakia, s.r.o.												
Pribinova 10 Bratislava - Staré Mesto 811 09 info.bratislava@cushwake.com	www.cushmanwakefield.sk +421(0)2 5920-9333	+421(0)2 5920-9340 cristina.dumitrache@cushwake.com	2005 1 / 70 E, G,	40 18 2						investment, acquisitions/sales, valuation, property and project management		CA Immo, Careus, Danfoss, Eurovea, Euromax, Gemo, HB Reavis, Heitman, Immofinanz, Inter-Cora, J&T, NEPI, Penta, Prologis, Reico, VIC
4 Gleds Slovensko												
Vysoká 26 Bratislava - Staré Mesto 811 06 gleds@gleds.sk	www.gleds.com +421(0)2 5292-2320	+421(0)2 5292-2320 kamil.bado@gleds.sk	1999 1 / 22 E, Bul, F, G, I,	33 30 NA						management and construction consulting		ImmoCap, Slovenská sporiteľňa, CBE Development, Orco, J&T REAL ESTATE, Discovery Group, Tesco, TriGranit, Penta
5 Jones Lang LaSalle s. r. o.												
Námestie Mateja Korvína 1 Bratislava - Staré Mesto 811 07 info.slovakia@eu.jll.com	www.jll.sk +421(0)2 5920-9911 +421(0)2 5920-9910	+421(0)2 5920-9920 peter.nitschneider@eu.jll.com	2006 1 / 80 E, H, G, R, Pl, S,	65 65 0						investment, valuation, property and project management, market research		NA
6 Modesta Real Estate, s.r.o.												
Hviezdoslavovo námestie 7 Bratislava - Staré Mesto 811 02 office@modestagroup.com	www.modestagroup.com +421(0)2 3240-8888	+421(0)2 3240-8888 misick@modestagroup.com	2005 1 / 2 E, G,	2 1 2						advisory, commercial real estate services, land development, investment		Prologis, P3, Mountpark, AXA Real Estate, CTP, Goldbeck, DHL, Gebrüder Weiss, Carcoustics, Reifen Gundlach, SONY, Emil Frey, HELIKA
7 PM Group Slovakia s.r.o.												
Ivanská Cesta 30/B Bratislava - Ružinov 821 04 bratislava@pmgroup-global.com	www.pmgroupp-global.com +421(0)2 5465-4814	+421(0)2 5465-4814 bratislava@pmgroup-global.com	2010 1 / 17 E,	13 < 50 < 50						project management, architecture & engineering, cost and technical consultancy		DCBA, Penta Investments, IKEA Bratislava, Sconto Bratislava



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1 ATOPS s.r.o.		Jozef Janík, Jozef Gajdoš														
Lombardiniho 17 Bratislava - Nové Mesto 831 03	www.atops.sk +421(0)908 148-959	+421(0)903 266-162 janik@atops.sk	4 2011 Slovakia	600,000 m²	100%	0%	0%	0%	0%		•	•	•			Nová Tulipa Kvetoslavov; Nová Tehelňa Senec; Nová Alej Marina Benku Kostolište; Východná Alej 1, 2, 3; Malé hliny Modra
2 Bezručová Invest, s. r. o.		Matej Ceconík														
Bezručova 5 Bratislava - Staré Mesto 811 09	www.bezrucova.sk +421(0)2 3810-5687	+421(0)917 200-189 ceconik@bezrucova.sk	5 2007 Slovakia	29,000 m²	70%	0%	0%	30%	0%			•	•			Bezručova residence
3 CEHIP s.r.o.		Alex Hubrecht														
Doležalova 1 Nitra 949 01	www.cehip.eu +421(0)917 702-356 +421(0)37 793-0088	+421(0)917 702-356 alex.hubrecht@rft.be	- 2007 Belgium	80,000 m²	0%	100%	0%	0%	0%	•						Vráble: 6,500m² by CESAM sro; 8,000m² by Auria sro; 600 m² by Heller s.r.o.; 11.000 m² under construction; 10.000m² with EIA and permit in 2020
4 CORWIN a.s.		Marián Hlavačka														
Mýtna 7838/48 Bratislava - Staré Mesto 811 07	www.corwin.sk +421(0)2 5441-6007 +421(0)2 5441-6011	+421(0)2 5441-6007 marian.hlavacka@corwin.sk	58 2010 Slovakia	-	70%	0%	5%	25%	0%		•	•	•	•		Blumental; EINPARK; Dúbravy; Záhrady Devín; Rinzle
5 CRESCO GROUP, a.s.		Štefan Beleš														
Poštová 3 Bratislava - Staré Mesto 811 06	www.cresco.sk +421(0)2 2086-4321	+421(0)2 2086-4321 beles@crecogroup.sk	50 1992 Slovakia	300,000 m²	80%	0%	10%	10%	0%			•	•			Sinečnice; Sinečnice Market; UNIQ Staromestská; Mlynská bašta Košice; UNIQ Majakovského; III veže
6 CTP Invest SK, spol. s.r.o.		Remon L. Vos														
Opletalova 87 Bratislava - Devínska Nová Ves 841 07	www.ctp.eu +421(0)911 059-593	+420(0)565 535-565 remon.vos@ctp.eu	15 2007 Czechia	250,000 m²	0%	86%	0%	14%	0%	•	•	•	•	•	•	CTPark Bratislava; CTPark Tmava; CTPark Voderady; CTPark Žilina; CTPark Nitra
7 CZ Slovakia a.s.		Katarína Czuczová														
Dvořákovo nábrežie 8/A Bratislava - Staré Mesto 811 02	www.czslovakia.sk +421(0)2 5726-7811	+421(0)2 5726-7811 czslovakia@czslovakia.sk	30 1993 Slovakia	4,000,000 m²	20%	65%	0%	15%	0%			•	•			Office and residential development (www.czslovakia.sk)
8 HB Reavis Group		Marian Herman														
Karadžičova 12 Bratislava - Ružinov 821 08	www.hbreavis.com +421(0)2 5830-3030 +421(0)2 5830-3000	+421(0)2 5830-3030 hbreavis@hbreavis.com	700 1993 Slovakia	1,000,000 m²	0%	10%	20%	70%	0%	•	•	•	•	•		Stanica Nivy (mall & bus station); Twin City Complex; City Business Centre; Apollo Business Centre; Aupark Tower; Aupark shopping centres; etc.
9 Immocap Group, a.s.		Martin Šramko														
Plyňárenská 7/C Bratislava - Ružinov 821 09	www.immocap.sk +421(0)2 5822-2800	+421(0)2 5822-2800 immocap@immocap.sk	20 1996 Slovakia	255,000 m²	6%	0%	40%	50%	4%						•	Bratislava Business Centre III, IV, V; Central Bratislava; Residential Zone Čierna voda; Underpass Trnavské myto
10 J&T REAL ESTATE, a.s.		Pavel Pelikán														
RIVER PARK, Dvořákovo nábrežie 10 Bratislava - Staré Mesto 811 02	www.jtre.sk +421(0)2 5941-8200 +421(0)2 5941-8201	+421(0)2 5941-8217 pelikan@jtre.sk	120 1996 Slovakia	1,100,000 m²	29%	21%	4%	29%	17%	•	•	•	•	•	•	River Park; Panorama Towers; Grand Hotel Kempinski High Tatras; Pribinova 19; Zuckermantel; Rustonka; Westend Piazza; Eperia Shopping Mall
11 Karimpol International Slovakia k.s.		Edik T. Plätzer														
Obchodná 2 Bratislava - Staré Mesto 811 06	bratislava-logistics.com +421(0)2 5720-6011 office.sk@karimpol.com	+421(0)2 5720-6011 office.sk@karimpol.com	3 2004 Austria	184,000 m²	0%	100%	0%	0%	0%	•	•	•	•	•		Bratislava Logistics Park; Business Park Senec
12 Lucron Group a.s.		Zoltán Müller														
STEIN2 Offices, Legionárska 10 Bratislava - Staré Mesto 811 07	www.lucron.sk +421(0)910 980-717	+421(0)910 980-717 info@lucron.sk	40 2005 Luxembourg	950,112 m²	89%	0%	11%	0%	0%			•	•	•		Bratislava; Jaskový rad, Edenpark, Malé Krasňany, Urban Residence, Vydrica, Kopčianska; Tmava: Arboria park
13 Penta Real Estate, s.r.o.		Jozef Oravkin														
Digital Park II, Einsteinova 25 Bratislava - Petržalka 851 01	www.pentainvestments.com +421(0)2 5778-8111	+421(0)2 5778-8111 bratislava@pentainvestments.com	150 1994 Slovakia	500,000 m²	26%	0%	26%	46%	2%		•	•	•	•	•	Digital Park; Sky Park, Bory Retail Zone; Bory Mall; Záhorské sady; Nová terasa; Florentinum; Waltravka; Rezidencie Pri Myte
14 Prologis		Martin Polák														
Diaľničná cesta 24 Senec 903 01	www.prologiscee.com +421(0)2 3217-0104 +421(0)2 3217-0001	+421(0)904 661-044 mpolak@prologis.com	6 2005 USA	440,000 m²	0%	100%	0%	0%	0%		•	•	•	•	•	Prologis Park Bratislava; Prologis Park Nitra
15 VGP		Tomáš Bednár														
Suché Myto 6 Bratislava - Staré Mesto 811 03	www.vgpparks.eu +421(0)908 110-002	+421(0)908 110-0002 tomas.bednar@vgpparks.eu	2 1998 Czechia	600,000 m²	0%	90%	0%	10%	0%	•	•	•	•	•	•	Premises for: Benteler, Tajco, Volkswagen AG, Ideal Automotive, Fromm Packaging
16 YIT Slovakia a.s.		Milan Murcko														
Račianska 153/A Bratislava - Rača 831 54	www.yit.sk +421(0)2 5027-7110	+421(0)2 5027-7110 info@yit.sk	160 2010 Finland	-	80%	0%	10%	10%	0%	•	•	•	•	•		Residential projects: STEIN2, TAMMI, PARI, NUPPU, VILLINKI, TARJANNE, KIVIKKO; Offices: Pradiareň 1900

NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

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Názov (v abecednom poradí) Adresa Mesto PSČ E-mail	www Telefón Fax	Riaditeľ Telefón E-mail	Year of establishment in SR / Languages / No. of branches in SR / No. of employees in SR Rok založenia / jazyky / Počet pobočiek v SR / Počet zamestnancov v SR	Purchase - sale / Kúpa - predaj	Leasing agency / Lingová spoločnosť	Valuation (mkt. value) / Očtovanie	Valuation (RUS mkt. value) / Očtovanie RUS	Valuation (expert opinion) / Znalecký posudek	Buying real estate / Odkúpenie nemot.	Architectural services / Architektonické služby	Property & facility / Správa nehnuteľností	Project management / Projektový manažment	RE consultancy / Poradenstvo v oblasti realit	Relocation services / Reločné služby	Commission: purchase - sale (%) / Commission: rent Výše provízie: kúpa-predaj (%) / Výše provízie: prenájom	# of Commercial agents / # of Residential agents Počet agentov na obchody s podnikateľským priestorom / Počet agentov na obchody s bytovými priestormi	Residential / Rezidenčné objekty	Office / Kancelárie	Real / Obchodné priestory	Logistics & industry / Logistika a priemysel	Hotels & leisure / Hotely a voľný čas
1 1. realitná a aukčná spoločnosť, s.r.o.		Adriena Litomerická																			
Panská 27 Bratislava - Staré Mesto 811 01	www.realitna.sk +421(0)903 473-113	+421(0)903 703-850 adriena.litomericka@realitna.sk	1993 E, F, H, G, R, 1 / 7	•		•		•	•	•	•	•			3-4% 8.3% - 1 month rent	7 7	•	•	•	•	•
2 ADMS, s. r. o.		Stanislav Haviar																			
Zámocká 67/5 Žilina 010 03	www.adms.sk +421(0)903 711-394	+421(0)903 711-394 haviar@adms.sk	1998 E, 1 / 3	•								•			- -	3 -		•	•	•	•
3 agreal.sk, spol. s r. o.		Iľja Miškovič																			
Pri Habánskom mlyne 38 Bratislava - Staré Mesto 811 04	www.agreal.sk +421(0)2 3810-4126	+421(0)907 201-692 ilja.miskovic@agreal.sk	2003 E, F, G, R, S, 1 / 2	•		•			•		•	•	•	•	3% 8.3 %	1 3	•	•	•	•	
4 Arthur Real Estate Company s.r.o.		Erik Mikurčík																			
Zámocká 10 Bratislava - Staré Mesto 811 01	www.arec.sk +421(0)911 444-820	+421(0)911 444-820 mikurcik@arec.sk	2000 E, Cr, H, G, R, I, S, 1 / 18	•		•		•	•	•	•	•	•	•	2-5% 1 month rent	4 29	•	•	•	•	•
5 Axis real, spol. s r.o.		Luboš Sigl																			
Bosákova 5/A Bratislava - Petržalka 851 04	www.axisreal.sk +421(0)2 5556-1936 +421(0)2 5556-1936	+421(0)2 5556-1936 lubos@axisreal.sk	2002 E, R, 2 / 10	•		•		•				•			2% 1 month rent	2 10	•	•	•	•	
6 BOND Reality, s. r. o.		Daniela Dániel Rázová																			
Mlynské nivy 58 Bratislava - Ružinov 851 02	www.bondreality.sk +421(0)905 333-333 +421(0)2 6345-1248	+421(0)905 333-333 razova@bondreality.sk	2001 E, Bul, F, H, G, R, I, 1 / 12	•		•			•			•	•		by agreement by agreement	25 25	•	•	•	•	•
7 CASSOVIA REALITAS Košice s.r.o.		Jozef Tomčo																			
Národná trieda 206/75 Košice - Sever 040 01	www.cassoviarealitas.sk +421(0)917 333-134 +421(0)55 728-8586	+421(0)907 190-000 m.tomcova@cassoviare- alitas.sk	2007 E, H, G, I, 4 / 20	•		•		•	•		•	•	•		3% 1 month rent	12 13	•	•	•		
8 COMPRA s.r.o.		Dagmar Lešková, Martina Kapušová																			
Mierová 83 Bratislava - Ružinov 821 05	www.compra.sk +421(0)905 408-242	+421(0)2 4342-7088 compra@compra.sk	2004 E, G, 1 / 6	•				•			•	•	•	•	3% 1 month rent	6 6	•	•	•	•	•
9 Direct Real, spol. s r.o.		Marian Patak																			
Žitná 1 Bratislava - Rača 831 05	www.directreal.sk +421(0)905 338-877	+421(0)918 410-663 marian@directreal.sk	2007 E, H, G, R, 36 / 10	•		•			•		•	•	•	•	3% 100%	50 180	•	•	•	•	
10 HERRYS s.r.o.		Filip Žoldák																			
Žilinská 7-9 Bratislava - Staré Mesto 811 05	www.herrys.sk +421(0)948 217-888	+421(0)948 555-478 filip.zoldak@herrys.sk	2011 E, F, G, R, 3 / 5	•		•				•	•	•	•		5% 5%	13 13	•		•		
11 LEXXUS, a.s.		Slávka Michaličková																			
Miletičova 5 Bratislava - Ružinov 821 08	www.lexus.sk +421(0)911 988-000	+421(0)2 3200-0100 slavka.michalikova@lexus.sk	2004 E, G, I, 1 / 1	•		•						•	•		3% 1 month rent	20 20	•	•	•	•	•
12 MADISON SK, spol. s r.o.		Jozef Semjan																			
Prešovská 39 Bratislava - Ružinov 821 08	www.madison.sk +421(0)917 346-296	+421(0)905 659-156 madison@nextra.sk	1993 E, G, R, 1 / 3	•				•				•			3-4% 0.5-1 month rent	1 2	•	•			•
13 Národná asociácia realitných kancelárií Slovenska		Ján Palenčár																			
Galvaniho 17/C Bratislava - Ružinov 821 04	www.narks.sk +421(0)902 952-391	+421(0)902 952-391 prezident@narks.sk	1992 E, G, 194 members / 2			•						•			- -	- -	•	•	•	•	•
14 Pergo s.r.o.		Jakub Demáček																			
Mliekárská 7 Bratislava - Ružinov 821 09	www.pergo.sk +421(0)2 2090-2022	+421(0)908 788-878 info@pergo.sk	2007 E, G, 1 / 11	•		•		•			•	•	•		3% 1 month rent	- 4	•				
15 RE/MAX Slovakia		Richard Churý																			
Cesta na Senec 2/A Bratislava - Ružinov 821 04	www.re-max.sk +421(0)2 4924-4301	+421(0)2 4924-4301 richard.chury@re-max.sk	2006 E, 43 / 250	•								•			by agreement by agreement	250 250	•	•	•	•	•
16 RK SPIRIT, s.r.o.		Dušan Štríc																			
Moyzesova 4358/9 Liptovský Mikuláš 031 01	www.rkspirit.sk +421(0)915 797-979	+421(0)915 797-979 dstric@rkspirit.sk	2002 E, Cr, R, Pl, Sl, 3 / 3	•		•			•		•	•	•		3-7% 1-3 month rent	6 6	•	•	•	•	•

NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

Compiled by The Slovak Spectator Team

Economy & business environment

Economy should retain solid growth

While global growth has already peaked, Slovakia is likely to gear up its real GDP growth in 2019 as the Jaguar Land Rover plant in Nitra will start producing at full capacity. Potential US car tariffs and a no-deal Brexit, nevertheless, are particularly big concerns for Slovakia, given its intensive trade links with the US and UK. The ongoing expansion of the Slovak economy, meanwhile, is accompanied by intensifying capacity constraints, especially on the labour market. As a result, wage costs will increase yet further and companies, especially in the automotive sector, will have to rely ever more on the import of foreign labour.

Automotive helps

After rapid growth in 2017, the global economy has moderated its growth in the first half of 2018. As world trade volumes and industrial production have slowed, growth downshifted in all major countries in Europe. Slovakia, in contrast, has actually seen its pace of economic growth pick up. Indeed, the real GDP grew 4.2 percent year-on-year in the second quarter of 2018, up from 3.6 percent in the first quarter and 3.4 percent in 2017 as a whole.

A detailed GDP composition, however, reveals that growth was pushed mainly by the automotive industry, which in the second quarter posted both extraordinary exports and investments. While the rise in exports was due to the shipments of already established car manufacturers in the country, especially Volkswagen, the investment boost came primarily from the newcomer, Jaguar Land Rover (JLR). JLR has

now completed its factory in Nitra and thus booked a large part of its intended €1.4 billion overall investment spending. Growth outside the automotive-linked sectors, has slowed, alongside the developments elsewhere in Europe.

Mind the car tariffs...

As JLR gradually rolls out its production to full capacity, the real GDP of Slovakia may well exceed 4 percent in 2019. After all, the overall contribution of the JLR investment and production plans has the potential to boost the GDP by a cumulative 1.5 percentage points by 2021.

(e.g. postponed investments) could be two to three times as big as the direct hit. Although some consolation may be provided by less price sensitivity to the luxury car segment that dominates Slovak car exports to the US (e.g. Audi Q7, Porsche Cayenne, VW Touareg), the projected GDP trajectory surely will have to be revised should the car tariff scenario materialise.

Brexit

Another downside to the GDP projection outside Slovakia's control is the ill-prepared exit of the UK from the EU in March 2019. A no-deal Brexit

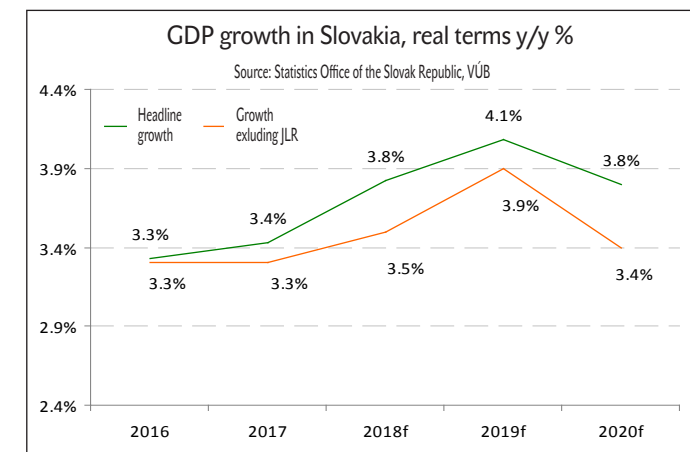
other EU countries, including the UK, would be hit harder.

Risks

To be sure, rising trade barriers and a no-deal Brexit are sizeable and not exhaustive risks to the European and global economic outlook. Rising oil prices, higher political risks and the reversal of capital inflows to emerging markets are other global risks that recently became more pronounced. In the baseline scenario, though, global growth is slowing, but not stalling completely. In the latest October 2018 World Economic Outlook, the International Monetary Fund (IMF) lowered global growth projections for 2018-2019 by 0.2 percentage points for both years compared to the forecast six months ago. The revised growth level, however, is the same as that in 2017, at 3.7 percent. Growth in the eurozone in 2019 is forecast by the IMF at 1.9 percent, only a 10th below the pace in 2018. Analysts in Intesa Sanpaolo Research see growth in the eurozone moderating a bit more, towards 1.7 percent, but should still remain above trend (1.5 percent), which they believe will be achieved in 2020. While prospects for global trade have clearly deteriorated compared to the outlook a year ago, foreign demand for Slovak exports should remain reasonably supported in 2019.

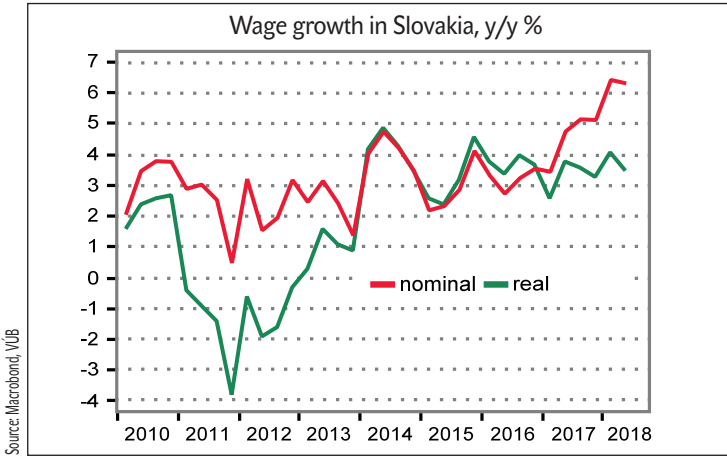
Domestic demand

The outlook for domestic demand, the other leg of GDP growth, remains encouraging. Household consumption, in particular, should remain well supported as jobs are plentiful and wage incomes are increasing – a scenario that is likely to prevail in the year ahead. Namely, the demand for labour



Yet, 2019 growth projections are subject to several downside risks, mostly emanating from outside Slovakia. Increased US trade protectionism and potential car tariffs are one particular risk, given the importance of the automotive industry for the Slovak GDP. Indeed, Slovakia is the EU's most exposed country to the US car market, to which it exports cars worth an equivalent of 1.7 percent of GDP. On current production plans, a potential 25-percent car tariff would hit GDP growth in 2019-2020 by 0.1 percentage point per annum. Moreover, an indirect hit from spoiled confidence

will hit Slovakia hard. Slovakia has a positive trade balance with the UK, which in absolute terms is superseded only by Germany and France. Nearly 100,000 Slovaks work and live in the UK and there are also substantial business relationships between the two countries. The hits to exports and imports from increased trade frictions, as well as the hits to consumer spending and business investment in the case of a no-deal Brexit would therefore be significant. On Oxford Economics modelling, a no-deal Brexit would result in Slovakia's GDP falling 0.6 percent below the baseline forecast at the end of 2020. Only four



will remain hot as the economy fires on all cylinders. The supply of labour, however, is becoming increasingly short as population ageing and other adverse demographic trends set in. Already now, labour shortages are common across manufacturing and service sectors. Employers can no longer find an available labour force on the local market and therefore increasingly resort to a foreign one. Over a year ago, through August 2018, the number of

foreign employees increased by 18,000, or 42 percent. More are expected to come. Slovaks working temporarily abroad are now returning home. From the peak two years ago, some 25,000 moved back (to 140,000). Clearly, it is employees who are gaining the upper hand on the labour market. And wage growth, unsurprisingly, is gearing up. The average nominal gross wage reached €1,004 in the second quarter and was 6.4 percent higher than a year ago.

Expect even faster wage growth in the year ahead. This will clearly support household spending, but on the other hand may cool the production and investment plans of some companies. On investments, the government will come to the rescue. In 2018, local governments are spending money as they repair road infrastructure ahead of the municipal election in November 2018. Next year, the central government will take over fiscal electioneering and pump up infrastructure spending ahead of parliamentary elections in early 2020.

Borrowing costs

Luckily for public finances, the strong economy delivers fiscal leeway that leaves room for extra spending and a declining public deficit. In 2019, the deficit should amount to a mere 0.1 percent of GDP. And in 2020, the public finance budget should be balanced for

the first time ever. The overall public debt is heading below 50 percent of GDP in the current year and predicted to fall below 45 percent by 2021. Slovakia thus continues to enjoy investor confidence and government bonds remain tightly priced, just 50 base points above German benchmarks in 10-year maturity. With a prospective termination of European Central Bank's asset purchases by the end of 2018 and start of the official rate normalisation after summer 2019, bond yields in the eurozone will likely gradually increase. Still, given the projected decline in public debt, Slovak bonds will remain in short supply and thus well bid by potential investors. The prospective increase in Slovak bond yields will thus remain limited to those of core eurozone markets, Germany in particular.

By Zdenko Štefanides, chief economist at VÚB bank

BASIC STATISTICAL DATA - SLOVAKIA & THE EUROPEAN UNION							
	Euro Area	EU 28	Germany	Slovakia	Poland	Czech Rep.	Hungary
Population 1.1.2018 (mil.)	341.46	512.65	82.85	5.44	37.98	10.61	9.78
GDP Percentage change 2016 / 2017	2.4%	2.4%	2.2%	3.2%	4.8%	4.3%	4.1%
Unemployment (%) in September 2018, seasonally adjusted	8.1%	6.7%	3.4%	6.6%	3.4%	2.3%	3.8%
Annual inflation (%) in September 2018	2.1%	2.2%	2.2%	2.7%	1.5%	2.1%	3.7%

Source: Eurostat

GDP - SLOVAKIA & THE EUROPEAN UNION							
	Euro Area	EU 28	Germany	Slovakia	Poland	Czech Rep.	Hungary
GDP per capita 2017 (€)	32,600	29,800	39,400	15,600	12,200	18,000	12,600
GDP per inhabitant in PPS, 2016, EU 28 = 100%	106%	100%	123%	77%	69%	88%	67%
GDP per inhabitant in PPS, 2017, EU 28 = 100%	106%	100%	123%	77%	70%	89%	68%

Source: Eurostat, World Bank, exchange rate USD/EUR used was the average of 2016

PUBLIC FINANCES & TAXES - SLOVAKIA & THE EUROPEAN UNION							
	Euro Area	EU 28	Germany	Slovakia	Poland	Czech Rep.	Hungary
Government deficit in 2017 (%)	-1%	-1%	1%	-0.8%	-1.4%	1.5%	-2.2%
Government debt in 2017 (% of GDP)	86.8%	81.6%	63.9%	50.9%	50.6%	34.7%	73.3%
Total general government revenue 2017 (% of GDP)	46.1%	44.8%	45.0%	39.4%	39.7%	40.5%	44.7%
Top statutory personal income tax rate (%)	-	-	47.5%	25%	32%	15%	15%
Corporate income tax rate (%)	-	-	29.8%	21%	19%	19%	9%

* arithmetic average (all members)

Source: Eurostat, OECD

LABOUR MARKET - SLOVAKIA & THE EUROPEAN UNION (BASED ON LABOUR FORCE SURVEY)							
	Euro Area	EU 28	Germany	Slovakia	Poland	Czech Rep.	Hungary
Employment rate 2017 (%) *	71%	72.2%	79.2%	71.1%	70.9%	78.5%	73.3%
Unemployment rate 2017 (%)	9.1%	7.6%	3.8%	8.1%	4.9%	2.9%	4.2%
Long-term unemployment rate 2017 (%)	4.4%	3.4%	1.6%	5.1%	1.5%	1.0%	1.7%
Labour productivity in 2017 per person employed (EU 28 = 100, based on PPS series)	107%	100%	106.2%	80.8%	75.9%	80.5%	68%
The hourly labour cost in the business economy in 2017 (€)**	30.3	26.8	34.1	11.1	9.4	11.3	9.1
The hourly labour cost in the business economy in 2016 (€)**	29.8	25.4	33	10.4	8.6	10.2	8.3
Total nominal hourly labour cost in second quarter 2018 % change compared with same quarter of previous year	2.2%	2.6%	2.0%	7.9%	6.2%	9.3%	10.2%

* rate is calculated by dividing the number of employed persons aged 20-64 years by the total population of the same age group, **estimation

Source: Eurostat

Slovak glass scientist succeeded in EU schemes

Slovak science has not found much success in the world. However, some scientists have added value to global science. One of them is Professor Dušan Galusek.

