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CLIMATE & ENERGY SNAPSHOT: SLOVAKIA THE POLITICAL ECONOMY OF THE LOW- CARBON TRANSITION

SANDRA ESSER, JULIAN SCHWARTZKOPFF & SABRINA SCHULZ

This Briefing Paper presents an assessment of the political economy of Slovakia regarding the low-carbon transition. It is part of a series of briefings on the four Central European countries forming the “Visegrád Group”. Often perceived as one unified bloc working against the low-carbon transition, E3G digs deeper and studies their specificities, their influence and their social and economic interests. The aim of this research is to identify opportunities to accelerate the low-carbon transition domestically and at the European level.

A global low-carbon transition is underway, but not all countries are actively participating. Engaging as early as possible, however, is crucial to reap the benefits of low-carbon development while avoiding economic losses through stranded assets and abrupt economic shifts. Within the European Union (EU), the Visegrád Group is often seen to be attempting to slow down the low-carbon transition, both domestically and by opposing stronger EU climate action.

Against this background, E3G has applied its Political Economy Mapping Methodology (PEMM) to the Visegrád countries. The process involves extensive desk-based research as well as stakeholder interviews to identify the key factors influencing a country’s position on energy and climate issues. The “Climate & Energy Snapshot” series summarise the main findings into digestible country briefings.

When taking a closer look, it becomes apparent that there are considerable differences and disagreements between the countries. Identifying these discrepancies is crucial for designing country-specific interventions and cooperation opportunities that support a low-carbon transition.



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EXECUTIVE SUMMARY

Slovakia is generally passive with regard to driving forward a low-carbon transition and possesses little leverage within the EU to influence the European climate debate in either direction. While often aligning with other members of the Visegrád Group in watering down EU energy and climate policy, Slovakia is more open to discussion and pursues a stronger pro-EU stance than Poland or Hungary. The implementation of climate change legislation therefore usually does not arise voluntarily, but Slovakia rarely blocks EU obligations either.

There is an internal divide within the Slovak government and parliament concerning low-carbon development. While Prime Minister Fico has repeatedly spoken out in favour of safeguarding coal, the Ministry of Environment is more progressive and has even broached the topic of a coal phase-out in the past. It therefore constitutes one of the most progressive Ministries of Environment in the Central and Eastern European (CEE) region. Moreover, Slovakia is currently developing a 2050 low-carbon strategy with support from the World Bank. In general, however, climate change is not a high-priority topic in Slovak politics nor among the public or media.

Thus far, Slovakia has easily achieved its emissions targets due to reaping low-hanging fruits. Through its high share of nuclear energy but also hydropower in its energy mix, the Slovak energy sector is less carbon-intensive than that of its CEE neighbours. This also helps to explain Slovakia's repeated appeal to Brussels for greater flexibility in the choice of energy to achieve its emissions targets. However, as one of the most energy-intensive economies in the EU due to its high-carbon manufacturing sectors, the protection of industry is preferred over low-carbon ambition. Being home to a major hub of automobile assembly within Europe as well as possessing metal, steel and chemical industries, Slovakia relies on high-carbon industries for both GDP and employment. Energy-intensive industry therefore dominates in the Slovak economy and, correspondingly, political support and protection are strong. However, energy-saving potential through energy efficiency measures not only in the industry, but also in the housing sector remains largely underexplored thus far, hereby offering future avenues for low-carbon development.

Lignite still features prominently in the Slovak energy mix and will continue to do so for the foreseeable future. The mining industry enjoys strong political support through coal subsidies, with a feed-in tariff bolstering the otherwise uneconomical production of lignite. Moreover, high membership numbers in both coal and steel unions create additional political pressure to protect the mining industry. At the same time, Slovakia is nearly completely dependent on Russia for oil and gas imports; energy security thus constitutes a significant concern and helps explain the ferocious support of not only lignite, but also nuclear and hydropower.

In general, there is lack of trust in the reliability of renewable energy sources (RES) and their viability in supporting the energy-intensive Slovak economy. Complex regulation paired with a problematic history of a RES feed-in tariff with corruption allegations



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helps foster a wide-spread belief that RES are not the answer to Slovakia's energy security concerns. Aside hydropower, biomass constitutes a substantial chunk of the country's RES; however, its production is becoming increasingly unsustainable and poses a threat to Slovak forests.

Given the high reliance on both nuclear and hydropower, the necessary market reforms and grid extensions to incorporate a greater share of solar PV or, potentially, wind power are not being propelled forward. Although RES associations currently lack political access and support, climate action may be increasingly leveraged at the municipal level, where interest in adaptation and low-carbon growth is on the rise.

Taking into account that Slovak electricity prices are among the highest in the EU, a further decarbonisation through the expansion of RES and ensuing decentralisation of power generation would not only assist in driving down electricity bills, but would also help safeguard energy security and reduce fossil fuel imports. As sectors such as agriculture or tourism may increasingly feel the negative impacts of climate change due to more frequent floods and droughts, this could provide the low-carbon transition with a leg-up on the political, media and public agenda.



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POLITICAL ECONOMY MAPPING

The Political Economy Mapping Methodology (PEMM) has three primary layers of analysis: national conditions, the political system, and external projection and choice. This facilitates country comparisons, as the analytical categories are general enough to be applicable to all countries. A key feature of the PEMM is its graphical representation, which condenses complex information into an easily digestible diagram (see Annex 1).

The analysis of national conditions aims to identify underlying tensions across key factors that influence a country's interests regarding the low-carbon transition. The second part examines the political system, especially the power relations between different actors, and their alignment with low-carbon development. The interaction between the national conditions and the political system leads to countries making choices on climate and energy policy, which are analysed in a third step. In particular for the purposes of this briefing, the analysis of external projection and choice focuses on how a country positions itself at the European level.¹

The PEMM presented in this report was informed by a political landscape study drawn up by Richard Filčák, faculty member at the Slovak Academy of Sciences, alongside extensive desk-based research by E3G. A draft of the PEMM was tested in a workshop with Slovak experts from think tanks, NGOs, business associations and politics. The final briefing paper incorporates feedback and comments from these workshops.

NATIONAL CONDITIONS

The analysis of the national conditions examines six key areas that are important determinants of a country's national interest with regard to energy and climate policy:

- > Energy security
- > Climate vulnerability
- > Public goods
- > High-carbon economy
- > Low-carbon economy
- > Technology and innovation capability

For each category, the analysis is guided by two main questions. How important is the area in the real economy of the country and is the area accelerating or inhibiting a low-carbon transition?

¹ A more detailed explanation about the Political Economy Mapping Methodology can be found in the Annex.



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High-carbon economy

Summary assessment: High-emissions industries constitute the core of the Slovak economy. Concerns about the impacts of climate policy on the future of industries such as manufacturing inhibit progress towards a low-carbon economy.

Assessment categories:

Significance to the national interest: **High**

Alignment with low-carbon transition: **Opposing**

Slovakia has one of the most energy intensive economies in the EU. In 2015, the country's energy intensity was 80% higher than the EU average.² In the power sector, most of the electricity production from coal power plants has been replaced by nuclear power generation, thereby bringing down emissions and energy intensity.³ The rest of the economy, however, is highly energy- and emissions-intensive.

The high energy intensity can mostly be attributed to the industrial sector, whose energy demand and emissions are significantly higher than in other IEA countries.⁴ This largely stems from Slovakia's manufacturing sector: not only is the country the leading car manufacturer per capita in Europe⁵, but it is also home to large iron, metal, steel and chemical industries.⁶ These industries are key for the Slovak economy and there are widespread concerns that low-carbon policies could affect their competitiveness.

