

# DAILY NEWS MONITOR

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	DEŤ /MESIAC/ROK DAY/MONTH/YEAR
PONDELOK MONDAY	
UTOROK TUESDAY	
STREDA WEDNESDAY	<b>27.06.12</b>
ŠTVRTOK THURSDAY	
PIATOK FRIDAY	
SOBOTA SATURDAY	
NEDEĽA SUNDAY	

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PRIBINOVA 23,  
819 28 BRATISLAVA

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TEL.: +421 /2/ 592 10 320, 592 10 459

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*TASR Editor-in-chief : Marián Kolár, tel.: +421 / 2 / 592 10 310*

*Export Desk Editor-in-chief : Eliška Holásková, tel.: +421 / 2 / 592 10 459 (currently substituted by Zuzana Slaněíková)*

*Responsible Editor : Eliška Holásková (currently substituted by Zuzana Slaněíková)*

*Edited by the editorial staff : Jaroslav Bublinec, Martin Fabok, David Fairhurst, Tomáš Foltýn, Gabriela Kajtárová, Terence Moran*

*Contact : Tel.: +421 / 2 / 592 10 320*

*Marketing Department : Tel.: +421 / 2 / 592 10 152, 592 10 314*

*INTERNET : <http://www.tasr.sk>*

*E-MAIL : [vydexp@tasr.sk](mailto:vydexp@tasr.sk)*

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# International Relations

## ***Kukan Welcomes EU Accession Talks with Montenegro***

Brussels, June 26 (TASR-correspondent) - Former Slovak foreign affairs minister and current MEP Eduard Kukan (SDKU-DS) on Tuesday welcomed the EU's decision to open accession talks with Montenegro, adding that further delays would have been unfair towards that country.

The Slovak MEP, who is a member of the European Parliament's foreign affairs committee and head of the EP's delegation for co-operation with Albania, Bosnia and Herzegovina, Serbia, Montenegro and Kosovo, said that the EP long ago recommended that the European Council should take up an accommodating approach towards Montenegro.

"There had been rumours at the EP for some time that three countries - the Netherlands, France and Sweden - would prefer to postpone the process," Kukan told TASR, adding that Montenegro had the support of most of the 27 EU-member states, however.

I believe that if it had been postponed, it would have been unfair to Montenegro. It was expected that they would get this in December, then it should have been in March," said Kukan.

Shortly before the EU summit set to take place on June 28-29, only the Netherlands was taking a negative attitude towards opening accession talks with Montenegro, but as a consensual approach is necessary, it was able to postpone the talks. Diplomats succeeded in talking the Dutch round, however, thereby clearing the way for launching entry negotiations. Kukan noted that some of the Netherlands' concerns were justified, such as a lack of commitment from Montenegro in combatting corruption and organised crime. He stressed that the West-Balkan country must boost its efforts in these areas. The MEP pointed out that due to a new approach adopted by the EU, the first chapters to be opened in the accession talks, No. 23 and 24, will deal with the aforementioned issues.

bub/df/mf

## ***Paska Raises Voice of Protest Against Hungarian Parliament in Slovakia***

Bratislava, June 26 (TASR) - Parliamentary Chairman Pavol Paska emphatically protests against the session of the Hungarian parliamentary Committee for Unity set to take place tomorrow (Wednesday, June 27) in Komarno (Nitra region).

Speaking at a press conference on Tuesday, Paska claimed that having a national parliament of a different country organise its committee's session in a foreign country is absolutely unprecedented. Paska conveyed his dismay also to Hungarian Ambassador to Slovakia Csaba Balogh.

"We don't think this is an orthodox approach. The doors always stand open and we will gladly welcome Hungarian lawmakers but in a way that is standard, diplomatic and adhering to protocol," said Paska, adding that the Hungarian Parliament didn't even bother to inform Slovakia beforehand. "This committee was founded in 2009 and features a subcommittee for autonomy. Its aim is to make contacts with Hungarian organisations outside Hungary and it's a tool for Hungary's nationalist policies." {In past centuries Hungary commanded a vast empire in central Europe and, notwithstanding the loss of territory both in WWI and WWII, thousands of people in neighbouring countries remain Hungarian - ed. note}

The parliamentary chairman pointed out that the Schengen Agreement didn't cancel borders altogether, only facilitated their crossing. "Slovakia is a sovereign country. These gentlemen plan to

come over here from the sovereign national parliament to talk about Slovak citizens and issues that concern all Slovak citizens, regardless of their nationality. However, if I'm not mistaken, it is still the Slovak Parliament, Slovak Government and other state administration bodies that are accountable to the citizens of Slovakia," stressed Paska.

mf/tm

### ***Bugar: Hungarian Parliament in Slovakia a Mistake***

Bratislava, June 26 (TASR) - The decision of the Hungarian Parliament to organise its committee session in Slovakia without informing the neighbouring country beforehand doesn't sit well with ethnic-reconciliation Most-Hid party's chairman Bela Bugar, who views such a move as a recurring mistake.