The chemist came to the scientific profession “by accident”. He wanted to work in the industrial sector after the 1989 Velvet Revolution. He later, along with an international team, managed to transform the decaying glassworks research centre in Trenčín into a centre of excellence recognised throughout Europe.

While the centre's infrastructure was built using Slovak and EU funds, the greatest development began after Galusek received money from the EU Horizon 2020 programme. Galusek was one of few Slovaks to receive this type of funding.

Difficult beginnings

Dušan Galusek comes from Trenčín Region, where the silicate industry, including glass, lime and cement plants, has always been vital. That's the reason why he chose to study ceramics at the Faculty of Chemical and Food Technology in Bratislava.

“My vision was that I would be employed in some of these companies, even during my studies,” Galusek told The Slovak Spectator. “I even took a scholarship from one cement plant.”

However, organisational changes in the company after the fall of the communist regime in 1989 disrupted his plans. While Galusek was thinking about the future, the faculty and the Slovak Academy of Sciences (SAV) offered him a PhD study. He chose the study at his alma mater.

In 1993, Galusek received a scholarship at Brunel University London. After three months in Great Britain, he began working with Professor Pavol Šajgalík (now president of SAV, ed. note) of the

Institute of Inorganic Chemistry of SAV, who helped him to get research stays in Darmstadt and Leeds.

“After the return, there was no question of whether I wanted to continue in science, but rather how I would find my way in it,” Galusek said.

Move to glass

When he came back from abroad, he got a job offer from the Institute of Inorganic Chemistry of SAV. Indeed, he and his wife did not want to stay in Bratislava. He got an offer to go to SAV's workplace in Trenčín, which is dedicated to the research of glass. After the establishment of the Trenčín-based Alexander Dubček University in 1997, Galusek and his colleagues gained new premises. Later, the centre was named the Glass Competence Centre Vitrum Laugaricio.

The new millennium brought EU funds. Firstly, SAV's Institute of Inorganic Chemistry and Institute of Materials Research in Košice, along with the Alexander Dubček University acquired €4 million for the construction of the Centre of Excellence for Ceramics, Glass and Silicate Materials from the Operational Programme Research and Development for 2007-2013.

“We have tried to equip the centre with complete technology for the preparation and basic characterisation of the samples,” Galusek said.

Success for millions

In line with the achievements, the centre joined the Teaming scheme of the Horizon 2020 programme in 2015. While Horizon 2020 is the main R&D support scheme in the EU, the Teaming programme of scientists from low-performing countries with scientists from western Europe



Dušan Galusek

increases the chance of success in the scheme.

Galusek and his team managed to submit the project on time, although he saw the call only six weeks before the deadline. The team consists of Lothar Wondraczek of the Otto Schott Institute of Materials Research in Jena, bio-material scientist Aldo Bocacini, Alicia Durán, now elected as the president of the International Commission on Glass, and waste processing professor Enrico Bernardo of Padova.

“It's the cream of the crop in glass research,” Galusek said.

Of 164 projects, the Slovak one made the top 10. The €15 million acquired served to upgrade the workplace to the European Center for Functional and Surface-Functionalized Glasses (FunGLASS).

Now, Galusek deals with research, especially in oxide structural ceramics, ceramic composites, advanced ceramic materials, organic pre-ceramic precursors and aluminate glasses.

Too much paperwork

In addition to Horizon 2020, Galusek finances his work through the Slovak VEGA and APVV grant agencies. While APVV offers decent but hard-to-reach money,

VEGA projects gradually increase their quality, he said.

“However, these projects are small and serve as a supplement,” Galusek said, adding that further help came from cooperation with foreign organisations and industry.

EU funds have the worst paperwork and rules, according to Galusek. Due to poor financing, Slovak scientists participate in projects with conditions that scientists in western Europe would not accept.

No one invested a cent in Slovak scientific infrastructure between 1989 and when EU funds came, Galusek said.

“Thirsty people at universities and SAV jumped over EU funds as if they suddenly came across water in the well,” he said.

Need for greater transparency

To make the system better, Galusek would like to see more money allocated through transparent competition. Each research project should undergo an independent, critical, quality assessment, excluding domestic evaluators and reviewers from countries like the Czech Republic and Poland, which employ a work system similar to Slovakia's.

Scientists should work hard and gain experience, motivation and drive from abroad, he said. Young Slovaks often perceive doctoral studies as an emergency solution, not a precursor to their next career.

“Foreign doctoral students do not understand why they should take a vacation, not work during the weekend and go home at three o'clock,” Galusek said. “Then they go and do a good job and continue abroad.”

By Peter Adamovský, analyst at the Slovak

Investment highlights

■ NOVEMBER 2017

US online retailer Amazon opened its largest and one of its most technologically advanced returns centres in Sered' (Trnava Region), employing more than 1,000 people. It plans to continue hiring, with representatives still to specify the target employment.

Three foreign companies (Dongil Rubber Belt, Pankl Automotive, and Rochling Automotive) announced their plan to invest more than €48 million in the towns of Topoľčany, Nové Mesto nad Váhom and Považská Bystrica. They want to create a total of 347 new jobs.

The Green Group company from Romania revealed its plans to invest €8.5 million in building a plant for processing PET bottles and mixed plastics in Slovakia, creating up to 100 new jobs.

German company Hengstler officially opened its new plant in the industrial park in Kežmarok (Prešov Region), with a price tag of more than €7 million. The company moved part of its production from Germany and created 72 new jobs in the process.

The Slovak plant of the Japanese company Panasonic expanded

the production of parts for the automotive industry in the town of Trstená (Žilina Region). The investment exceeds €30 million.

The company ZF Slovakia disclosed a plan to expand production in the town of Levice (Nitra Region), investing €17 million into the production of adaptive dampers for the automotive industry and creating 750 new jobs.

■ DECEMBER 2017

German carmaker Porsche purchased approximately 20 hectares of land near Horná Streda (Trenčín Region). Media reports suggest that a new plant could be built there, with the carmaker producing various parts for electric cars.

The development companies J&T Real Estate and HB Reavis withdrew their applications for a statute for important investments in Bratislava. Both developers declared that they will continue with their projects, in which they plan to invest more than €2 billion in total.

The Swiss company Optotune revealed its plans to establish a technology centre in Trnava, focusing on the development of innovative products and the improvement of existing ones. The company wants

to invest €520,000 into machinery and technology and €3.8 million into wage costs within the project; it is expected to employ 50 people.

■ JANUARY 2018

Slovakia reported the arrival of over 30 investments worth almost €0.5 billion for 2017. These should help create roughly 9,000 jobs.

The cabinet approved investment aid amounting to €10.06 million, expected to support the creation of 1,147 new jobs at five companies that will implement their investment projects amounting to €69.49 million.

■ FEBRUARY 2018

Slovakia placed 40th out of 119 countries monitored in the international Global Talent Competitiveness Index, down three spots compared with 2016. The report ranks countries according to their abilities to make full use of talent.

Companies asking for state investment stimuli will no longer have to create new jobs in production, stemming from the law on regional investment aid adopted by parliament.

Slovakia's government approved the EU-Canada Comprehensive

Economic and Trade Agreement (CETA). The agreement facilitates the trading of goods and services by removing custom duties and trade barriers.

The government provided investment aid to 15 companies in 2017. Overall, it approved assistance to the companies amounting to almost €84 million, which led to the opening of more than 3,000 new jobs, the Institute of Economic and Social Studies (INESS) think-tank reported.

■ MARCH 2018

German automotive manufacturer SAM Automotive announced it will set up its production plant in Veľký Krtíš (Banská Bystrica Region), planning to create more than 800 jobs. It will produce aluminium door components and roof racks, particularly for Volkswagen Slovakia, Audi and Mercedes Benz in Hungary.

Small and medium-sized enterprises (SMEs) are expected to receive millions of euros via the Central Europe Fund of Funds (CEFoF), a €80.3-million initiative created by the European Investment Fund (EIF) in cooperation with the International Investment Fund and the governments and national agencies of participating countries.

The favourable pro-growth sentiment among foreign investors in Slovakia persists. Almost half of them plan to expand and look for new employees while the biggest obstacles hampering their businesses in Slovakia remain the shortage of qualified labour and corruption, as stems from the regular business survey carried out by foreign chambers of commerce.

■ APRIL 2018

The British retail chain Tesco continues the sale of its department stores in Slovakia. Following the sale of shops in Žilina, Nitra,

Prešov and Košice, it decided to sell its last piece of real estate in Slovakia, the department store My on Kamenné Square in Bratislava.

■ MAY 2018

Developer HB Reavis kicked off the reconstruction of Bratislava's main bus station on Mlynské Nivy Street, with a cost estimated at €345 million.

■ JUNE 2018

The government approved the investment aid of €20 million for Japanese company MinebeaMitsumi, which opened a new plant near Košice worth €60 million later in the month. The company expects to employ around 1,100 workers.

US real estate investment fund Heitman sold the Aupark Tower office building in Bratislava to the real estate fund of the investment bank Wood & Company. The consultancy company CBRE, which mediated the deal, described the transaction as the biggest on the Slovak office real-estate market in seven years.

Swiss company Mubea Engineering AG, which produces car components, revealed its plans to invest over €50 million in Kežmarok (Prešov Region), bringing in 500 jobs, including 100 positions in research and development.

■ JULY 2018

The Slovak cabinet approved state aid for seven investors, totalling €29.5 million. The investment projects of Adient, EMI-Sabinov, Memolak, Brose Prievidza, Neuman Aluminium, Mubea, and Vigour should create almost 1,300 new jobs and cumulatively invest more than €125 million in Slovakia.

BMW will build a new plant for €1 billion near the Hungarian city of Debrecen. Though Slovakia was on the shortlist, the carmaker eventually chose Hungary due to its good infrastructure, proximity to a supply chain and qualified labour force.

The Czech investment fund Arete Invest launched the construction of a new warehouse for the international chain of fashion e-shops Factcool in Nové Mesto nad Váhom (Trenčín Region). It will cost €11 million and serve the CEE region.

■ AUGUST 2018

The US online retailer Amazon increased the hourly wages of workers in its returns centre in Sered'. Entrance level employees who have been working at Amazon for up to one year now earn €5.5 gross per hour. Those working in these positions for more than one year earn €5.7 gross per hour. Remuneration of team leaders increased to €7-7.2 gross per hour. The increase also applies to the wages of all seasonal workers.

One Fashion Outlet 1 near the village of Voderady (Trnava Region), the biggest outlet centre in Slovakia, filed for bankruptcy following several financial problems.

Investors invested almost €500 million into commercial real estate in Slovakia during the first half of 2018. This almost equals investments for the whole year of 2017, which amounted to €535 million, according to the real estate consultancy company JLL.

Regional power producer and distributor Západoslovenská Energetika bought the gas-steam power plant Malženice from the German company E.ON. The price was not specified.

AeroMobil, the hybrid car-airplane design, has acquired a new investor, the Hungarian entrepreneur Zoltán Varga.

The Chinese investor Sensei Logistic revealed its plans to manufacture suitcases in Svidník (Prešov Region), planning to employ approximately 15 people.

■ SEPTEMBER 2018

The Czech brewery Plzeňský Prazdroj decided to invest €4.4 million into expanding beer production in eastern Slovakia. Apart from enhancing the existing beer



Mlynské Nivy in Bratislava (Source: TASR)

can filling line and bottling line, it will build a new filtering line in the Pivovar Šariš brewery in Veľký Šariš (Prešov Region).

Duslo Šaľa officially launched a new ammonia production plant, with the investment in the factory, called Ammonia 4, amounting to €310 million. The company received a €58 million tax incentive.

The construction of a gas pipeline link between Slovakia and Poland was ceremonially launched at the gas transport hub in Veľké Kapušany (Košice Region). Built by Slovakia's Eustream and Poland's Gaz-System, the 160-kilometre-long gas interconnection, 103 kilometres of which will be in Slovakia, will cost €142 million.

Vaillant Industrial Slovakia, a producer of the inner parts of boilers, ceremonially opened new premises worth €16 million. The company has almost doubled its production premises to 28,000 square metres in Trenčianske Stankovce (Trenčín Region) and increased its labour force to 900 employees.

The Slovak arm of the Austrian company ZKW that produces headlights and fog lamps is expanding its production premises in Krušovce (Nitra Region) at a cost of €155 million. It will be the largest and most cost-intensive expansion project in ZKW's 80-year history.

■ OCTOBER 2018

Czech company Conrop, which produces, develops and sells flexible packaging focusing on the handling and transportation of particularly bulky and liquid materials, officially opened its new plant in Trebišov (Košice Region). It currently employs 50 people, but plans to create a total of 220 jobs by the end of 2019.

The EC approved Slovakia's plan to render investment aid worth €125 million to the Jaguar Land Rover carmaker, saying that the aid is in compliance with EU rules on state aid, and that it will contribute to the development of this region.

The Austrian company Soravia opened a new retail zone in Liptovský Mikuláš (Žilina Region), making it the first investment by the Austrian developer outside Bratislava. The investment, totalling €22 million, has created 100 jobs so far.

The government approved the increase in the minimum monthly wage from €480 to €520, starting from the beginning of 2019.

Slovakia worsened its position in the Global Competitiveness Report 2018 published by the World Economic Forum. It ranked 41st of 140 countries.

Carmaker Jaguar Land Rover officially opened its Nitra-based plant.