Car manufacturing constitutes the most important sector by far, as it accounts for 43% of total industrial production and provides direct and indirect employment for 200,000 people in the country.⁷ In contrast to the other high-carbon industries, car manufacturing is largely controlled by Western car companies. Volkswagen, PSA Peugeot Citroën and Kia Motors all have production sites in Slovakia, with Jaguar Land Rover also planning to open a plant in 2018.⁸ For this reason, the Slovak government has a strong incentive to protect the car industry, along with other key industries, from stringent environmental rules or any policy that could raise energy prices to prevent them from relocating. In the future, e-mobility could become a promising field of activity, provided the car companies decide to source some of their production of e-

² Eurostat (2016) [Energy intensity of the economy](#)

³ European Commission (2015) [Country Factsheet Slovakia](#)

⁴ EUR-Lex (2015) [Country Factsheet Slovakia](#) ; IEA (2012) [The Slovak Republic](#) ; EEA (2015) [Country profile – Drivers and impacts \(Slovakia\)](#)

⁵ EEA (2015) [Country profile – Drivers and impacts \(Slovakia\)](#)

⁶ Nations Encyclopedia (2012) [Slovakia – Industry](#)

⁷ EEA (2015) [Country profile – Drivers and impacts \(Slovakia\)](#) ; SARIO (2016) [Automotive Sector in Slovakia](#)

⁸ SARIO (2018) [Automotive Industry](#)



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cars from Slovakia. Some initiatives to promote e-mobility already exist, but planning is in early stages.⁹ Even if the country can gain some shares of this market, it is uncertain to what extent Slovakia would benefit, as established jobs in traditional car production could be replaced or lost in the process.

The social impact of phasing out coal constitutes another important barrier to a low-carbon transition. For example, Slovak Prime Minister Robert Fico has repeatedly assured that he will maintain the approximately 4,000 jobs related to underground lignite mining in the Prievidza region.¹⁰ These jobs are under threat as Slovak coal production is not sustainable at current levels, given the state aid for inefficient electricity production from domestic coal. Trade union membership stands at 16% of the working population – one of the highest shares in the EU.¹¹ Trade unions are a powerful political force in the country, and the interests of coal and steel unions are largely aligned with industries, both opposing an accelerated low-carbon transition.

As a result, Slovakia is one of the only countries in the EU to subsidise domestic lignite mining via a feed-in tariff granted until 2030 – one of several politically motivated components of electricity prices.¹² The Slovak government spends around €95.4m per year¹³ on the coal sector, which could not maintain profits without these subsidies. The Institute of Financial Policy under the Ministry of Finance has raised doubts that the amount of these subsidies is appropriate, as mining companies have been subject to allegations for corruption.¹⁴ A Slovak NGO submitted a complaint to the European Commission in September 2016, arguing that €860m of illegitimate state aid was channelled to mining company HBP through a subsidy to Slovenské Elektrárne.¹⁵ The Commission regularly denounces Slovakia's coal subsidies and is currently looking into compliance with EU state aid rules.¹⁶

In contrast, there are various voices within the government calling for an accelerated coal phase-out. The Ministry of Environment published a draft Environmental Strategy for 2030 in December 2017, calling for a coal phase-out mainly to improve air quality.¹⁷ While the Environment Minister announced an end to Slovak coal production and use by 2023, the Ministry of Economics is ultimately responsible for such a decision.¹⁸ Prime

⁹ SARIO (2018) **Automotive Industry**

¹⁰ Energy Transition (2017) **The Slovak energy transition – decarbonisation and energy security**

¹¹ European Worker Participation Competence Centre (2016) **Trade Unions**

¹² European Commission (2017) **Country Report Slovakia 2017. Rep. no. 1176/2011**

¹³ Regulatory Office for Network Industries (2016) **Decisions in the field of electricity industry** ; Energja (2017) **Za výrobu v Novákoch dostanú elektrárne 95,4 milióna eur**

¹⁴ Zastavme Korupciu (2016) **Istoty zabalené v alobale**

¹⁵ Energja (2017) **Brusel Rieši Sťažnosť Mimovládky Na Dotovanie Slovenského Uhlia**

¹⁶ Euractiv (2017) **Slovakia considers exiting coal in 2023, Sefcovic eyes geothermal energy**

¹⁷ Ministry of Environment of the Slovak Republic (2018) **Envirostratégia**

¹⁸ The Ministry of Environment later withdrew the announcement.

Minister Fico himself says that sustaining coal mining until at least 2030 is in Slovakia's 'general economic interest'.¹⁹

In addition, HBP is planning to extract 5-9 million tons of lignite in a new mining field between 2023 and 2034. The environmental impact assessment procedure for the new field relaunched in September 2017, after a failed first attempt in 2016. The opening of the new mine is estimated to cost €27-30m. HBP already received €17m of state aid between 2007 and 2010 for the opening of the 11th mining field in the area, which involved the relocation of the Nitra river.²⁰

Overall, the current government aims to minimise the impact of climate legislation on high-carbon industries, rather than promoting a low-carbon transition.

Low-carbon economy

Summary assessment: Reliance on nuclear and hydropower, as well as regulatory obstacles, inhibit solar and wind power from being further developed.

Assessment categories:

Significance to the national interest: **Medium**

Alignment with low-carbon transition: **Polarised**

Slovakia's low-carbon economy is dominated by nuclear power, which accounts for over half of the country's electricity production.²¹ Nuclear energy is perceived as an attractive option to provide energy security while reducing emissions in the power sector. Strong centralisation characterises the Slovak energy sector in general, which is not conducive to driving forward a low-carbon transition. The former state monopoly Slovenské Elektrárne controls most of the country's power plants.

Electricity production is overwhelmingly based on nuclear power (57%), followed by hydropower (17%), coal (11%) and gas (8%).²² The power sector is therefore responsible for a relatively low share of overall emissions. However, reliance on this traditional and centralised power generation technology makes it seem less urgent to extend and modernise the electricity grid or adopt the market design changes that would be necessary to transition to a fully decarbonised power system based largely on renewables.

¹⁹ Ministry of Environment of the Slovak Republic (2018) [Envirostratégia](#)

²⁰ Just-transition.info (2017) [What you should know about the Slovakian coal phaseout announced in Paris](#)

²¹ The Slovak Spectator (2017) [Slovakia to boost the utilisation of renewables](#)

²² Eurostat 2014 figures



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Apart from nuclear power, hydropower is the dominant low-carbon energy source in Slovakia. Similar to nuclear power, it is an established technology based on a handful of plants, rather than the thousands of small installations characteristic of wind and solar power. The government is looking to further expand hydropower, including in Natura 2000-areas.²³

In terms of other non-hydro renewable energy sources, Slovakia's energy mix is characterised by a high share of biomass.²⁴ Over half of renewable energy used in Slovakia comes from biomass and there are grave concerns about its sustainability.²⁵ It has already led to an increase in salvage logging, which, together with the growing biomass market, will likely pose a significant threat to Slovakia's forests. Several biomass pathways can lead to negligible or negative savings in GHG emissions.²⁶

Solar PV is on the rise, starting from low levels, and wind power is practically non-existent in the country.²⁷ There seems to be little confidence in renewables in general, as they are often viewed to be unreliable and expensive.²⁸ In addition, natural conditions for wind power are unfavourable, while existing interconnectors and transmission lines are lacking capacity.²⁹