"Having a certain committee of the Hungarian Parliament convening a session in Slovakia wouldn't have been a problem in and of itself, had they chosen to contact our committee or the Foreign Affairs Ministry. There would have been no problem then. But this can only serve to flare up tensions," said Bugar on Tuesday. "I don't know who benefits from this, but it surely isn't ethnic Hungarians living here."

When asked by a reporter whether Most-Hid (which means bridge in Slovak and Hungarian respectively) plans to contact Hungarian representatives and convey their disapproval, Bugar replied with a question: "You think we have good relations? We're those they call betrayers of the nation. We received no invitation to participate ... didn't even know about it."

According to ethnic-Hungarian and non-parliamentary SMK party, the statement made by Parliamentary Chairman Pavol Paska earlier in the day, in which he criticised the Hungarian Parliament, resembles "old times" in relations between the two countries. SMK referred specifically to the 2009 incident, when the Slovak Government denied erstwhile Hungarian President Laszlo Solyom access to Slovakia to take part in a ceremony surrounding the unveiling of a statue of Hungary's King Stephen I in Komarno (Nitra region).

Extra-parliamentary SMK (Hungarian Coalition Party) chairman Laszlo Berenyi plans to deliver a speech on the standing of ethnic Hungarians in Slovakia at the session planned for Wednesday (June 27) at Janos Selye University in Komarno.

According to Berenyi, no diplomatically delicate issues will be raised in his speech. "The delicate issue here is the unbelievable drop in Slovak citizens of Hungarian nationality. There's 17 fewer ethnic Hungarians every single day," he added.

mf/tm

### ***Slovakia Welcomes Initiation of EU Accession Talks with Montenegro***

Bratislava, June 26 (TASR) - The Foreign Affairs Ministry welcomes Tuesday's decision made by the Council of Europe to initiate accession talks with Montenegro this month, TASR learned from the Foreign Affairs Ministry press department on Tuesday.

"The opening of difficult negotiations on entry into the EU represents a well-deserved achievement for Montenegro, accomplished by virtue of its government's work, the reforms it has carried out, the determination and trust of Montenegrin citizens in the policies surrounding EU enlargement. The success of Montenegro - towards which Slovakia also contributed with its diplomatic activities and help provided during the transformation of the country and the preparation for its negotiations with EU - will present a clear message also to other countries of the West Balkans that their European prospects are

Chyba! Neznámy argument prepínača.

30 August, 下午十二下午十二

realistic and that the transformation and integration process bears results," reads the statement released by the ministry.

Tuesday's decision is set to be confirmed by European leaders during the session of the European Council set for Thursday (June 28) in Brussels. Slovakia promises Montenegro all its support in the next phase of its integration efforts.

mf/tm

## Domestic Policy

### ***Parliament Dismisses RTVS Head in Secret Vote***

Bratislava, June 26 (TASR) - Parliament at its session on Tuesday decided to recall general director of public-service Radio and Television Slovakia (RTVS) Miloslava Zemkova.

A total of 82 legislators out of the 85 present backed a proposal drawn up by the Parliamentary Culture and Media Committee to dismiss Zemkova, while two MPs voted against and one abstained from the vote, which was made secret following a written request to this effect submitted by MPs.

The committee concluded last week that Zemkova had gone public with a tender on renting a media complex for RTVS without providing prior written notification of her intentions to the RTVS Board. In this connection, the committee recommended that Parliament should remove from her post for what it views as a violation of the law.

In response to this, Zemkova said in Parliament last week that this is a fabricated scandal and that there's no factual or legal reason for her dismissal. In a 17-minute speech to legislators, she emphasised that none of her actions had led to or could have led to damage to the public interest. She backed up her statements with legal analyses that concluded that she broke no laws by her actions.

Meanwhile, Culture Minister Marek Madaric said during the parliamentary debate last week that the proposal to oust Zemkova is absolutely lawful.

tf/df

### ***Opposition: Vote on Zemkova's Recall Was Farce***

Bratislava, June 26 (TASR) - Only the caucus of the governing Smer-SD party and two opposition legislators took part in the vote in which public-service broadcaster RTVS general director Miloslava Zemkova was recalled in Parliament on Tuesday, with most of the Opposition describing the vote as a farce.