Compiled by Spectator staff



Duslo Šaľa (Source: TASR)


Názov (v abecednom poradí) Adresa Mesto PSČ E-mail	www Telefón Fax	Riaditeľ Telefón E-mail	Year of establishment in Slovakia/ # of members / Languages Rok založenia / Počet členov / Jazyky	Annual membership fee Ročný členský poplatok	Membership conditions Podmienky pre členstvo	Services and activities Služby a aktivity
Company (Listed alphabetically) Address City, Postal code E-mail	www Phone Fax	Chief executive officer Phone E-mail				
1 American Chamber of Commerce in the Slovak Republic						
Hodžovo námestie 2 - Hotel Crowne Plaza Bratislava - Staré Mesto 811 06 office@amcham.sk	www.amcham.sk +421(0)2 5464-0534 +421(0)2 5464-0535	+421(0)2 5464-0534 director@ amcham.sk	1994 330 E,	patron EUR4,000; corporate EUR2,300; general EUR850; NGO/Individual EUR500	AmCham's main pillars: information, networ- king and advocacy	contacts; information; events; facilitation of trade and investment opportunities
2 Austrian - Slovak Chamber of Commerce						
Kutilková 17, P.O. BOX 228 Bratislava - Petržalka 814 99 sohk@sohk.sk	www.sohk.sk +421(0)2 6353-6787 +421(0)2 6353-6788	+421(0)917 450-964 berithova@ sohk.sk	1996 182 E, G,	depending on the number of employees	business entities, companies with Slovak and Austrian connections	event organisation; seminars; business networking; contacts and information for members; publication; meetings; lobbying
3 Brazil - Slovak Chamber of Commerce						
Palisády 724/47 Bratislava - Staré Mesto 811 06 secom.bratislava@itamaraty.gov.br	NA +421(0)2 3218-1409	+421(0)2 3218-1409 NA	2017 17 E, P,	EUR350	NA	NA
4 British Chamber of Commerce in the Slovak Republic						
Mostová 2 Bratislava - Staré Mesto 811 02 info@britcham.sk	www.britcham.sk +421(0)2 3266-1949	+421(0)2 3266-1941 denisa.brighton@ britcham.sk	1998 110 E,	EUR590 - EUR1,330 (depending on the number of employees)	application complete, board approval, inte- rest in gaining UK and SK connections	services for SK / UK business to enter the UK / SK market; business and social events; partnership proposal; business promotion
5 Canadian Chamber of Commerce						
Mariánska 12 Bratislava - Staré Mesto 811 08 ksok@ksok.sk, Kanada@Kanada.sk, info@ CanadaExclusive.com	www.kanada.sk, www.ksok. sk, www.cancham.sk, www. CanadaExclusive.com +421(0)2 5293-2895	+421(0)918 485-978 joseph.burza@ ksok.sk	2001 64 E, H, S,	corporate EUR1,000; individual EUR350	application form, board approval, mem- bership fee	lobbying; contacts and information for members; assistance to market entry
6 French - Slovak Chamber of Commerce						
Klariská 14 Bratislava - Staré Mesto 821 03 fsok@fsok.sk	www.fsok.sk +421(0)2 5910-3411	+421(0)2 5910-3411 desvergnas@ fsok.sk	1994 145 E, F,	depending on the basic capital of the company	registration form, board approval	assistance in business entry; networking and political events; business breakfasts; seminars; speed business meetings
7 German - Slovak Chamber of Industry and Commerce						
Suché myto 1 Bratislava - Staré Mesto 811 03 info@dsihk.sk	www.dsihk.sk +421(0)2 2085-0620 +421(0)2 2085-0632	+421(0)2 2085-0620 info@ dsihk.sk	2005 440 E, G,	large companies EUR600; small companies EUR420; institutions EUR250	involvement in German-Slovak business community	assistance in market entry in Germany / Slovakia; organisation of member events; support in vocational training
8 Hispanic - Slovak Chamber of Commerce						
Poštová 1 Bratislava - Staré Mesto 811 06 info@camaradecomercio.sk	www.camaradecomercio.sk +421(0)2 5249-3005	+421(0)2 5249-3005 fdelasierra@ camaradecomercio.sk	2009 32 E, S,	individuals EUR150; small companies EUR500; big companies EUR1,000	application form, membership fee	support of commercial relations between Slo- vak and Spanish companies through contacts, information, events and discussions
9 Italian - Slovak Chamber of Commerce						
Michalská 7 Bratislava - Staré Mesto 811 01 info@camitslovakia.sk	www.camit.sk +421(0)2 5413-1290	+421(0)2 5413-1290 g.dovigi@ camitslovakia.sk	1997 180 E, I,	EUR500	application form, membership fee	lobbying; events; meetings; setting up compa- nies; info and consulting services; assistance in market entry
10 Japan - Slovak Chamber of Commerce						
Kominárska 1 Bratislava - Nové Mesto 831 04 contact@sjok.sk	www.sjok.sk +421(0)905 205-096	+421(0)905 459-182 bohov@ sjok.sk	2006 10 E, J,	EUR665	company must be registered at Slovak business register or similar register abroad, membership fee	business consulting; networking; trade and market promotion; individual and group business trips
11 Netherlands Chamber of Commerce						
Moskovská 13 Bratislava - Staré Mesto 811 08 director@netherlandschambers.sk	www.netherlandschambers.sk +421(0)944 308-441	+421(0)944 308-441 director@ netherlandschambers.sk	1997 - E,	individual EUR200; corporate EUR830; patron EUR1,500	application form, board approval, mem- bership fee	business contacts; networking; consulting; business and social events; seminars; events in Slovakia and in the Netherlands
12 Polish - Slovak Chamber of Commerce						
Háľkova 31 Žilina 010 01 zahrza@za.scci.sk	www.spok.sk +421(0)41 723-5102 +421(0)41 723-5653	+421(0)41 723-5102 zahrza@ za.scci.sk	1996 35 E, Pl,	EUR166	company established in the Slovak Republic and Poland	search for business partners; presentation of members; organisation of trade missions; exhibitions; seminars; etc.
13 Slovak Chamber of Commerce and Industry						
Corkého 9 Bratislava - Staré Mesto 816 03 sopkurad@sopk.sk	www.sopk.sk +421(0)2 5413-1228 +421(0)2 5413-1159	+421(0)2 5413-1228 predseda@ sopk.sk	1992 - E, F, G,	EUR200 - EUR8,600 (depending on size of company)	NA	contacts for firms; business trips; arbitration court; seminars; trainings; legal and customs consulting; publication
14 Swedish Chamber of Commerce in the Slovak Republic						
Kalinčiakova 27 Bratislava - Nové Mesto 831 04 swedcham@sweden.sk	www.sweden.sk +421(0)917 750-884	+421(0)907 586-991 jan.norman@ swedcham@sweden.sk	1997 41 E,	companies up to 10 empl. EUR415; from 11 empl. EUR 830; individuals EUR100	submit application form, pay annual member- ship fee, attend events	seminars; breakfast meetings and presenta- tions; visits to companies, social and sports events; networking
15 Swiss - Slovak Chamber of Commerce						
Michalská 12 Bratislava - Staré Mesto 811 01 hssr@hssr.sk	www.hssr.sk +421(0)903 476-538	+421(0)903 435-553 jana.markechova@ jmlegal.sk	2000 46 E, G,	EUR500 - EUR1,200	board approval	NA

NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

Compiled by The Slovak Spectator Team

www.SPECTATOR.sk

All you need to know about Slovakia... updated daily

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1 Renaudit												
 Vajanského 3 Nitra 949 01 info@renaudit.sk	www.renaudit.sk +421(0)37 655-0281 +421(0)37 655-0458	+421(0)37 655-0281 matuska@ renaudit.sk	1991 1 / 1 E, G, S,	17 14 0		•	•				audit of financial statements, accounting, payrolls, legal consulting	Cikautxo, Koppert, Muehlbauer Techno- logies, Leder&Schuh, DS Smith Slovakia, Ansaldo Nucleare, MC-Bauchemie, Takko Fashion, Clamason, SEC, Kärcher
2 Sahesa s.r.o.												
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3 Accace k.s.												
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4 ACCEPT AUDIT & CONSULTING, s.r.o.												
Bašťová 38 Prešov 080 01 ibosela@acceptaudit.sk	www.acceptaudit.sk +421(0)51 772-3849 +421(0)51 772-3849	+421(0)911 632-729 ibosela@ acceptaudit.sk	1995 3 / 1 E, F, N, G, R, Pl,	19 6 2	•	•		•	•		audit, accounting, payroll services, wages and salaries, valuation of assets and companies	NA
5 ASB Slovakia, s.r.o.												
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6 AT Partners - Geneva Group International												
Stromová 54 Bratislava - Nové Mesto 831 01 office@atpartners.sk	www.atpartners.sk +421(0)2 5296-6955 +421(0)2 5296-6956	+421(0)2 5296-6955 marian.augustin@ atpartners.sk	2003 1 / 123 E, G,	11 11 0		•					audit, accounting services, payroll services, consulting, outsourcing, due diligence	NA
7 BDR, spol. s r.o.												
M. M. Hodžu 3 Banská Bystrica 974 01 bdr@bdrbb.sk	www.bdrbb.sk +421(0)48 470-0041	+421(0)905 689-598 bdr@ bdrbb.sk	1991 2 / 103 E, Cr, F, G,	25 5 0	•	•	•	•		•	audit, tax advice, customs, corporate, financial consultancy, accounting, transfer pricing	NA
8 BMB Leitner												
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9 CCS Tax, k.s.												
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10 Ernst & Young, s.r.o. (EY)												
Žižkova 9 Bratislava - Staré Mesto 811 02 ey@sk.ey.com	www.ey.com/sk +421(0)2 3333-9111 +421(0)2 3333-9112	+421(0)2 3333-9111 ey@ sk.ey.com	1991 2 / 150 E, G,	300 NA 0		•	•	•	•		assurance, tax, legal, transaction and advisory (performance improvement, IT advisory) services	NA
11 Grant Thornton Consulting, k.s.												
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12 KPMG Slovensko, spol. s r.o.												
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13 Mazars												
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14 Monarex Audit Consulting, s.r.o.												
Námestie slobody 2 Banská Bystrica 974 01 pompora@monarex.sk	www.monarex.sk/en +421(0)905 323-949 +421(0)48 470-1523	+421(0)905 323-949 pompora@ monarex.sk	1996 1 / 1 E, G, R,	12 8 0		•					audit, accounting, payroll, valuation of businesses	NA
15 PF/ACT, s.r.o.												
Sládkovičova 858/7 Bratislava - Staré Mesto 811 06 pfact@pfact.sk	www.pfact.sk +421(0)2 3211-7811	+421(0)2 3211-7811 martin.papanek@ pfact.sk	2009 1 / 1 E,	5 2 NA		•	•				NA	NA
16 PricewaterhouseCoopers Advisory s.r.o.												
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NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

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17 PROFINAM Tax, s.r.o.				Roman Konrad															
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18 TPA AUDIT, s.r.o.				Ivan Paule															
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19 VGD SLOVAKIA s.r.o.				Bart Waterloos															
Moskovská 13 Bratislava - Staré Mesto 811 08 info.bratisklava@vgd.eu		www.vgd.eu +421(0)2 5920-1112		+421(0)905 570-566 bart.waterloos@vgd.eu		2002 2 / 8 E, F, D, G,		109 90 1		● ● ●						audit, payroll, M&A		NA	

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1 Centire s. r. o.				Renáta Kiselicová															
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2 Deloitte				Marián Hudák															
Digital Park II, Einsteinova 23 Bratislava - Petržalka 851 01 deloitteSK@deloitteCE.com		www.deloitte.sk +421(0)2 5824-9111 +421(0)2 5824-9222		+421(0)2 5824-9111 deloitteSK@deloitteCE.com		1991 3 / 150 E, G, R,		260 NA NA		● ● ● ● ●						enterprise risk services, forensic investigations, transaction advisory, project management		NA	
3 Európske partnerstvo pre verejnú stratégiu - EPPP				Martin Krekáč															
Štefanovičova 12 Bratislava - Staré Mesto 811 04 slovakia@eppp.sk		www.eppp.sk +421(0)2 5443-6001 +421(0)2 5443-6001		+421(0)2 5443-6001 slovakia@eppp.sk		1998 1 / 2 E, F, H, G, R,		5 15 2		●		● ●				education, research & development, entrepreneurship, social science		private sector, public sector, EU institutions	
4 Fipra - Public Policy & Regulatory Advisers				Patrik Zoltvány															
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5 Ivan Perlaki Consulting, s.r.o.				Ivan Perlaki															
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6 Jeneweine Group				Martin Krekáč															
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7 MARKETin CEE s.r.o.				Pavol Kopec															
Lichnerova 41 Senec 903 01 info@marketincee.com		www.marketincee.com +421(0)2 2020-0030 +421(0)2 2020-0031		+421(0)2 2020-0030 kopec@marketincee.com		2003 1 / 1 E, G, S,		3 3 200+		●		●				market entry, export, M&A, partnership, competitiveness, business development in CEE region		ABB, Atlas Copco, Deloitte, DHL, DIBD, Hörle Trad, Ribe, Schenker Storen, Switzerland Global Enterprise, Trocellen, etc.	
8 Menkyna & Partners Management Consulting, s.r.o.				Ján Menkyna															
Palisády 47 Bratislava - Staré Mesto 811 06 info@menkyna.com		www.menkyna.com +421(0)2 5441-2718		+421(0)2 5441-2718 jan.menkyna@menkyna.com		2006 1 / 1 E, F, H, G, P, I, S,		18 17 0		●		●				executive search, leadership evaluation and development, executive coaching&mentoring		NA	
9 TMF Services Slovakia s.r.o.				Kamila Pudišová															
Dvořákovo nábrežie 4 Bratislava - Staré Mesto 811 02 slovakia@tmf-group.com		www.tmf-group.com +421(0)2 5942-0000 +421(0)2 5942-0001		+421(0)2 5942-0000 slovakia@tmf-group.com		1992 1 / 86 E, G,		67 NA NA		● ● ●						accounting and tax services, HR and payroll services, corporate secretarial services		international companies - real estate, pharmaceutical, IT, financial institutions, automotive, production, services, etc.	