More political and financial support is needed to implement energy efficiency measures in Slovakia. However, some efforts indicate a stronger focus on energy efficiency: the Slovak Ministry of Finance asked Eurostat to clarify the treatment of energy performance contracts, which can be recorded off government balance sheets. This would make it easier for schools, hospitals, and other public buildings to invest in energy efficiency.³⁰

The regulatory framework is very complex, unstable and not transparent regarding renewables and the low-carbon transition more generally, making it hard for investors to shift funding to green industries. In particular, legislation on renewables has been subject to frequent changes, thereby undermining investor confidence. Similar to other CEE countries, a generous feed-in tariff for renewables was introduced in 2009, but cut back in both 2011 and 2013 due to cost concerns.³¹ Renewable energies are still supported with fixed and relatively low feed-in tariffs. A new policy adopted by the

²³ WWF Global (2017) **Hydropower threats in Slovakia, Romania, Bulgaria and Ukraine**

²⁴ Eurostat (2016) **Energy from renewable sources**

²⁵ KPMG for the Ministry of Environment of the Slovak Republic (2016) **Criteria for sustainable use of biomass in the regions of Slovakia for programmes in SR for 2014-2020 co-financed from ESIF**

²⁶ European Commission (2014) **State of play on the sustainability of solid and gaseous biomass used for electricity, heating and cooling in the EU**

²⁷ The Slovak Spectator (2017) **Slovakia to boost the utilisation of renewables**

²⁸ Energy Transition (2017) **The Slovak energy transition – decarbonisation and energy security**

²⁹ Energy Transition (2017) **The Slovak energy transition – decarbonisation and energy security**

³⁰ European Commission (2017) **Changes to Eurostat rules to boost investment in energy efficiency**

³¹ RES Legal (2017) **Feed-in tariff**



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Regulatory Office for Network Industries (for the period from 2017 to 2021) has retroactively lowered price support for renewable energy sources (RES) and Combined Heat and Power (CHP) production. A wave of complaints and law suits is expected from small producers, although the Constitutional Court recently ruled in favour of the government's right to change the conditions.

The connection of new RES installations to the grid is also difficult because all three (state-owned) distribution grid operators have been refusing to connect renewables above 10 kWp to the grid since 2013. They argue that they are still processing studies about grid capacities.³² The European Commission started investigations on this and two other cases of regulatory obstacles to renewable energy.³³

While Slovakia currently imports electricity, the country will soon have significant overcapacity once the 3rd and 4th unit at the Mochovce nuclear power plant will be operational by 2020. This will put the government under pressure to justify its considerable additional investments in nuclear energy. One of the possible explanations for the reluctance to support flexible renewables is that the nuclear power plants could struggle to generate a positive return on investment if they faced increased competition from renewables.

The World Bank is currently assisting Slovakia in drawing up a 2050 low-carbon strategy, set to be published in 2018.³⁴ It remains to be seen whether this will result in low-carbon policies being adopted, but the strategy will at least raise the profile of the issue as well as the visibility of low-carbon stakeholders in the public debate. Falling installation prices for solar and wind power as well as batteries, along with the air quality benefits of using these technologies, will increasingly call the country's reliance on conventional energy technologies into question.

The World Bank will also help Slovakia implement the EU 2030 energy and climate policy framework, which obliges the country to reduce GHG emissions by 12% compared to 2005 and by 30% in non-ETS sectors.³⁵ While the 2020 targets will be reached easily, largely due to the collapse in industrial emissions along with the decline in industrial production after 1990, the 2030 targets pose a considerable challenge which could prompt greater policy efforts and strengthen the country's low-carbon industry.

³² PV Grid (2017) [Slovakia: Residential PV system on rooftops](#)

³³ SAPI (2016) [Eurpska komisia začala prešetrovať energetické kauzy na Slovensku](#)

³⁴ World Bank (2016) [World Bank to Advise Slovakia on its 2050 Low Carbon Strategy](#)

³⁵ Filčák, Richard (2016) [Landscape of climate change policies: Drivers, barriers and stakeholder analysis](#) ; World Bank (2016) [World Bank to Advise Slovakia on its 2050 Low Carbon Strategy](#)



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Technology and innovation capability

Summary assessment: Innovation and high-end technology in Slovakia are lagging behind; concerns that Slovakia would not benefit economically from low-carbon growth impede the transition.

Assessment categories:

Significance to the national interest: **High**

Alignment with low-carbon transition: **Opposing**

Slovakia ranks at the bottom of the EU in terms of innovation and technology capability. The Global Innovation Index ranks Slovakia 34th globally, but 21st in Europe.³⁶ Slovakia ranks only 23rd out of 28 in the European Commission's eco-innovation scorecard, which is lower than Hungary and the Czech Republic, but higher than Poland.³⁷ There is little investment in R&D, especially by the private sector, and the country has a very low level of patenting as a result.³⁸ The main source of innovation funding is the public sector, in particular through EU funds. The Slovak economy suffers from a variety of drawbacks, making it difficult to take advantage of the opportunities and niches which the low-carbon transition opens up.

The key strategic document to promote innovation in Slovakia is the 'Strategy for Smart Specialisation of the Slovak Republic', adopted in 2013.³⁹ The Strategy does not outline any strong ambition to foster low-carbon technologies, only mentioning renewables in passing while the focus in the energy sector is overwhelmingly on nuclear energy. While pointing out that research and specialisation in sectors linked to car production, metals and electronics are key for Slovakia's future economy, the strategy does not mention low-carbon options.

Slovakia is highly specialised in assembly, for example of cars and consumer electronics, which tends to generate only little added value for the country's economy.⁴⁰ Low-level technologies predominate and only a very small percentage of Slovakia's manufacturing industry is in the high-tech sector.⁴¹ Large parts of the most important industries are foreign-owned, leading to a high dependence on exports and foreign investments. As indicated above, Volkswagen, Peugeot and Kia largely dominate car manufacturing, for instance. In addition, the country's size makes it hard for investors

³⁶ The Global Innovation Index (2017) **The Global Innovation Index 2017**

³⁷ European Commission (2015) **Eco-Innovation: Slovakia**

³⁸ European Commission (2013) **Strategy for Smart Specialisation of the Slovak Republic (RIS3)**

³⁹ European Commission (2013) **Strategy for Smart Specialisation of the Slovak Republic (RIS3)**

⁴⁰ OECD (2013) **Slovak Republic: Fostering an inclusive job-rich recovery**

⁴¹ The Ministry of Economy of the Slovak Republic (2003) **Industrial policy of the Slovak Republic**



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to realise economies of scale. As a result, Slovakia is at a disadvantage in low-carbon innovation, which often happens at the cutting edge of technological development, and the prospects of low-carbon growth depend heavily on foreign companies. However, economic specialisation in sectors related to the low-carbon industry, such as automobiles, machinery and metals, could enable low-carbon clusters in battery and wind technology or e-mobility, according to a recent scientific assessment.⁴² This depends on favourable framework conditions for low-carbon innovation and investment. In this context, a lack of an enabling regulatory framework is especially damaging, as it makes low-carbon innovation and investment difficult to attract. Government support for low-carbon industries is absent across the board, but an ambitious 2050 strategy could send a signal to low-carbon investors interested in the region, opening opportunities to benefit from low-carbon growth.

Energy security

Summary assessment: Given its energy intensity and import dependency, energy security is a significant concern for Slovakia, fostering continued reliance on fossil fuels and nuclear energy.

Assessment categories:

Significance to the national interest: **High**

Alignment with low-carbon transition: **Opposing**

Due to high use in the transport and heating sectors, fossil fuels cover 72% of gross inland energy consumption, and Slovakia is almost 90% dependent on their import.⁴³ Similar to other CEE and Eastern European countries, Slovakia is still highly dependent on Russia, particularly for gas and oil imports.⁴⁴ Energy security is therefore one of the most important concerns of Slovak energy policy.

Nuclear energy and lignite are seen as guarantors of energy security, particularly since Slovakia has significant resources of both lignite, which is being mined actively, and uranium, where extraction is being explored by several companies.⁴⁵ In 2016, electricity imports amounted to 9% of consumption. Slovakia is an importer of electricity since it closed two nuclear power stations in 2006 and 2008. It is, however, expected to become self-sufficient once the two new nuclear power units at Mochovce are operational.⁴⁶

⁴² Bruegel (2016) [An Approach to Identify the Sources of Low-Carbon Growth for Europe](#)

⁴³ Eurostat 2015 figures

⁴⁴ European Commission (2015) [Country Factsheet Slovakia](#)

⁴⁵ WISE Uranium Project (2018) [New Uranium Mining Projects – Slovakia](#)

⁴⁶ The Slovak Spectator (2017) [Slovakia to boost the utilisation of renewables](#)



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Energy efficiency, renewables and batteries are not yet seen as viable alternatives to conventional fuels in providing energy security for Slovakia's energy-hungry economy. The "old school" view on energy security still prevails in the country. As a result, energy policy and the public debate revolve around securing energy supply rather than flexibility and demand reduction.

In addition, concerns about energy poverty promote strong inertia in Slovak energy policy. Network and transmission charges, and therefore electricity prices, are among the highest in CEE.⁴⁷ In relative terms, the energy costs are even higher. The poorest two quintiles of the Slovak population pay between 20-25% of their annual household income for energy costs (in Germany or Denmark, for instance, the poorest spend less than 10% of their annual income on energy).⁴⁸ Energy saving measures could be part of the solution, as they could save Slovak households well over the equivalent of an average monthly salary per year.⁴⁹ However, especially for the poorest households, it is usually impossible to pay the up-front investment costs to realise this potential, while government policy does little to improve the affordability of energy efficiency retrofits.

Renewable energy is perceived as an expensive alternative, partly because of the failed feed-in tariff law, even though lignite also receives subsidies. There is a widespread expectation that a switch to clean energy would be risky and very costly in social and economic terms. On top of that, district heating accounts for 54% of overall heat demand, usually provided through co-generation in thermal power plants.⁵⁰ Ensuring a stable supply of heating for households while phasing out fossil fuels is a practical challenge making a low-carbon transition in Slovakia difficult, especially given widespread concern about energy poverty. One interim consequence could be a stronger reliance on Russian gas if coal CHP plants are closed, which is a political no-go.

Thus, due to the energy intensity of the Slovak economy alongside the high dependence on Russian oil and gas, energy security is a huge concern, thereby promoting a continued reliance on fossil fuels as RES are not yet regarded a reliable alternative.

⁴⁷ Eurostat (2017) **Electricity prices, first half of year, 2015-2017**

⁴⁸ Ecofys, Fraunhofer ISI and CASE (2016) **Prices and Costs of EU Energy**

⁴⁹ CEE Bankwatch (2013) **Slovakia: Resource Efficient Economy**

⁵⁰ Euroheat & Power (2017) **District Energy in Slovakia**



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Public goods

Summary assessment: Social and energy security concerns are stronger than environmental concerns.

Assessment categories:

Significance to the national interest: **Small**

Alignment with low-carbon transition: **Neutral**

According to Eurobarometer, only 8% of Slovak citizens think that climate change is the most serious problem facing the world today. However, when asked how serious the issue of climate change is at the moment, 67% of Slovaks believe that it is very serious.⁵¹ Slovaks are less likely to consider themselves personally responsible for addressing climate change compared to the EU average.⁵² 59% of the population blame the national government for not doing enough, but when asked how much more they would be prepared to pay for cleaner energy, 24% would not be willing to pay a surcharge, 28% would pay 1-5 % more and 30% do not know.⁵³ This is likely due to the already high energy bills in the country, but it also shows clearly that social concerns as well as energy affordability and security dominate the debate.

Generally speaking, there is little public debate or media coverage on climate change. Compared to the other Visegrád countries, Slovaks appear to possess lower environmental knowledge, but are still very sensitive to environmental issues in general.⁵⁴ 53% of Slovaks are worried about air pollution, making it the second most important environmental issue affecting the population after waste management.⁵⁵

Environmental activism has a strong tradition in Slovakia, but it has historically focused on nature conservation rather than climate change. Organisations like the Slovak Union of Nature and Landscape Protectors (SZOPK) and the Tree of Life (Strom Zivota) were founded in the late 1960s and early 1970s. In the recent past, much environmental activism has been focused primarily on protecting Slovakia's forests and rivers.⁵⁶

Support for binding energy efficiency (EE) and RES targets is widespread in the population.⁵⁷ However, renewables receive little positive media attention and the

⁵¹ European Commission (2017) **Citizen support for climate action: Slovakia**

⁵² European Commission (2017) **Citizen support for climate action: Slovakia**

⁵³ Visegrad.info (2010) **The issues of carbon dioxide and climate change**

⁵⁴ Visegrad Fund (2015) **Sustainable Consumption Patterns in Visegrad Region: Slovak Report**

⁵⁵ European Commission (2014) **Eurobarometer Slovakia**

⁵⁶ REC **On the Way: The Environmental Movement in Central Europe**

⁵⁷ Euractiv (2014) **Poll: Over 85% of east Europeans back robust 2030 climate goals**



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image of support schemes for renewable energy is marred by the failures of the country's feed-in tariff and the corruption allegations surrounding it. There is little public pressure to enact more ambitious policies at the national level.

Overall, social and economic concerns usually trump climate concerns. Still, there is an opportunity to raise the profile of climate communication and improve climate education, tapping into the population's environmental consciousness as well as concerns about air pollution and drinking water shortages.

Climate Vulnerability

Summary assessment: Relatively speaking, Slovakia is not very vulnerable to climate change, but increasing climate impacts support the case for more ambitious climate action.

Assessment categories:

Significance to the national interest: **Medium**

Alignment with low-carbon transition: **Supportive**

In terms of climate vulnerability, Slovakia is comparable to South-Eastern Europe, but more exposed to climate impacts than its Central European neighbour states.⁵⁸ Its readiness for climate adaptation is average in the EU context: slightly worse than some of the other countries in CEE, but generally better than neighbouring countries in Southeast Europe.⁵⁹ Climate impacts have so far not been a driving force of ambitious mitigation or adaptation policies, but concerns about them are rising.