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Consulting - Grant and subsidy														
1 EFA SK s. r. o.			Kvetoslava Papanová											
Slávičie údolie 41 Bratislava - Staré Mesto 811 02 k.papanova@efa-sk.com		www.thefundingalliance.com/sk/ +421(0)911 558-890	+421(0)911 558-890 k.papanova@efa-sk.com	2004 1 / 25 E, R,	3 8 5	●	●						EU funds, grant & finance advisory, business development, innovation management	private sector, public sector, NGOs
Consulting - IT														
1 Accenture, s.r.o.			Marek Jurko											
Plytnárska 7/C Bratislava - Ružinov 821 09 robert.belavy@accenture.com		www.accenture.com/sk-en +421(0)2 5929-0290	+421(0)2 5929-0290 tomas.volek@accenture.com	1992 2 / 54 E, F, D, H, G, P, R, Pl, I, S,	- NA NA	●					●		digital, strategy, infrastructure consulting, security, systems integration	world's leading companies and governments, serving clients in more than 120 countries, working across 40 industries
2 gd - Team, a.s.			Erik Gottschall											
Moyzesova 4/A Pezinok 902 01 obchod@gd-team.sk		www.gd-team.sk +421(0)33 641-4173 +421(0)33 641-4173	+421(0)905 561-731 erik.gottschall@gd-team.de	2005 4 / 10 E, H, G,	89 94 7						●		SAP / programming, data migration, nearshoring, bodysopping	NA
3 itelligence Slovakia, s.r.o.			Martin Déneši											
Prievozská 4/C Bratislava - Ružinov 821 09 info@itelligence.sk		www.itelligence.sk +421(0)2 2091-1111	+421(0)2 2091-1111 martin.denesi@itelligence.sk	2013 2 / 25 E,	40 36 NA	●					●		BPM, SOA, EAM, B2B integration; ARIS, webMethods, SAP, BellaDati, Metasonic	Orange, SPP, Transpetrol, Nafta, VŠZP, Východoslovenská energetika, Západoslovenská energetika, Železnice SR
HR Marketing														
1 PMP Marketing, s.r.o.			Martin Onofrej											
Panenská 23 Bratislava - Staré Mesto 811 03 request@group-pmp.com		www.group-pmp.com +421(0)2 3307-0031	+421(0)2 3307-0031 martin.onofrej@group-pmp.com	1999 1 / 1 E,	3 5 NA	●				●			internal communication, crisis communication, HR marketing, B2B & B2C marketing	Accenture, EY, ING Bank, Johnson Controls, PARTNERS GROUP SK, Yangtze, incl. their other central European branches
Inspection and certification														
1 TÜV SÜD Slovakia s.r.o.			Oleg Spružina											
Jašíkova 6 Bratislava - Ružinov 821 03 info@tuv-sud.sk		www.tuv-sud.sk +421(0)2 4829-1200	+421(0)2 4829-1200 info@tuv-sud.sk	1993 4 / 100 E, G,	106 NA NA								auditing, training, testing, technical due diligence	mostly clients from these sectors: all kinds of industry, energy, real estate, aerospace, infrastructure, sports, leisure & entertainment

Labour market



Employment relations in Slovakia

EMPLOYMENT CONTRACT

Working relations must always be based on a written employment contract with at least two signed copies – one for the employer and one for the employee. In the contract, the employee commits himself or herself to performing the tasks defined by the employer, and the employer commits to paying wages for the performed work.

The contract must contain at least the following conditions and provisions: job description, location of the work, the starting date, the amount of the salary and the date it is paid, the working hours, the number of days off and the notice period for the termination of the contract.

TYPES OF EMPLOYMENT CONTRACTS

Slovak law allows employers and employees to agree upon one of two basic types of job contracts:

Fixed-term employment contract is limited to up to two years. The fixed-term contract can be prolonged or renewed, but only twice within two years.

Employment contract for unlimited does not state a fixed period for the contract's validity.

In addition to these, two basic forms of employment contract, there are other agreements which can serve as the basis for employment relations in an agreement on performing certain tasks; an agreement on working activity; and an agreement on seasonal work for students.

An agreement on performing certain tasks can be signed between an employer and a natural person, provided the performance of the tasks stated in the contract does not exceed 350 hours in a year.

An agreement on working activity can serve as a basis for performing work not exceeding 10 hours per week.

An agreement on seasonal work for students can be signed between employers and a natural person who is a student. This contract can be used for performing tasks that do not require, on average, more than half of the standard weekly working hours and the agreement must be accompanied by proof that the employee is a student.

These three types of agreement must be in written form and be signed in order to become valid.

SICK LEAVE

In the event of a temporary sick leave, an employee is entitled to sickness insurance benefits only beginning from the 11th day of the leave, at 55 percent of the daily assessment basis. Until that point, the employee is entitled to an income substitute as defined by the law.

The income substitute is paid by the employer from the first day until the end of the temporary sick leave, up to the 10th day. For the first three days, it is 25 percent of the daily assessment basis and from the fourth until the 10th day, it is 55 percent of the daily assessment basis. In order to receive the income substitute, the employee is required to provide confirmation of temporary sick leave.

TERMINATING AN EMPLOYMENT RELATIONSHIP

By mutual agreement between the employer and the employee.

A termination notice from either the employer or the employee. In the case of the employer, the reason must be stated in the notice. If an employer terminates

an employee on the basis of redundancy, the employer is not allowed to fill the same position during the following two months.

Immediate termination of an employment relation.

The employer is entitled to do so if the employee was sentenced for committing a crime or for severely violating working rules. An employee can terminate a contract immediately for personal health reasons, if an employer does not pay the salary, or if the employee's life or health is at risk at work.

Termination of the fixed-term employment contract is automatic after the term passes if the contract is not extended.

Terminating an employment contract in the probationary period can be done by either party for any reason.

A mass layoff is when an employer issues termination notices or agrees on the termination of employment relations with 10 or more employees (or 10 percent or more of the total workforce depending on the size of the company) within a 30 day period.

Source: www.socpoist.sk
www.employment.gov.sk

FAQ: Dealing with Slovaks

The answers were prepared based on the responses of Dana Blechová (managing partner, Blechova Management Consulting); Luboš Sirota (chairman of the board, McROY Group); Marek Chrastina (managing partner, TRIGON Consulting); Sergio Duarte (country manager, Adecco Slovakia); Martin Marek (managing partner, Balanced HR), and Ivana Molnárová (executive director, Profesia).

Q: What should I expect when communicating with Slovak partners? **A:** Slovaks want to create and maintain good relationship with their business partners, in the long run even friendship. But even after many years of cooperation you should not expect complete loyalty, especially if your Slovak business partner is offered a much lower price from the competition. Slovaks are not always punctual for meetings. Slovaks without international experience might have problems to create an equal partner relationship, often lack healthy self-confidence and a global viewpoint, or even communication skills. Slovaks are not always politically correct and diplomatic, and are not masters of small talk. Due to the specifics of the Slovak business environment, local companies tend to be over-cautious and suspicious towards new business partners. They are used to dealing with their issues "unofficially", relying on personal contacts. They might take longer to build mutual trust. In general, however, Slovaks are ready to adjust to the new

rules and be reliable partners. The typical Slovak features used to be low self-confidence, lower acceptance of risk, lack of a global dimension in business, focus on content rather than attractive presentation and low flexibility to move for business. With the new generation now arriving to business, this is changing. There are no specific traditions about structure or phases of business negotiations the way we know it from Asia. Slovak companies are generally seen as producing good quality and being consistent in keeping agreements.

Q: How do Slovaks react to changes? **A:** The older generation is more cautious and loyal to employers or business partners, while the young generation is much more self-confident, flexible, and not easily scared by changes.

Q: What are the specifics of corporate culture in Slovak companies? **A:** Most companies are struggling with introducing some official corporate culture, like clear vision and mission of the company, and many haven't managed to do so yet. Those tend to act ad hoc and spontaneously when dealing with a problem. There are still companies where the pre-1989 culture is felt, or some where the specifics of the 1990s persist. But nowadays most companies have already achieved a professional level where owners respect and value their people and the employees in turn respect and value their customers.

Q: What ethical principles do Slovaks adhere to while

doing business in Slovakia? **A:** Slovak companies have come a long way in respecting ethical standards in recent years. They realise that damage to reputation is hard to repair in business. Many companies have come up with codes of ethics. Companies do not tend to harm their clients and keep contracts and agreements.

Q: What are the specifics of the Slovak labour market that foreigners might find surprising? **A:** Generally foreign employers are satisfied here. The qualities they value about Slovaks include the willingness to work hard and return good results. On the other hand, they often have to cope with Slovaks' lacking initiative and willingness to have their say in business issues. Foreigners also note the lack of openness in communication and willingness to take responsibility among Slovaks.

Q: What should I expect from Slovaks as employees?

A: Slovaks tend to maintain informal and even friendly relationships with their colleagues at work. They need good atmosphere and interpersonal relations, and they talk about their private matters at work. This might affect the productivity of their work sometimes. They are also emotive when it comes to feedback, and find it difficult not to take critical feedback personally. On the other hand, they are ready to work long hours if needed and return good results. They tend to be less assertive and are unlikely to fight for their employee rights.

Slovakia simplifies rules for foreigners, but not enough

Slovakia's labour market is still benefiting from the favourable economic situation and historic lows in the unemployment rate. The main problem now turns out to be a lack of qualified workers.

At the same time, the country is facing social cohesion and economic imbalance with the rise of robotised and automated production systems. A large segment of available jobs will only be those with low salaries and difficult working conditions. As a result, the share of employees on total incomes will drop, while the share of capital will increase, said Martin Kahanec, founder and scientific director of the Central European Labour Studies Institute.

"As a consequence, the imbalance and concentration of economic and political power in the hands of a small group of people will increase," Kahanec told The Slovak Spectator. "On the contrary, a big part of society can face poverty and social exclusion."

Unemployment rate keeps dropping

The registered unemployment rate in Slovakia dropped to 5.42 percent in August 2018, down by 0.05 percentage points compared with July. In annual terms, the jobless rate fell by 1.12 percentage points. In absolute numbers, the labour offices registered altogether 148,935 people ready to take a job immediately at the end of August.

The unemployment rate calculated from the total number of jobseekers amounted to 6.53 percent in August 2018, which represents 179,343 people. The number was 0.07 percentage points lower than the previous month and 1.17 percentage points less than the previous year, data from the Central Office of Labour, Social Affairs and Family (ÚPSVaR) suggest.



Source: SME

Moreover, labour offices registered 81,936 vacancies by the end of August, down by 560 in a monthly comparison. Most of them were reported in Bratislava Region (21,766), while the fewest were in Banská Bystrica Region (5,152).

What changed after May 1?

Currently, there are 48 districts where the registered jobless rate is below 5 percent, Labour Minister Ján Richter (Smer) said. As a result, they are entitled to use new rules for hiring people in the so-called lists of scarce professions, published by ÚPSVaR.

This means that companies are no longer required to first report a vacant position to the labour office for at least 30 days, and only then seek workers in the so-called third countries, outside the EU. The share of such workers cannot exceed 30 percent of the total number of staff, however, according to the amendment to the law on employment services that became effective on May 1, 2018.

The lists of scarce professions

have been welcomed by employers addressed by The Slovak Spectator, even though Peter Rusiňák, policy officer at the American Chamber of Commerce in Slovakia, said that the lists could be updated more frequently, for example every quarter.

Another change concerning workers coming from non-EU countries does not allow Slovak companies to employ staffers via foreign agencies. Foreign workers can only work in the firm based on an employment agreement or an intra-company transfer. The aim is to fight murky practices of some agencies. However, some companies warned against this change and its negative impact, as the private news channel TA3 reported.

Bratislava-based carmaker Volkswagen Slovakia questions another change to the rules on the trial employment period. Even though the duration has been shortened to six weeks, compared to the original 90 days, practice shows that neither the labour offices nor the Foreigners' Police can issue the necessary permissions within six weeks, Volkswagen's

spokesperson Michal Ambrovič told The Slovak Spectator.

Migration strategy missing

Meanwhile, the government wants to adopt more measures that would simplify the recruitment of non-EU workers. Currently, some 64,000 foreigners are working in Slovakia, with nearly 30,000 coming from non-EU countries, the Sme daily reported.

"Slovakia is in a critical situation," said Prime Minister Peter Pellegrini (Smer) after meeting with the representatives of employers and trade unions on August 28, as quoted by the SITA newswire.

In his opinion, companies in Slovakia have to turn down orders due to a lack of workforce, which negatively impacts the country's competitiveness.

He also promised the trade unions that the government will not adopt measures that would worsen the position of Slovak employees. Foreigners should work in Slovakia under the same conditions as their Slovak col-

leagues, he added, as reported by SITA. The problem is that Slovakia is missing a migration strategy, which would offer comprehensive and elaborated solutions for various migration aspects in Slovakia, like the need for a qualified labour force, the departure of students abroad, and cooperation with Slovaks working abroad. The country also lacks any comprehensive integration policy for immigrants living in Slovakia, according to Kahanec.

"Existing policies solve only partial problems and in a non-systemic way," he said. "Instead of an elaborated strategy, they only respond to urgent problems."

Some problems persist

At the same time, employers point to the administratively difficult process foreigners have to face.

"It would be helpful for companies and job seekers if authorities prepared a list of documents foreigners are required to submit to the Foreigners' Police when requesting a residence permit," Zuzana Kaňuchová, cluster head of corporate communications at Henkel Slovensko, told The Slovak Spectator.

She also pointed to the fact that all the documents need to be translated into Slovak and apostilled, which prolongs the whole process and makes it more costly. Another complication is that permission granted for the purpose of employment cannot be transferred when changing jobs.

"If it was possible for all applicants to book appointments at the Foreigners' Police online, the process of asking for a residence permit would be more convenient," Kaňuchová added.

Rusiňák also mentioned more communication in English. This is why they propose that the government quickly includes the agenda of non-EU nationals in its e-Government website.

Further changes

Meanwhile, Richter has proposed a strategy for labour mobility of foreigners that shortens the period to issue permission from 90 to 30 days, and in some cases even to 15 days, which the government approved in October 2018.

Under the current rules, if a citizen of a country outside the EU, like Ukraine, wants to obtain residence or a work permit in



Source: Central Office of Labour, Social Affairs and Family, VUB

Slovakia, they need to wait for at least three months.

"As a result, the best experts end up in neighbouring countries, like the Czech Republic and Poland, where the process is much shorter," Martin Hošták of the National Union of Employers told The Slovak Spectator.

However, the rules are expected to apply only to jobs mentioned in the lists of scarce professions, the Hospodárske Noviny daily wrote.