Slovakia is increasingly noticing the impacts of a changing climate through a growing number of floods and droughts.⁶⁰ The south in particular is experiencing a gradual desertification, and usable water sources are decreasing.⁶¹ Fresh water runoff is projected to decrease by 29% by 2030 in the lowlands and by 35% in south of central Slovakia.⁶² To make matters worse, 14% of the Slovak population still does not have access to public water supply systems.⁶³ According to polls, 47% of Slovaks are worried about shortages of drinking water, compared to an EU average of 27%.⁶⁴

⁵⁸ ND-GAIN (2016) [Country Index](#)

⁵⁹ ND-GAIN (2016) [Country Index](#)

⁶⁰ UNFCCC (2013) [The Sixth National Communication of the Slovak Republic on Climate Change](#) ; LSE Grantham Institute (2017) [Slovakia](#)

⁶¹ UNFCCC (2013) [The Sixth National Communication of the Slovak Republic on Climate Change](#)

⁶² ClimateChangePost (2013) [Fresh water resources Slovakia](#)

⁶³ Water Research Institute [What we know about drinking water in the Slovak Republic](#)

⁶⁴ European Commission (2014) [Eurobarometer Slovakia](#)



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Rising temperatures are also starting to affect other industries such as agriculture and tourism. Changing weather patterns are compounding soil erosion problems, which arise from longer droughts and agricultural practice.⁶⁵ Lack of snow has already had a negative impact on winter tourist destinations, for example in the High Tatras mountains.⁶⁶ In addition to the negative environmental impact from climate change, Slovakia experiences air pollution, acid rain, deforestation and soil erosion due to former mining activities as well as current metallurgical plants and logging.⁶⁷

To respond to the challenge of climate impacts, Slovakia adopted its National Adaptation Strategy in March 2014, which introduced policies in the areas of agriculture, biodiversity, forestry, health and water.⁶⁸ This strategy was updated in 2017 and focuses on water management – the biggest challenge going forward. Implementation of the strategy has been lacklustre so far. Overall, however, climate impacts are increasingly present in the public debate and strengthening the case for climate action – even if this is still a minority opinion.

POLITICAL SYSTEM

The political system assessment shows how the national conditions are translated within the political system of the country. Key actors within the political system include the government with its various branches, businesses, civil society groups and the European institutions. The analysis highlights the level of influence and the position of each set of actors regarding a low-carbon transition.

Basic parameters

The Slovak Republic is a parliamentary democracy with a multi-party system. The Slovak head of state and the formal head of the executive is the President (currently Andrej Kiska), though with very limited power. Most executive power lies with the head of government, the Prime Minister (currently Robert Fico), who is usually the leader of the winning party if he can form a majority coalition in parliament. The President is directly elected every five years, whereas the Prime Minister is appointed by the President. The government ministers are appointed by the President, following a recommendation by the Prime Minister. The current governing coalition consists of Fico's social democratic party (Smer-SD), a Slovak nationalist party (SNS) and a centre party representing the Hungarian minority in Slovakia (Most-Híd).

⁶⁵ Index Mundi (2018) [Slovakia Environment – Current issues](#)

⁶⁶ INFORSE [Slovakia](#)

⁶⁷ Index Mundi (2018) [Slovakia Environment – Current issues](#) ; Nations Encyclopedia [Slovakia – Environment](#)

⁶⁸ LSE Grantham Institute (2017) [Slovakia](#)

The parliament, the National Council of the Slovak Republic, is elected every four years and is a unicameral body with 150 seats, which are filled by proportional representation. The National Council exercises the main legislative power in Slovakia and can order the dismissal of the Prime Minister at any time through a vote of no-confidence. Currently, Fico's coalition parties take up 79 seats of the National Council, with the opposition dominated by liberal, centre-right and far-right parties.

Government and civil service

Summary assessment:

The government is divided on the low-carbon transition, with Most-Híd in the Ministry of Environment pushing for more ambition.

Assessment categories:

Significance in the political system: **Medium**

Alignment with low-carbon transition: **Polarised**

The government and parliament are very diverse and divided on the issue of climate change, given the four-party coalition of a centre-left, centre-right, nationalist and ethnic-Hungarian party. The Green Party is not represented in parliament, lacking popular appeal. However, the priorities of some of the more established parties are partly aligned with the low-carbon transition. The economic liberal opposition party "Freedom and Solidarity", for instance, criticises coal subsidies and calls for more renewables at the national level – even while opposing the EU ETS. Most-Híd, even though its platform focuses mainly on greater cooperation between the country's Slovak majority and Hungarian minority, has made ambitious environmental initiatives a hallmark of its tenure of the Ministry of Environment.

Uniquely among CEE countries, the Slovak coalition government elected in March 2016 has a binding provision to develop a 2050 low-carbon strategy in its coalition agreement.⁶⁹ Junior coalition partner Most-Híd pushed for this provision to be included. As stated above, the Ministry of Environment also published a draft strategy in December 2017 promoting a coal phase-out, and calling for a 2023 phase-out date, apparently without the support of the rest of the government.⁷⁰

This shows that the Ministry of Environment's activism is not shared by the Ministry of Economy or the Prime Minister and his party (Smer-SD). It is still highly unusual for a Ministry of Environment in the region to be that progressive on energy and climate

⁶⁹ The Slovak Spectator (2016) [Government publishes coalition agreement](#)

⁷⁰ Euractiv (2017) [Slovakia considers exiting coal in 2023, Sefcovic eyes geothermal energy](#)

issues. This constellation pushes the country in a more climate-friendly direction and sparks debates that would otherwise not be happening.

These strategies present a valuable opportunity to engage all levels of government on the low-carbon transition, as the process will likely make the actors in question more open to policy learning and external expertise. While the national-level administration had been regarded as generally competent and transparent – up to the murder to journalist Ján Kuciak and his fiancée Martina Kušnírová in February 2018 – capacity crunches and corruption are relatively widespread at lower levels of government, with faith in the civil service therefore being correspondingly low.⁷¹

As outlined above, Slovakia has signed an agreement with the World Bank for a cooperation to develop the 2050 strategy mentioned in the coalition agreement, bringing in World Bank experts to help with modelling transition pathways and developing policy interventions. Regional and local low-carbon strategies are also being pursued. Financing was allocated for this purpose in the Operational Programme “Quality of the Environment” in the framework of EU cohesion policy.

While the government is not actively promoting renewables except for small installations (up to 10kWp) and biomass, municipalities such as Čierny Balog or Necpaly, and the least developed regions are beginning to become more interested in energy efficiency and renewables to decrease energy consumption and increase local value creation as well as energy independence. Competence for environmental questions lies with the central government, but municipalities may issue binding regulations in environmental protection, public infrastructure, transport, waste and water management as per article 68 of the constitution.⁷² In the context of the regional low-carbon strategies that will be developed, some local actors could become pioneers of renewable energy and energy efficiency deployment going forward.

Business

Summary Assessment: Carbon-intensive industries dominate Slovak business, with low-carbon and climate-vulnerable interests playing a much smaller role on the political stage.

Assessment categories:

Significance in the political system: **High**

Alignment with low-carbon transition : **Opposing**

⁷¹ Transparency International (2012) **Slovakia: Cities ranked on their transparency**

⁷² European Committee of the Regions (2017) **Division of Powers**



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The high-carbon industry is very dominant in the Slovak political system, being the major source of the country's GDP and employment. As outlined above, the most important industries are car manufacturers, chemicals, food processing and iron and steel industries.⁷³ High-carbon industries generally lobby for minimum standards and obligations in climate and energy matters. Except for the Ministry of Environment, the government typically goes along with this positioning, seeking to protect Slovakia's economy from transition costs.

Car companies have a paramount position. They are politically well-established as the sector is extremely important to the Slovak economy. Risks are high, however, since Slovakia, as a relatively small market, is only one among many countries where these companies could base their production. As a result, foreign car companies can effectively pressure the Slovak government on specific issues by threatening to relocate their production facilities.

In the energy sector, the utility Slovenské Elektrárne has a power generation monopoly. It seeks to maintain a centralised energy system due to its investments in nuclear and coal power plants. The company is the successor to the former state monopoly. After buying 66% of Slovenské Elektrárne's share of stocks in 2006, Italian state-owned utility ENEL decided to sell its shares to EP Slovakia, a subsidiary of Czech utility Energetický a Průmyslový Holding (EPH), in 2015.⁷⁴ EPH's business model is focused on coal mining and power generation from lignite and hard coal.

The low-carbon industry (excluding nuclear energy) is weak due to the small size of the sector. The associations for energy efficiency and renewables lack significant political access and support, except in the Ministry of Environment. They also lack capacity and are not connected enough with similar actors in the region. The biofuels association constitutes an exception, as it is stronger and enjoys more political support.

Climate-vulnerable industries such as agriculture or tourism do not generally mobilise strongly on energy and climate issues, but they might become more active as climate impacts intensify.

⁷³ IEA (2012) [The Slovak Republic](#)

⁷⁴ ENEL (2015) [ENEL signs agreement with EPH for sale of stake in Slovenské Elektrárne](#)



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Public discourse

Summary assessment: There is only little public discourse on climate change or the low-carbon transition. Trade unions dominate civil society voices, given a largely disinterested media and public as well as weak CSOs.

Assessment categories:

Significance in the political system: **Small**

Alignment with low-carbon transition: **Neutral**

Civic engagement has some tradition in Slovakia, particularly around the Velvet revolution in 1989. It is, however, significantly less influential and important than in Western European countries. Public demonstrations are quite common – in 2017, there were several large demonstrations against corruption and abuse of power, led by students and young Slovaks.⁷⁵ There is also increasing mobilisation on right-wing issues, such as demonstrations against Islam, immigration or same-sex relationships.⁷⁶ Some media outlets also nurture distrust towards EU institutions, journalists and NGOs. Environmental activism has a long tradition, but has largely been focused on protecting the country's forests and rivers, not on the impacts of climate change. Climate change is a concern among the population, but the issue is still low on the political agenda and overshadowed by other topics.

Freedom House rates Slovakia's media as fairly diverse, free and open, despite the majority of outlets being owned by Penta and J&T, both of which are Slovak financial groups.⁷⁷ However, there is very little specialised reporting on climate and low-carbon issues.⁷⁸ The media discourse on climate issues is mostly limited to scandals (for example the 2014 scandal on ETS certificate prices) or looming climate impacts such as water shortages. Among media outlets, Slovak television and radio are very influential, but newspapers are also perceived to be able to influence politics.⁷⁹

There are few civil society organisations working on climate change, most notably Friends of the Earth-CEPA and Greenpeace, but the latter has moved its climate and energy programme from Slovakia to the CEE level in 2015. Other NGOs focus on various

⁷⁵ Open Society Foundations (2015) **Once Riddled with Corruption, Slovakia sets a New Standard for Transparency** ; Foreign Policy (2017) **In Slovakia, Protest Smells Like Teen Spirit**

⁷⁶ RT (2015) **'Slovakia to Slovaks': Thousands join anti-Islamization protest in Bratislava, dozens arrested** ; The Economist (2015) **Uncivil society** ; The Independent **Slovaks protest as their freedoms are whittled away, fear freedoms are under threat**

⁷⁷ BBC (2016) **Slovakia profile – Media**

⁷⁸ INFORSE **Slovakia**

⁷⁹ Eurotopics (2017) **Slovakia: A lack of media diversity**



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environmental issues, for example CEPTA on air quality or Cyklokoalícia on sustainable transport. However, only a small number of staff of civil society organisations deals with environmental issues professionally. Especially small domestic civil society organisations working on environmental issues struggle to maintain their financial independence, obtain access to political decision-making, and increase their visibility and popularity.⁸⁰ As a success story, Friends of the Earth-CEPA prioritised close cooperation with municipalities several years ago. This led to a pilot project on regional biomass, which highlights the benefits of an energy transformation and its impacts on the local economy.⁸¹

Unions are generally defensive about environmental regulation and low-carbon competition affecting their industries. They are most influential in the manufacturing and public sector⁸² and have particularly close ties with the Smer-SD party. Carbon-intensive manufacturing, steel and coal unions are a strong part of the umbrella association KOZ SR, which reaches decisions by consensus among member unions. While union membership is declining, around every sixth Slovak employee is still a member of a trade union, which is higher than in many other CEE countries.⁸³

European Union

Summary assessment: While the EU does not feature prominently in Slovak politics, it does supply a large amount of funding in several policy areas. Public approval of the EU is generally high, but in terms of climate change mitigation, Slovakia seeks a more flexible approach.

Assessment categories:

Significance in the political system: **Medium**

Alignment with low-carbon transition: **Supportive**

Generally speaking, the public has a high level of trust in the EU institutions, but is not very engaged (for example, in the 2014 elections of the European Parliament, Slovakia registered one of the lowest turnouts of the EU28).⁸⁴ Slovak Prime Minister Fico is known for his pro-EU stance and considers the quick EU ratification of the Paris Agreement as a major success of the Slovak Presidency of the Council of the EU in

⁸⁰ Iceland Liechtenstein Norway Active citizens fund (2017) **Slovakia**

⁸¹ Local economies (2017) **Plugging the leaks**

⁸² European Worker Participation Competence Centre (2016) **Trade Unions**

⁸³ European Worker Participation Competence Centre (2016) **Trade Unions**

⁸⁴ European Parliament (2014) **Results of the 2014 European elections** ; EU-28 Watch (2014) **Slovakia**

2016.⁸⁵ The country's EU presidency has led to the creation of additional EU-related capacity in government ministries. This also creates opportunities for increasing engagement of civil society and other stakeholders on EU energy and climate policy.

The country is on track towards achieving the 2020 climate and energy targets agreed upon with its EU partners. This is partly due to the use of Cohesion Funds, with a focus on realising energy savings⁸⁶, and partly due to having negotiated targets that were easily achievable. The 2020 emissions target, for instance, allows Slovakia to increase CO₂ emissions by 13% compared to 2005.⁸⁷ Achieving the 2030 and 2050 targets will be more difficult, as business-as-usual approaches will no longer be sufficient.⁸⁸

Slovakia is a net beneficiary of the EU budget, with around 75% of public investments in Slovakia being based on EU funds.⁸⁹ The most important vehicles for this funding are the European Structural and Investment Funds, i.e. the European Regional Development Fund and the Cohesion Fund.⁹⁰ The majority of this financing is directed at regional policy, while a significant share is also allocated to agriculture and rural development.⁹¹ The financial involvement of the EU in Slovakia largely revolves around socio-economic measures; however, low-carbon economy, energy efficiency in buildings and heating, improved public transport and environmental infrastructure are also nominally designated target areas of EU funding.⁹²

As climate change does not feature highly on the Slovak political agenda, the creation of climate policies usually results from European obligations. Legally, Slovakia has adjusted its framework to comply with EU energy and climate directives, for example by implementing climate mainstreaming across its legal framework. However, there are still questions whether the actual climate performance of spending is being adequately monitored and evaluated.⁹³

⁸⁵ Euractiv (2017) **Fico ends coalition crisis, insists Slovakia should stick to EU's core** ; EEB (2016) **Assessment of the Environmental Results of the Slovak Presidency of the EU July-December 2016**; Euractiv (2016) **Predsednictvo sa končí. V migrácii nepresvedčilo, výsledky má inde**

⁸⁶ Baláž, V., Filčák, R., Jeck, T., Škobla, D. and Polo, M. (2015) A Pilot Project - Contribution to the EU2020 - Climate Change and Energy Sustainability: Evaluation Report 2015. Bratislava: Office of the Government.