The Labour Ministry's proposal responds to the demand to prolong the employee trial period, which currently stands at six weeks. During this time, foreigners can work for the company without getting state permission.

In addition, the ministry proposes that only regulated jobs will require translated and apostilled documents on education history. Transport companies will also no longer be required to submit information on the accommodation of their foreign employees, Sme wrote.

Another change concerns recruitment agencies, which could be allowed to place foreigners from non-EU countries to a certain firm for up to two years, without exceeding 30 percent of all employees. Currently, Slovak agencies are not allowed to recruit foreigners, though some have been circumventing the law by opening branches abroad.

By Radka Minarechová

Job portals & HR companies in Slovakia

JOB PORTALS

www.brigady.sk; www.job.sk; www.jobagent.sk; www.kariera.zoznam.sk; www.profesia.sk

HUMAN CAPITAL CONSULTING

A-OMEGA: www.a-omega.sk
FBE Bratislava: www.fbe.sk
Human Dynamic Central & Eastern Europe: www.humandynamic.sk
Jenewein Group: www.jeneweingroup.com
Libellius: www.libellius.com
Manuvia SK: www.manuvia.com
Maxman Consultants: www.maxman-consultants.com
Mercuri International: www.mercuri.sk
nebotra consulting: www.nebotra.com
TRIGON Consulting: www.trigon-consulting.sk

RECRUITMENT AGENCIES

ADECCO Slovakia: www.adeco.sk
BALANCED HR: www.balanced-hr.com
CPL Jobs: www.cpljobs.sk
DRAFTCOM: www.draftcom.com

Grafton Slovakia: www.grafton.sk
HRC Slovakia: www.hrconsulting.sk
HRQ services SK: www.hrqgroup.com
Lugera & Maklér: www.lugera.sk
Manuvia Expert Recruitment SK: www.manuvia.com
Neumann Consulting: www.neumannconsulting.sk
Pro HR: www.prohr.sk
SYNERGIE Slovakia: www.synergie.sk
Trenkwalder: www.sk.trenkwalder.com
TRIGON Consulting: www.trigon-consulting.sk

EXECUTIVE SEARCH FIRMS

Amrop - Leaders For What's Next: www.amrop.sk
Arthur Hunt: www.arthur-hunt.com
Blechova Management Consulting: www.blechovaconsulting.sk

Kingfisher executive search

KINGFISHER Executive Search: www.kingfisherexecutive.com
MENITY GROUP: www.menity-group.com

Menkyna & Partners Management Consulting: www.menkyna.com
Pedersen & Partners: www.pedersenandpartners.com
TARGET Executive Search Slovakia: www.targetexecutivesearch.com
Teamconsult SR: www.teamconsult.sk

TEMPORARY EMPLOYMENT AGENCIES

Arios - human resources: www.arioshr.sk
EUROTRADE - SR: www.pseurotrade.sk
HRQ SK: www.hrqgroup.com
INDEX NOSLUŠ: www.indexnoslus.sk
LUTO Automotive: www.lutoautomotive.com
ManpowerGroup Slovensko: www.manpower.sk
Manuvia: www.manuvia.com
Proact People Slovensko: www.proactpeople.sk
Start Group: www.startgroup.sk
SYNERGIE TEMPORARY HELP: www.synergie.sk
Work Service Slovakia: www.workservice.eu.sk

Basic information about Slovakia's regions									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Population as of 31.12.2017	5,443,120	650,838	562,372	587,364	678,692	691,023	649,788	823,826	799,217
Size (in square kilometres)	49,034	2,054	4,147	4,501	6,344	6,811	9,454	8,972	6,751
Share of Slovak GDP creation 2016	100%	28.12%	11.26%	9.3%	10.86%	10.97%	8.78%	9.18%	11.55%

Source: Statistics Office of the Slovak Republic

Wages & Labour Costs*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Average nominal monthly wage for the first half of 2018	€980	€1,251	€918	€908	€795	€868	€822	€735	€896
Avg. nominal monthly wage 2017	€954	€1,200	€890	€895	€789	€855	€807	€734	€869
Avg. nominal monthly wage 2016	€912	€1,161	€837	€827	€755	€815	€776	€708	€825
Monthly wage costs per employee 2016	€1,406	€1,757	€1,322	€1,304	€1,239	€1,292	€1,205	€1,149	€1,333

* data based on the statistical data for quarters (estimation of wages of self-employed included)

Source: Statistics Office of the Slovak Republic

Average monthly wage in 2017 based on the National Classification of Economic Activities (NACE)*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Economy total	€1,095	€1,426	€1,050	€1,020	€959	€1,018	€940	€875	€1,025
A Agriculture, fishing & forestry	€903	€979	€975	€929	€937	€855	€899	€839	€838
B Mining and quarrying	€1,117	€1,318	NA	€1,094	NA	NA	NA	€821	€1,042
C Manufacturing	€1,135	€1,580	€1,180	€1,114	€1,023	€1,131	€963	€854	€1,156
D Electricity, gas, steam supply	€1,672	€2,218	€1,709	€1,534	€1,803	€1,551	€1,396	€1,149	€1,450
E Water supply and waste	€972	€1,279	€1,114	€889	NA	NA	NA	€837	€969
F Construction	€949	€1,167	€966	€974	€844	€958	€653	€806	€932
G Wholesale and retail trade; Repair of motor vehicles	€1,032	€1,376	€915	€937	€952	€865	€880	€791	€866
H Transport and storage	€996	€1,242	€999	€881	€812	€880	€893	€937	€917
I Accommodation, food services	€652	€683	€635	€684	€552	€700	€650	€591	€592
J Information & communication	€1,983	€2,320	€1,451	€1,372	€1,171	€1,390	€1,578	€1,165	€1,634
K Financial & insurance act.	€1,760	€1,992	€1,318	€1,429	€1,359	€1,374	€1,284	€1,225	€1,376
L Real estate activities	€1,104	€1,534	€994	€879	€834	€837	€960	€857	€880
M Professional, scientific and technical activities	€1,357	€1,519	€1,269	€996	€1,082	€1,089	€890	€953	€1,075
N Administrative & support services	€814	€966	€933	€848	€641	€653	€657	€599	€738
O Public administration, defence & social security	€1,157	€1,453	€1,079	€1,078	€1,024	€1,092	€1,058	€1,012	€1,071
P Education	€950	€1,001	€953	€894	€924	€923	€902	€959	€999
Q Health and social work	€1,060	€1,286	€909	€995	€1,009	€1,082	€1,019	€965	€1,033
R Arts, entertainment, recreation	€851	€1,040	€776	€709	€779	€846	€731	€859	€748
S - U Other	€768	€964	€762	€810	€610	€797	€667	€563	€664

* collected through workplace method (estimation of wages of self-employed not included)

Source: Statistics Office of the Slovak Republic

Unemployment & economic activity rate in Slovakia's regions in 2Q/2018*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Economically active population	2,737,600	356,500	289,300	301,900	340,000	344,400	333,400	392,500	379,500
Unemployment rate	6.6%	3.3%	5.4%	3.1%	4.8%	5.7%	10.1%	9.5%	10%
Unemployed	181,500	11,800	15,600	9,400	16,200	19,600	33,800	37,400	37,900
Economic activity rate in %	59.6%	65.8%	60%	59.5%	58%	59.1%	60.1%	58.1%	57.3%

* data based on a labour force sample survey (LFS)

Source: Statistics Office of the Slovak Republic

Unemployment rate*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
2001	19.2%	8.3%	18.0%	13.4%	23.1%	18.9%	22.4%	22.7%	24.8%
2004	18.1%	8.2%	12.5%	8.6%	20.3%	17.5%	26.6%	22.9%	25.2%
2005	16.2%	5.2%	10.4%	8.1%	17.8%	15.2%	23.8%	21.5%	24.7%
2006	13.3%	4.3%	8.8%	7.1%	13.2%	11.8%	21.1%	18.1%	20.3%
2007	11.0%	4.2%	6.5%	5.7%	10.7%	10.1%	20.0%	13.8%	15.9%
2008	9.6%	3.6%	6.2%	4.7%	8.8%	7.7%	18.2%	13%	13.5%
2009	12.1%	4.7%	9.1%	7.3%	13%	10.6%	18.8%	16.2%	15.5%
2010	14.4%	6.1%	12%	10.2%	15.4%	14.5%	18.6%	18.6%	18.3%
2013	14.2%	6.4%	12.2%	9.5%	13.2%	14%	19.6%	18.2%	18.7%
2014	13.2%	6%	12.4%	8.6%	11.9%	13.6%	18.3%	17.5%	15.6%
2015	11.5%	5.7%	11.0%	7.2%	10.8%	10.3%	15.3%	16.8%	13%
2016	9.7%	5%	8.5%	5.8%	8.7%	8.6%	13%	14.8%	11.4%
2017	8.1%	4.2%	5.9%	4.1%	6.4%	6.7%	12.2%	12.9%	11.1%
2Q/2018	6.6%	3.3%	5.4%	3.1%	4.8%	5.7%	10.1%	9.5%	10%

* data based on a labour force sample survey (LFS)

Source: Statistics Office of the Slovak Republic

Unemployment rate by education in 2Q/2018*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Unemployed	181,500 (100%)	11,800 (100%)	15,600 (100%)	9,400 (100%)	16,200 (100%)	19,600 (100%)	33,800 (100%)	37,400 (100%)	37,900 (100%)
Elementary and without education	48,700 (26.8%)	400 (3.4%)	3,000 (19.2%)	500 (5.3%)	3,700 (22.8%)	2,100 (10.7%)	11,300 (33.4%)	12,600 (33.7%)	15,200 (40.1%)
Secondary without A level	53,800 (29.6%)	4,100 (34.7%)	5,300 (34%)	2,000 (21.3%)	5,300 (32.7%)	6,600 (33.7%)	9,000 (26.6%)	12,300 (32.9%)	9,100 (24%)
Secondary with A level	59,000 (32.5%)	5,100 (43.2%)	4,300 (27.6%)	5,400 (57.4%)	5,700 (35.2%)	7,300 (37.2%)	11,900 (35.2%)	7,200 (19.3%)	11,900 (31.4%)
University	20,000 (11%)	2,200 (18.6%)	3,000 (19.2%)	1,400 (14.9%)	1,500 (9.3%)	3,400 (17.3%)	1,500 (4.4%)	5,300 (14.2%)	1,700 (4.5%)

* data based on a labour force sample survey (LFS)

Source: Statistics Office of the Slovak Republic

Economically active population by education in 2Q/2018*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Economically active population	2,737,600 (100%)	356,500 (100%)	289,300 (100%)	301,900 (100%)	340,000 (100%)	344,400 (100%)	333,400 (100%)	392,500 (100%)	379,500 (100%)
Elementary and without education	161,900 (5.9%)	9,200 (2.6%)	15,400 (5.3%)	7,000 (2.3%)	21,500 (6.3%)	10,100 (2.9%)	33,600 (10.1%)	29,400 (7.5%)	35,800 (9.4%)
Secondary without A level	698,300 (25.5%)	50,800 (14.2%)	89,500 (30.9%)	96,600 (32%)	90,900 (26.7%)	110,600 (32.1%)	69,700 (20.9%)	105,000 (26.8%)	85,200 (22.5%)
Secondary with A level	1,212,500 (44.3%)	148,200 (41.6%)	121,400 (42%)	133,500 (44.2%)	161,800 (47.6%)	150,500 (43.7%)	160,400 (48.1%)	168,600 (43%)	167,900 (44.2%)
University	664,800 (24.3%)	148,400 (41.6%)	62,800 (21.7%)	64,900 (21.5%)	65,800 (19.4%)	73,100 (21.2%)	69,700 (20.9%)	89,500 (22.8%)	90,600 (23.9%)

* data based on a labour force sample survey (LFS)

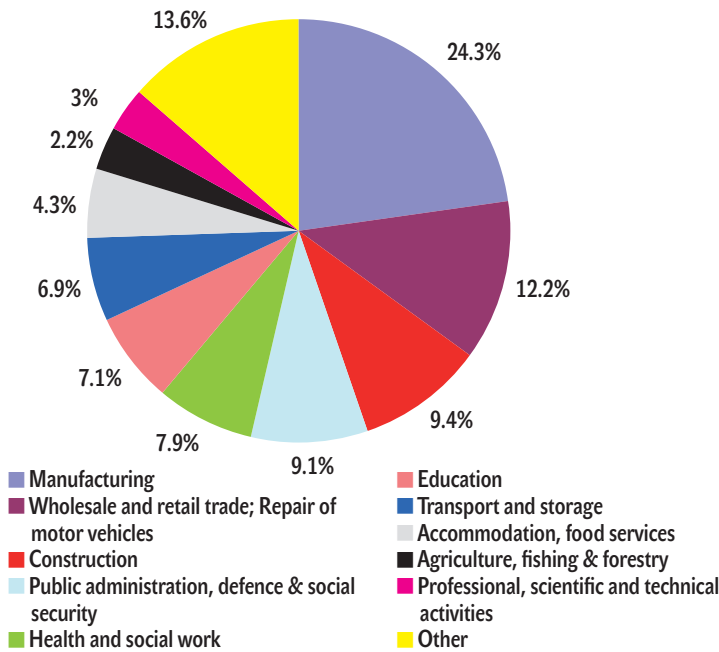
Source: Statistics Office of the Slovak Republic