⁸⁷ Dokupilová, Dušana - Filčák, Richard (2016) Narastanie závažnosti problému a dôsledkov zmeny klímy : 9. kapitola. In **Globálne megatrendy : Hodnotenie a výzvy z pohľadu Slovenskej republiky** [online]. - Bratislava : Centrum spoločenských a psychologických vied, Slovenská akadémia vied, 2016, s. 174-191. ISBN 978-80-970850-2-5

⁸⁸ Filčák, Richard (2016) **Landscape of climate change policies: Drivers, barriers and stakeholder analysis**

⁸⁹ European Commission (2014) **EU Budget Slovakia**

⁹⁰ European Commission (2016) **European Structural and Investment Funds: Slovakia**

⁹¹ European Commission (2014) **EU Budget Slovakia**

⁹² European Commission (2016) **European Structural and Investment Funds: Slovakia**

⁹³ CEE Bankwatch (2015) **Climate's Enfants Terribles**



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Only a small part of EU funds available to promote renewables and energy efficiency is being used for that purpose.⁹⁴ On energy efficiency, for instance, Slovakia has transposed the EU Energy Efficiency Directive through the law on energy efficiency No. 321/2014,⁹⁵ yet there seems to be little political will to channel funds into its implementation.

EXTERNAL PROJECTION AND CHOICE

This final analytical step of the mapping assesses a country's stance on European climate and energy policy as well as its broader EU engagement. The assessment is two-dimensional, covering both country engagement on the EU level and how its engagement is perceived in relation to a low-carbon transition.

European climate and energy policy

Summary assessment:

Slovakia is a less active member of the Visegrád Group. The country also deviates from Poland, the most powerful state within the group, on some issues and takes a more progressive stance.

Assessment categories:

Country engagement: **Medium**

Alignment with low-carbon transition: **Polarised**

At the EU level, Slovakia has repeatedly called for greater flexibility in the methods of achieving its emissions targets: one of its prominent standpoints is its preference to use nuclear power and gas imports to cut carbon emissions as opposed to expanding the use of renewables.⁹⁶ This focus on nuclear power is in line with the country's strong interest in ensuring short- and medium-term energy security.⁹⁷

In negotiations at the EU level, Slovakia often seeks allies in the Visegrád Group to leverage influence and water down EU climate and energy policy, including RES and EE targets as well as air quality standards. Together with the Czech Republic, however, it sometimes takes more progressive stances on energy and climate policy, contrasting with the often-fundamental opposition by Poland. For example, while all four Visegrád

⁹⁴ CEE Bankwatch (2015) [Climate's Enfants Terribles](#)

⁹⁵ CEE Bankwatch (2015) [Climate's Enfants Terribles](#)

⁹⁶ CEE Bankwatch (2015) [Climate's Enfants Terribles](#)

⁹⁷ CEE Bankwatch (2015) [Climate's Enfants Terribles](#)



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countries raised their doubts about the EU's Clean Energy Package in 2017, it became apparent that they are at odds with regard to the overall ambition of climate and energy policy and the dependence on coal.⁹⁸ Ahead of the meetings to negotiate the Clean Energy Package, the Visegrád Group could only agree on a lowest common denominator statement, focusing on member states' right to choose their energy mix and the general opposition towards tight deadlines. Along with the Czech Republic, and to a lesser extent Hungary, Slovakia did not follow Poland's opposition to the package unequivocally.⁹⁹ In addition, under Slovakia's presidency in 2016, the EU Council brought forward several crucial energy and climate issues, including on supply security.¹⁰⁰

Nevertheless, Slovakia regularly opposes EU proposals for more ambitious energy and climate regulations. In recent efforts, Slovakia advocated for the postponing of deadlines with regard to RES and EE targets, sought to block linear trajectories for RES targets and the binding nature of EE targets, backed lower air quality standards, and attempted to weaken the Commission's role in energy and climate negotiations.¹⁰¹

Broader EU engagement

Summary assessment:

Slovakia carefully balances domestic and EU-level goals, setting itself apart from the more outspoken members of the Visegrád Group.

Assessment categories:

Country engagement: **Small**

Alignment with low-carbon transition: **Polarised**

Overall, Slovak approval ratings of the European Union are high; however, public engagement on EU matters and turnout in EU elections are very low. The current Prime Minister, Robert Fico, is an increasingly outspoken supporter of a stronger EU engagement. In a statement in 2017, Fico called for Slovakia to be close to the core of the EU, especially to France and Germany.¹⁰² This pro-European positioning sets Slovakia, along with the Czech Republic, apart from the authoritarian tendencies and EU-sceptic voices in Poland and Hungary. Contrary to the Polish and Hungarian

⁹⁸ Energy Post (2017) [How to get the Visegrad Group to sign up to the EU's Clean Energy Package](#)

⁹⁹ E3G (2017) [Cracks in the Visegrád Group are good news for EU climate ambition](#)

¹⁰⁰ Set Plan CEEC 2017 (2016) [Slovak EU Council Presidency to focus on energy security and ETS reform](#)

¹⁰¹ The Energy Collective (2017) [EU Loses Nerve to Tackle Climate Change and Fuel Poverty; Slashes 2030 Energy Efficiency Goal](#)

¹⁰² Reuters (2017) [Slovakia's future is with core EU, not eurosceptic eastern nations: PM](#)



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governments, Slovakia does not seek ideological battles with the rest of the Union with regard to the rule of law and liberal democracy.¹⁰³ In day-to-day politics, Slovakia is still overshadowed by its more influential neighbouring countries, and its leverage in EU policy-making is low.

Slovakia shares many of the concerns of the Visegrád Group, including on the sovereignty of EU member states and immigration. Within the Visegrád Group, however, Slovakia's approach to European integration is relatively pragmatic and open to EU-wide solutions and compromises, not least driven by the country's high dependence on exports of cars and electronics to other EU members such as Germany. To illustrate this, Hungary and Slovakia had filed a joint case against the EU-wide distribution scheme for refugees in 2017, disputing its legal basis. When the European Court of Justice dismissed the actions by both governments, Slovakia respected the court's ruling. While still opposing quota systems, the country brought forward several alternative policy measures to contribute to a EU-wide burden sharing. This highlights Slovakia's careful balancing of domestic and EU level goals, setting itself apart from the more outspoken members of the Visegrád Group.¹⁰⁴

¹⁰³ E3G (2017) **Cracks in the Visegrád Group are good news for EU climate ambition**

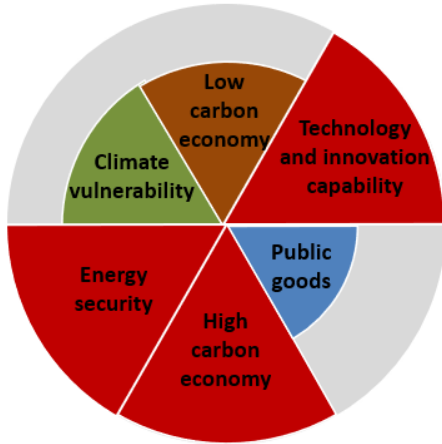
¹⁰⁴ GLOBSEC (2017) **Migration politics in Slovakia: Balancing domestic and EU-level goals**



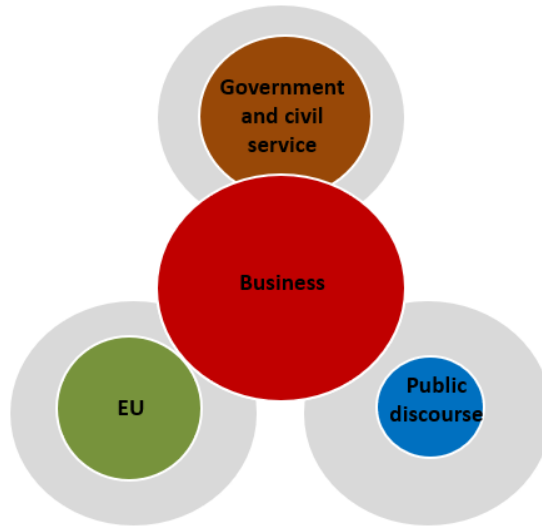
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Annex 1 – Representation of PEMM results for Slovakia