Employment in sectors of economy in 2Q/2018 based on the National Classification of Economic Activities (NACE)*									
	Slovakia	Bratislava Region	Trnava Region	Trenčín Region	Nitra Region	Žilina Region	B. Bystrica Region	Prešov Region	Košice Region
Economy total	2,556,000 (100%)	344,700 (100%)	273,700 (100%)	292,500 (100%)	323,900 (100%)	324,800 (100%)	299,600 (100%)	355,100 (100%)	341,600 (100%)
A Agriculture, fishing & forestry	57,400 (2.2%)	2,000 (0.6%)	6,800 (2.5%)	5,700 (1.9%)	11,900 (3.7%)	6,200 (1.9%)	8,500 (2.8%)	8,800 (2.5%)	7,600 (2.2%)
B Mining and quarrying	12,400 (0.5%)	1,000 (0.3%)	700 (0.3%)	5,200 (1.8%)	1,300 (0.4%)	700 (0.2%)	2,700 (0.9%)	600 (0.2%)	300 (0.1%)
C Manufacturing	620,400 (24.3%)	43,900 (12.7%)	83,700 (30.6%)	107,700 (36.8%)	83,600 (25.8%)	90,500 (27.9%)	58,000 (19.4%)	82,100 (23.1%)	71,000 (20.8%)
D Electricity, gas, steam supply	32,100 (1.3%)	5,800 (1.7%)	5,900 (2.2%)	2,900 (1%)	7,200 (2.2%)	3,900 (1.2%)	1,600 (0.5%)	2,700 (0.8%)	2,200 (0.6%)
E Water supply and waste	25,200 (1%)	3,000 (0.9%)	4,100 (1.5%)	1,700 (0.6%)	3,400 (1%)	2,000 (0.6%)	2,700 (0.9%)	3,900 (1.1%)	4,400 (1.3%)
F Construction	240,300 (9.4%)	22,100 (6.4%)	26,100 (9.5%)	24,300 (8.3%)	26,500 (8.2%)	44,900 (13.8%)	17,400 (5.8%)	50,700 (14.3%)	28,400 (8.3%)
G Wholesale and retail trade; Repair of motor vehicles	311,800 (12.2%)	52,400 (15.2%)	30,400 (11.1%)	35,900 (12.3%)	38,600 (11.9%)	33,500 (10.3%)	42,400 (14.2%)	39,200 (11%)	39,400 (11.5%)
H Transport and storage	176,300 (6.9%)	28,300 (8.2%)	18,900 (6.9%)	14,400 (4.9%)	24,600 (7.6%)	18,700 (5.8%)	23,500 (7.8%)	18,800 (5.3%)	29,000 (8.5%)
I Accommodation, food services	110,300 (4.3%)	12,400 (3.6%)	12,400 (4.5%)	13,500 (4.6%)	12,500 (3.9%)	18,600 (5.7%)	10,400 (3.5%)	16,400 (4.6%)	14,100 (4.1%)
J Information & communication	67,500 (2.6%)	32,100 (9.3%)	3,600 (1.3%)	3,600 (1.2%)	5,400 (1.7%)	6,400 (2%)	3,100 (1%)	4,500 (1.3%)	8,900 (2.6%)
K Financial & insurance activities	49,100 (1.9%)	16,600 (4.8%)	4,300 (1.6%)	3,500 (1.2%)	6,700 (2.1%)	4,900 (1.5%)	6,500 (2.2%)	3,400 (1%)	3,200 (0.9%)
L Real estate activities	16,200 (0.6%)	3,800 (1.1%)	1,200 (0.4%)	2,700 (0.9%)	1,300 (0.4%)	1,500 (0.5%)	1,000 (0.3%)	2,500 (0.7%)	2,100 (0.6%)
M Professional, scientific and technical activities	75,800 (3%)	20,800 (6%)	5,100 (1.9%)	8,400 (2.9%)	7,700 (2.4%)	7,900 (2.4%)	5,800 (1.9%)	8,400 (2.4%)	11,800 (3.5%)
N Administrative & support services	66,600 (2.6%)	14,100 (4.1%)	10,300 (3.8%)	3,900 (1.3%)	10,000 (3.1%)	5,400 (1.7%)	8,100 (2.7%)	5,300 (1.5%)	9,400 (2.8%)
O Public administration, defence & social security	232,900 (9.1%)	29,200 (8.5%)	18,600 (6.8%)	22,000 (7.5%)	26,900 (8.3%)	19,700 (6.1%)	44,000 (14.7%)	33,300 (9.4%)	39,100 (11.4%)
P Education	180,300 (7.1%)	23,800 (6.9%)	17,500 (6.4%)	15,400 (5.3%)	20,600 (6.4%)	27,000 (8.3%)	20,600 (6.9%)	29,500 (8.3%)	25,900 (7.6%)
Q Health and social work	201,200 (7.9%)	22,500 (6.5%)	16,400 (6%)	15,800 (5.4%)	23,800 (7.3%)	25,100 (7.7%)	32,400 (10.8%)	34,000 (9.6%)	31,300 (9.2%)
R Arts, entertainment, recreation	36,900 (1.4%)	7,200 (2.1%)	2,800 (1%)	2,900 (1%)	4,500 (1.4%)	4,500 (1.4%)	3,700 (1.2%)	4,800 (1.4%)	6,400 (1.9%)
S - U Other	43,400 (1.7%)	3,800 (1.1%)	4,800 (1.8%)	3,200 (1.1%)	7,300 (2.3%)	3,500 (1.1%)	7,300 (2.4%)	6,300 (1.8%)	7,200 (2.1%)

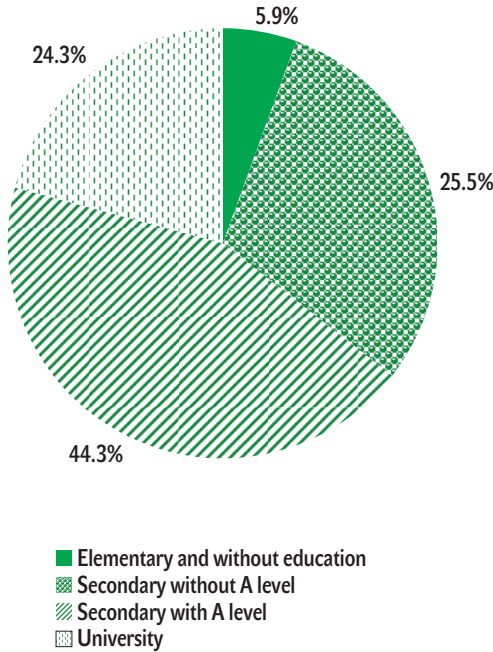
* data based on a labour force survey (LFS)

Source: Statistics Office of the Slovak Republic

Employment in sectors of economy in 2Q/2018



Economically active population by education in 2Q/2018



Foreigners in Slovakia

Trade licences and doing business in Slovakia

The Slovak Spectator brings you the most frequently asked questions on obtaining a trade licence and other conditions a foreigner needs to meet to be able to do business in Slovakia. We have answered these questions with the kind help of the Migration Information Centre of the International Organisation for Migration - MIC IOM.

Q: What do I need to be able to pursue trade activities in Slovakia?

A: If you intend to do business in Slovakia, it is essential to be granted a residency status which allows you to conduct business. This means not all types of residency allow you to do business in Slovakia. If you intend to conduct a trade, you need to notify the Trade Licencing Office and obtain a Trade Licence.

Your activity would be regarded as unauthorised trading if you systematically, independently,

on your own behalf, on your own responsibility, for the purpose of earning profits, without holding a Trade Licence, perform an activity subject to craft, regulated or unregulated trades. The fine for unauthorised trading ranges from €1,659 up to €3,319.

<http://www.mic.iom.sk/en/doing-business/trade-business.html>

Q: Which activities are considered trade?

A: A trade is a constant systematic activity pursued independently, on one's own responsibility, with the aim to gain profits.

The law does not define which activities it does recognise as trades, but rather lists activities that are NOT considered trades and governed by the law on trade licences. These are mostly the activities of freelancers or activities that require other authorisation than just a simple trade licence (like banking or health-care services).

Q: As a foreigner, am I able to obtain a trade licence in Slovakia?

A: A person can pursue a trade in Slovakia in two different legal statuses – either as a Slovak person or as a foreign person. In general, every foreign person can carry on a trade under the same conditions as every Slovak person.

Q: Can I do business in Slovakia on the basis of a trade licence issued in another country?

A: In general, no. Only citizens of EU/EEA member states or Switzerland can occasionally provide services on the basis of a trade licence issued in another EU/EEA member states. Occasional providing will be determined in respect to quantity, regularity and duration of services.

Q: What type of residence permit do I need to be able to get a trade licence?

A: Neither EU/EEA and Swiss citizens nor non-EU/EEA citizens need a residence permit in Slova-

kia to obtain a trade licence, apart from regulated trades and crafts trades, where residence in Slovakia is required. However, non-EU/EEA citizens need a residence permit in Slovakia if they are willing to run their business legally.

EU/EEA and Swiss citizens can start running a business immediately after obtaining a trade licence.

Non-EU/EEA citizens can start operating their business only based on permanent residence or temporary residence granted for the purpose of doing business, family reunion, studies, research and development or temporary residence granted based on the status of a Slovak living abroad, or a person with long term residence in another EU member state. In addition, foreigners from EU/EEA and Switzerland or OECD member states are obliged to register themselves in the Commercial Register. Without this registration the right to operate a business in Slovakia will





Source: TASR

not be permitted. Permanent or temporary residence in Slovakia is a vital condition for registration.

Q: Where do I request my trade licence?

A: The Trade Licencing Office

issues trade licences. The first step is to notify the office about your intention to pursue a trade. You can do that in person at your district trade licencing office based on your permanent residence. The addresses of the offices are available

on the Interior Ministry's website, search by region (in Slovak) or on this website's menu on the right. It is now also possible to request your trade licence online on the www.slovensko.sk

E-government portal, but this

can only be done by those who have biometric ID cards.

If a person does not have permanent residence, they must go to the Trade Licencing Office in the region where their place of business is located.

Q: What conditions do I need to fulfil in order to be eligible for a trade licence?

A: An applicant needs to be older than 18 years of age; have a legal capacity; be impeccable – which means that the person has not been sentenced for committing an economic crime, a crime against property or another deliberately committed crime linked to business. In the case of legal persons, this relates to its statutory representatives.

There are also some specific conditions applicants need to fulfil, based on the type of trade licence: for a craft trade licence applicants are required to have a

What foreigners ask before relocating to Slovakia?

Q: Is Slovakia safe? What are the safest and the most dangerous places for living in Bratislava?

A: Slovakia ranked 22nd out of 163 countries in the 2018 Global Peace Index, and 15th out of the 36 countries in Europe. The crime, violence and vandalism rate, based on data from Eurostat is one of the lowest in Europe. As in other bigger cities in Europe, also Bratislava has its small areas with poorer reputations the Stavbárska street, referred to as Pentagon by locals, in the Podunajské Biskupice borough and the Kopčianska street in the Petržalka district. The most dangerous places in Slovakia are Bratislava II district, Košice, and Trnava, as well as Hlohovec and Piešťany, according to new crime maps published by the police in late October 2016.

Q: What is the average wage in Slovakia?

A: €954 (according to the 2017 figures).

Q: Where can my children study?

A: Several international kindergartens and schools are active in Slovakia (www.bis.sk, www.qsi.org, www.galileoschool.sk, www.cambridgeschool.eu, www.montessori-school.sk, www.wonderland.sk, www.bbhill.sk). There is also a boarding school (www.leafacademy.eu).

Q: What should I know about health care in Slovakia?

A: Emergency medical services are accessible to patients within 11 minutes across the whole country. Health care in public hospitals is paid

for via public health insurance. Every employed foreigner in Slovakia is entitled to public health insurance, however, he/she needs to register with one of three health insurers who offer more information for foreigners in English on their web pages: www.vszp.sk, www.dovera.sk, www.union.sk. The last one also provides special health insurance for those foreigners who are not entitled to public health insurance. Many public hospitals are outdated, English is still not common and it is why foreigners prefer to use private clinics where most of the services are not free of charge.

Q: How much do I spend for food?

A: The average Slovak spent €864 in year 2018 to purchase food and non-alcoholic beverages (€784 food, €80 beverages), according to the Statistics' Office.

Q: Where can I learn Slovak and how long does it take?

A: Slovak is a bit easier for foreigners coming from the Slavic group of languages as some words may be similar. Slovake.eu is a multilingual free-of-charge website where foreigners can learn Slovak.

Q: Where can I find job offers? A: There are several job portals with offers in Slovakia. The biggest is Profesia.sk.

Q: What should I do to make calls in Slovakia?

A: There are four mobile operators in Slovakia: Slovak Telekom, Orange, O2 and Swan (4ka).

Each of them has many branches around the country. To obtain a new number with rechargeable credit foreigners need their passport or ID (applicable only for EU residents).

Q: What conditions should I meet to get a bank account?

A: A person willing to get an account should be older than 18 (in the case of student accounts, the age limit is reduced to 15). Banks like VÚB, Tatra banka, Slovenská sporiteľňa or ČSOB offer the easiest way to open an account: foreigners need only their passport or ID (the latter is applicable only for EU residents). Legal entities need to have an extract from the business register and an ID (in the case of companies), or the trade licence, concession license/application to assign company ID and ID (in the case of self-employed), plus a minimum deposit.

Q: When can I obtain Slovak citizenship?

A: Foreigners can obtain Slovak citizenship by adoption (applies to children) or granting. The latter means that the applicant has to meet several conditions, including having permanent residency in the country for eight years (check www.mzv.sk for more details).

The questions were collected from the survey carried out among the relocation companies Pro Relocation, Slovakia Invest, and AGS Bratislava International Movers.

certificate issued by an education facility stating they are professionally competent in a selected craft; for a fixed trade licence – applicants need to have confirmation of their professional competence acquired outside of education.

Q: What documents do I need when applying for a trade licence?

A: All applicants need to fill in a form, either for natural persons or legal persons. For natural persons it is necessary to state their personal information, residential address, place of business (if it is different from the residential address), and the business name of their health insurer. Natural persons with permanent residence in Slovakia need to prove they are impeccable by handing in an abstract from the criminal records of the General Prosecutor's Office. In the case of foreigners, they need the abstract from the criminal

records issued in their home country. If their country does not issue such a record, applicants need to submit an equivalent document issued by the respective court or administrative body. The documents cannot be older than three months and must be translated into Slovak. Applicants also need to submit the certificate authorising them to use the property at which they will do business (if the address is different from the address of permanent residency).

Q: How much does it cost to have a trade licence issued in Slovakia?

A: An applicant who goes to the trade authorities in person needs to pay €5 to be issued a certificate for a free trade licence and €15 for the craft and fixed trade licence. This can be paid via e-tax stamp, cash, money order or bank transfer.

In case of electronic submis-

sion at www.slovensko.sk, the certificate is issued for free concerning free trade licences, and for €7.50 in the case of craft and fixed trade licences.

Q: What do I need to do after I receive my trade licence?

A: Only foreign nationals with permanent residence

outside EU/EEA/OECD member states or Switzerland are liable to register in the Commercial Register. If you are a non-EU/EEA citizen and you have been granted temporary residency or you do not have residence in Slovakia, you must register yourself in the Commercial Register after



Source: Sme

FAQ: EU citizens - dealing with immigration authorities

Q: Am I obliged to register with the authorities as a citizen of another EU member state living in Slovakia?