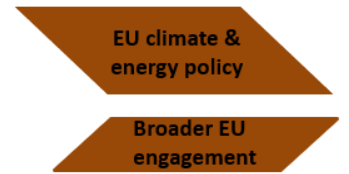
National conditions



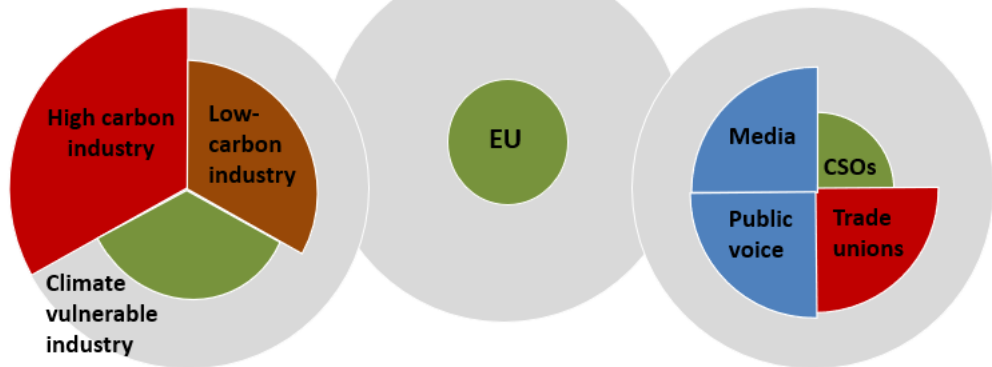
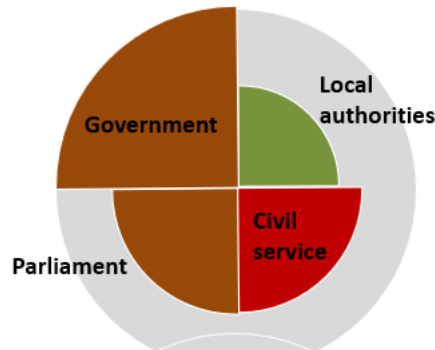
Political system



External projection and choice



Political system





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Annex 2 – Political Economy Mapping Methodology (PEMM)

The climate diplomacy community sometimes tends to act based on a small sample of information on a country's position, for example analyses of political statements and news headlines. These discrete assessments often fail to appreciate and accommodate the critical interplay between the real economy and political dynamics, and have a narrow focus on a limited range of sectors, for example energy. Failing to address this interplay often leads to a failure to identify where strategic opportunities and barriers to transformational change exist.

For example, the 15th Conference of the Parties (COP) in Copenhagen in 2009 was such a missed opportunity. In the aftermath, it was crucial to shift countries into a more progressive international position before the Paris COP in 2015. At the time, E3G used the Political Economy Mapping Methodology (PEMM) to deliver targeted interventions. It was essential to understanding which interventions should be taken to address real economy, national and international political dynamics.

E3G's PEMM summarises abstract information very succinctly and it, crucially, makes countries comparable across a set of defined categories. It combines hard analytical data with informed judgment, drawn from a variety of sources, rather than narrow scientific analysis along a series of fixed indicators. It provides a systematic and consistent approach to determining what constructs a country's core national interest, and identifies key national and international interventions that can increase domestic ambition and enable more proactive and progressive climate diplomacy. The mapping has been used to support ambitious outcomes under the United Nations Framework Convention on Climate Change (UNFCCC), as well as other diplomatic venues, such as EU climate and energy policy.

The PEMM has three primary layers of analysis: national conditions, political system and external projection and choice. The first level aims to understand and identify tensions across the real economy. The second, analyses power relations between different actors and determines how the national interest is translated within the political system. The third, considers international projection to illustrate how a country positions itself in – for the purposes of this briefing, European – debates in general and towards climate and energy issues specifically.



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The PEMM offers a two-dimensional assessment. The size assesses the significance of the sector/actor:



Low



Medium



High

The colour reflects the alignment with low-carbon transition:



Green:
supportive



Red:
opposing



Blue:
neutral



Brown:
polarised

Both dimensions – significance to national interest and alignment with low carbon objectives – are assessed when analysing a country's national conditions. In the two subsequent parts 'political system' and 'external projection and choice', a two-dimensional assessment considers significance to national interest and alignment to low-carbon transition.

The PEMMs presented in this report are informed by political landscape studies conducted by partner organisations in each country, alongside extensive desk-based research by E3G. Draft PEMMs were tested with country experts in think tanks, NGOs, businesses and politics. The final draft was informed by their comments and challenges. These country briefings represent the results of this process.



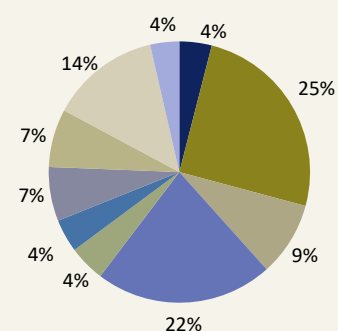
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Annex 3 – Data sheet: Slovakia

General data

Population (2017)	5.44 million
GDP per capita (2017, current prices)	€15,600
Corruption Index (0 = highly corrupt, 100 = very clean)	50 in 2017, 51 in 2016
Democracy Index (ranking of 167 countries)	44 in 2017, 42 in 2016

Value added per sector (% of GDP)



Allocation and use of EU Funds (2014-2020)

Total allocation of European Structural Investment Funds	€20.1 billion
Planned investments in energy efficiency and renewables	€1.35 billion
EU Cohesion Policy Investments as share of public investment (2007-2014)	75%

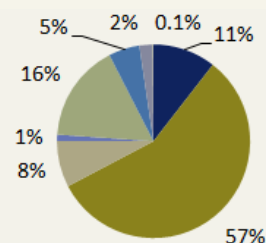
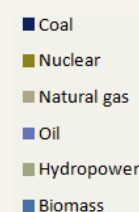
Energy statistics

Gross inland energy consumption (2015, ktoe)

16,425

Electricity generation (2015, TWh)

47.49



Energy intensity (2015, kgoe/1000€)

448.5

Energy poverty (inability to keep home adequately warm)

13.6%

Employment in coal sector (2018)

500 in power plants and
2,200 in coal mines

Renewable energy capacity of individuals, collectives, public entities and small enterprises (2015)

1MW wind
30MW solar

Renewable energy potential

2,100MW wind,
45,900MW solar PV,
4,600MW biomass,
400MW small hydro

Sources: Eurostat (2016), TI Corruption Perception Index (2018), ECIU 2017, European Commission (2013, 2014, 2016), Bankwatch (2016), BPIE (2015), HBP (2015), CE Delft (2016), UNDP (2014), World Bank (2018), EU Science Hub (2018)



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About E3G

E3G is an independent, non-profit European organisation operating in the public interest to accelerate the global transition to sustainable development. E3G builds cross-sectoral coalitions to achieve carefully defined outcomes, chosen for their capacity to leverage change. E3G works closely with like-minded partners in government, politics, business, civil society, science, the media, public interest foundations and elsewhere.

More information is available at www.e3g.org

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