A: You are required to report your stay in Slovakia within 10 days of entering the country (if you are staying in a hotel, they report for you). You can stay in Slovakia up to 90 days without requesting a residence permit at the Alien Police Department.

Q: Where do I register? Who issues the residence permit in Slovakia? A: In Slovakia, the alien police department acts as the immigration authority and receives residence permit requests.

Q: Can I also register for residence prior to my arrival, outside Slovakia? A: No, you are only able to register with the respective alien police department within the country.

Q: How long does it take to obtain my residence permit in Slovakia? A: You receive a document of registration for a residence permit on the day when you submit your registration with the alien police department. Within 30 days, the



Source: Sme

police issues a plastic card stating your residence in Slovakia (Pobytový preukaz občana EÚ).

Q: Do I have to pay an administrative fee to be registered? A: While the registration is officially free of charge, you are required to pay to get your residence card (Pobytový preukaz občana EÚ) issued. The standard fee is €4.50.

Q: Do I need to ask for the residence card?

A: The document that you receive from the alien police department after they accept your registration request is sufficient for you in the first five years of your stay in the country. The card is optional.

Q: What documents do I need to apply for my residence permit? A: To apply for a five-year residence permit you need to submit your valid ID or passport, two pictures sized 3x3.5 cm, proof of address, and proof of your purpose of staying in Slovakia.

The proof of your purpose of staying in Slovakia may be a work contract, or promise of employment, or a document that you are self-employed, or a document that you have sufficient resources and will not fall into material need during your stay in Slovakia plus proof of health insurance, or a confirmation from your school that you are a student in Slovakia, or a statutory declaration that you are continuously looking for a job in Slovakia, or a document that proves your family relationship to a person

residing in Slovakia and the residence permit of that relative. The documents need to be Slovak originals or official translations.

Q: When can I ask for permanent residence in Slovakia? A: If you reside in the country for at least five years without interruption. In specific cases, also earlier.

Q: How do I register my family members living with me in Slovakia? A: You need to submit two pictures of the family member sized 3x3.5 cm, a valid passport, and a document proving your family relationship with the person you are registering (a birth certificate, a wedding certificate), as well as your residence permit document.

Q: What are my duties as a foreigner with a residence permit in Slovakia? A: You are required to report any change in your personal data: name, surname, civil state, state citizenship, data from your passport or your ID, within 10 days of the change taking place. If your passport or your address card is lost, stolen, or damaged, you should report it within 10 days.

Q: What do I do if I need to prolong my residence permit in Slovakia? A: You need to submit your expired residence card (Pobytový preukaz občana EÚ), a valid travel document (passport or ID), and a form filled out in Slovak. For more detailed questions and answers about dealing with immigration authorities, go to www.spectator.sk.



obtaining the trade license (or after obtaining the temporary residence). Your registration with a public health insurer and the tax office will be carried out directly by the Trade Licence Office, if you fill in also the attachments to the official application form.

Your obligation to pay your health insurance contributions starts the first day of your sole trading. Subsequently, within eight working days after this obligation arises, you are obliged to inform your health insurer of the amount of advance payments. The

obligation to register at the Social Insurance Agency does not arise during the first year of sole trading (the next years it depends on the amount of your income). However, you have the right to register yourself and pay the contribution voluntarily.

Q: Where do I register to pay my health insurance and how much should I pay?

A: You can be registered in one of the public insurance companies by the Trade Licence Office directly. There are three public health insurance companies in Slovakia (Všeobecná zdravotná poisťovňa, Dóvera, Union zdravotná poisťovňa) from which you can choose one according to your preferences. The minimum rate for sole traders is €66.78 in 2019.

Q: Where do I register to pay my social insurance and how much should I pay?

A: Your obligation to pay social insurance depends on income earned in a particular calendar year. This obligation arises the year following the calendar year in which your income reached the required limit (€5,724 in 2019). If your income in a particular

calendar year reaches this limit, you are obliged to start paying the social insurance from July 1, as of the next year, as well as register yourself as self-employed in the Social Insurance Agency by July 9.

Q: Do foreigners with permanent residency in Slovakia and doing business in Slovakia have to submit a tax return and pay taxes in Slovakia?

A: First, it is necessary to distinguish whether the taxpayers are tax residents in Slovakia or not. The tax residents in Slovakia,

who need to pay taxes from all their incomes here, are natural people with permanent residency in Slovakia or those who usually reside here. The law stipulates that such people need to pay taxes in Slovakia, from income received both on the country's territory and abroad. As the same person can be considered a tax resident of another country as well (if said state has similar legislation), the international agreement on preventing double taxation is applied. Based on this deal, the tax residency is set.

Q: What deadlines must taxpayers meet?

A: Everybody needs to submit a tax return for the previous year, by March 31.

Q: What rules related to tax payment are applicable when foreigners do not have permanent residency in Slovakia but do business here?

Foreigners residing in Slovakia for more than 183 days (with-
outholding a permanent residence permit) are obligated to fill in tax returns in Slovakia which include

all sources of income. Foreigners residing in Slovakia for less than 183 days (without holding a permanent residence permit) are obligated to fill in tax returns for incomes in Slovakia. However, if a foreigner holds a temporary residence permit for the purpose of business and wants to renew this permit, he/she must prove taxed income amounting to a specific sum of money (depending on the statutory life minimum).

Sources: MIC IOM, Interior Ministry website, Financial Administration.

RELOCATION COMPANIES

Názov (v abecednom poradí) Adresa Mesto, PSČ E-mail	www Telefón Fax	Riaditeľ Telefón E-mail	Year of establishment in SK / No. of branches in SK (No. of countries worldwide) / Languages (for relocation in SK / Počet pobočiek v SR / Počet krajín vo svete) / Jazyky	No. of employees / No. of Slovak advisors / Počet zamestnancov / Počet slovenských / Záhr. poradcov	Management consulting / Manažment	Financial & tax consulting / Finance & dare	Legal advice / Právne poradenstvo	Human capital consulting / Ľudský kapitál	Marketing & PR consulting / Marketing a PR	IT consulting / IT	Real estate consulting / Nehnuteľnosti	Other Iné	Major clients Hlavní klienti
1 4Expat, s.r.o.													
Groesslingova Bratislava - Staré Mesto 811 09 expat.sk@gmail.com	www.4expat.sk +421(0)903 013-113	+421(0)903 013-113 Katka.ost@gmail.com	2008 1 / 1 E, R,	2 NA								renting apartments and houses in Bratislava, housing search, relocation services	business companies, embassies, international schools and institutions, international students
2 AGS Bratislava International Movers													
Prístavná 10 Bratislava - Ružinov 821 09 sales-bratislava@agsmovers.com	www.agsmovers.com +421(0)2 5341-9227	+421(0)2 5341-2090 manager-bratislava@agsmovers.com	1999 1 / 154 E, F, G, R, PL	15 12 85								international moving of household goods by road, air and sea; storage	UN, UNICEF, embassies, UNDP
3 FRACHTMEISTER International													
Trnavská 70 Bratislava - Ružinov 821 02 michal.jablonsky@frachtmeister.com	www.frachtmeister.com +421(0)914 373-723	+421(0)948 251-707 ladislav.holocsi@frachtmeister.com	2018 1 / 4 E, F, K, H, G,	- 2 1								international moving and relocation services	international companies, embassies, diplomats, managers, expats, individual clients
4 Move One, s.r.o.													
Udernická 5 Bratislava - Petržalka 851 01 slovakia@moveoneinc.com	www.moveoneinc.com +421(0)2 6353-1303 +421(0)2 6353-1400	+421(0)2 6353-1303 jaroslav.mackovic@moveoneinc.com	2004 1 / 38 E,	6 6 NA								relocation and moving services	NA
5 Pro Relocation s.r.o.													
Mliekarenská 7 Bratislava - Ružinov 821 09 slovakia@prorelo.com	www.prorelo.com +421(0)2 2090-2020	+421(0)2 2090-2020 ivona.demackova@prorelo.com	2004 1 / 2 E,	15 1 NA								immigration and relocation services	Accenture, Bekaert, IBM, DELL, Mondelez, VUB, Microsoft
6 RELOCATE TO SLOVAKIA s.r.o.													
Záhradnícka 46 Bratislava - Ružinov 821 08 info@relocate.sk	www.relocate.sk +421(0)918 318-404	+421(0)918 318-404 veronika.bakova@relocate.sk	2012 1 / 1 E,	5 4 NA								relocation and immigration service	NA
7 Santa Fe Relocation Services, s.r.o.													
Agátová 22 Bratislava - Dúbravka 841 03 slovakia@santaferelo.com	www.santaferelo.com +421(0)2 2040-0844	+421(0)2 2040-0844 anthony.heszberger@santaferelo.com	1995 1 / 47 E, H, G,	4 0 0								relocation, moving, transportation, logistics, immigration, real estate, visa	diplomats, corporate clients, private persons
8 SlovakiaInvest Group s.r.o.													
Špitálska 53 Bratislava - Staré Mesto 811 01 slovakiainvest@slovakiainvest.sk	www.slovakiainvest.ru +421(0)2 3214-4901 +421(0)2 5292-1319	+421(0)2 3214-4901 slovakiainvest@slovakiainvest.sk	2009 1 / 1 E, H, G, R,	25 5 4								auditing, accounting, investment advisory	natural persons from Ukraine, Russia, Middle East and 20+ other countries

NA- not available, Ar-Arabic, Bul-Bulgarian, Cr-Croatian, D-Dutch, E-English, F-French, G-German, H-Hungarian, Chi-Chinese, I-Italian, J-Japanese, K-Korean, N-Norwegian, Pl-Polish, P-Portuguese, R-Russian, Sl-Slovenian, S-Spanish

Compiled by The Slovak Spectator Team

FAQ: Non-EU citizens dealing with immigration authorities

Q: Can I request a residence permit outside Slovakia? **A:** Third country nationals who require a visa to be able to enter Slovakia may register for a residence permit at the Slovak embassy or consulate in their home country. Third country nationals who do not need a visa to enter Slovakia can register either at the Slovak embassy in their home country or with the Alien Police Department after their arrival to Slovakia.

Q: What documents do I need to apply for my residence permit? **A:** Filled in application form, 2 identical colour photos (3 x 3.5 cm), administrative fee (as required for the relevant type of residence), valid passport, document proving the purpose of residence (business, studies, employment, research and development, official duty, family reunion, special activities, status of Slovaks living abroad), document proving clear criminal record, documents on accommodation, documents proving financial coverage.

Q: Do the required documents need to be submitted in Slovak? **A:** Yes, all applications and documents you submit need to be officially translated into Slovak by a translator who has official credentials. Only documents in Czech do not need to be translated. Authorised translation into Czech language is also valid, but needs to be accompanied with a document issued by the consulate that confirms the translation has been

made by an authorised person. Also, the documents need to be apostilled or superlegalised. This does not apply to documents issued by authorities of France, Austria, and the Czech Republic.

Q: I came to Slovakia to do business. What documents do I need to prove this is the purpose of my stay?

A:In the case of a temporary residence permit for the purpose of business, the purpose of the residence can be documented by: 1. A business plan along with expected expenses related to the commencement of business, 2. Trade Registry Extract, 3. Articles of Incorporation signed by all the founders (the signatures of the founders must be authenticated), 4. Foundation Agreement or a Foundation Deed, where the applicant is listed as an authorised representative, 5. Slovak Commercial Registry Extract and notarially authenticated record documenting that the applicant has become an authorised representative, 6. Other documents proving business activities in Slovakia (e.g. extract from the Register of Self-employed Farmers, or a license to operate private medical or legal practice). Documents must not be older than 90 days.

Q: I want to bring my family members to Slovakia. What documents do I need to request temporary residence for them?

A: For spouses - marriage certificate and spouse's proof of residence in Slovakia. For single minors

under 18 years of age - birth certificate of the child, proof of residence of the parent of the child in Slovakia, an affidavit of the parent of the child that the child is single, and the written consent of the second parent of the child who has the right to meet with the child. For a single parent of a foreigner living in Slovakia - birth certificate of the child and proof of the child's residence in Slovakia, a document proving that the parent is single (e.g. death certificate of the late spouse) and a document proving that the parent is dependent on the child (e.g. medical certificate stating that the health condition of the parent necessarily requires the care of another person, and an affidavit stating that in the country where they come from they receive no appropriate family support). The documents shall not be older than 90 days.

Q: How do I prove my integrity? What are the requirements of the criminal record?

A: You need to prove you have a clean criminal record. The documents you need are a Criminal Registry Extract from your country of origin and a Criminal Registry Extract from the country where you resided in the last 3 years for more than 90 days during 6 consecutive months.

For more detailed questions and answers about dealing with immigration authorities in Slovakia, see www.spectator.sk.

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Honesty towards our customers, suppliers and employees is the foundation on which all our work is built. If we make a mistake, we will not look for excuses, but we will take care of the quick elimination and future.

Peter Minichmayr
Founder + CEO

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ORIGIN SERVICE

DESTINATION SERVICE

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HOW BEAUTIFUL WHAT WOULD THE WORLD WOULD BE LIKE WITHOUT LAWYERS !?

1

Comment [Law Firm SK]:
general comment: in the following text, we propose to define terms "beautiful", "world" and "lawyers" in greater detail as these terms are ambiguous

Comment [Law Firm SK]:
"beautiful" is: reflection of reality in the consciousness of an individual, i.e. an idea based on cognitive abilities of man

Removed [LF SOUKENÍK - ŠTRPKA]
HOW BEAUTIFUL

Comment [Law Firm SK]:
"world" is: surrounding environment where actions of natural persons and legal entities are regulated by legal standards

Removed [LF SOUKENÍK - ŠTRPKA]
WOULD

Comment [Law Firm SK]:
"lawyers" are: persons who graduated from university with master's degree in law, able to navigate through legal regulations and use basic legal terminology

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!

Inserted [LF SOUKENÍK - ŠTRPKA]
?

SOUKENÍK - ŠTRPKA 

2

¹ Find more at www.worldoflawyers.akss.sk

² 1st place in the list of TOP 10 law firms in Slovakia (source: The Slovak Spectator).
Law Firm received several awards in various law fields in the competition
"Law Firm of the Year".