"Nobody from the Opposition will take part in the secret vote. We've agreed that we'll leave it up to Smer to allow itself to show its true colours," said Ordinary People and Independent Personalities (OLaNO) head Igor Matovic before the vote.

Laszlo Solymos from Most-Hid was mainly unhappy about what he described as the fabricated reasoning for the dismissal.

"This whole masquerade was a piece of theatre put on by Smer," said SDKU-DS caucus leader Ludovit Kanik, adding that the governing party resembles a steamroller that flattens everything that gets in its way.

Meanwhile, Smer MP Jan Podmanicky said that by making the vote secret, the parliamentary majority also enabled opposition MPs who view Zemkova's activities as unlawful to express their opinion freely.

A total of 82 lawmakers out of the 85 present backed a proposal drawn up by the Parliamentary Culture and Media Committee to dismiss Zemkova, while two MPs voted against and one abstained from the secret vote. The committee concluded last week that Zemkova had gone public with a tender on renting a media complex for RTVS without providing prior written notification of her intentions to the RTVS Board. In this connection, the committee recommended that Parliament should remove her from her post for what it views as a violation of the law.

bub/df

**Krajcer: Smer Attempting to Gain Political Control over RTVS**

Bratislava, June 26 (TASR) – The vote in which Radio and Television Slovakia (RTVS) general director Miloslava Zemkova was recalled in Parliament on Tuesday was a botched farce that was probably also unlawful, former culture minister Daniel Krajcer (Freedom and Solidarity/SaS) said following the vote.

Krajcer believes that the governing Smer-SD party is attempting to gain political control over the public-service broadcaster, and it's logical that the general-director would be the first person to be removed.

Krajcer conceded that during his term in office general director of then Slovak Television (STV) Stefan Niznansky was also removed.

"We took a completely different approach ... At the time, we were attempting to save the public-service media, and part of this was replacing the incompetent [STV] management," said Krajcer.

[The former government merged Slovak Radio with Slovak Television into RTVS as of January 1, 2011, removing Niznansky without his actual dismissal, as the entity that he had headed, STV, ceased to exist. Meanwhile, Zemkova, who had served as Slovak Radio general-director, was elected by Parliament as head of the newly created public-service broadcaster. – ed. note]

"The accumulated loss [at STV] after [Robert] Fico's first government [2006-10] reached almost €46 million. When we were leaving, the economic results were €22 million in the black. These are clear figures that should provide the basis for evaluating the former and present management," said Krajcer.

bub/df/tf

**Jarjabek: Opposition Caught in Trap Laid by Itself**

Bratislava, June 26 (TASR) – Parliamentary Culture and Media Committee chairman Dusan Jarjabek (Smer-SD) said on Tuesday that he wasn't surprised at all to hear opposition MPs describe the vote in which public-service broadcaster RTVS director Miloslava Zemkova was recalled as a farce, as they were caught in a trap that they had laid themselves.

Jarjabek added that if anything was a farce, it was Zemkova's election in late 2010, after the then government decided that her then employer Slovak Radio would merge with Slovak Television (STV) as of January 1, 2011.

The Smer MP emphasised that the dismissal process was very unpleasant for him.

"I've said it several times ... this law forces me to do things that I have a problem with," said Jarjabek, adding that the law must be changed in order to be accepted by a broad part of the political spectrum.

Smer decided to fire Zemkova after she went public with a tender on renting a media complex for RTVS without providing prior written notification of her intentions to the RTVS Board.

When asked whether Smer has already selected a person to replace Zemkova, Jarjabek said that a standard selection process will be announced.

bub/df/tf



## Economy and Business

### ***NBS Posted Loss of €77 million in 2011***

Bratislava, June 26 (TASR) - Slovakia's central bank (NBS) posted a loss of €77 million in 2011, according to the annual report on the central bank's accounts in 2011 submitted to Parliament for debate on Tuesday.

NBS's loss in 2010 reached as much as €515 million. The bank announced that it will cover this from future profits.

The most significant share of the posted loss was due to unrealised losses from the market-to-market valuation of financial tools to the tune of €462 million. This was related to a drop in the market price of securities and derivatives in NBS's investment portfolio in 2011.

Net operating costs in 2011 reached €60 million, of which staff and social expenditures amounted to €34 million, expenditures on premises, equipment and administration were at €21 million, depreciation charges reached €10 million and operating revenues €5 million.

A total of 1,075 employees were on NBS's books as of December 31, 2011, a reduction of four staff members compared to December 31, 2010.

bub/df/tf

### ***URSO: Slovakia to Post Electricity Surpluses after Mochovce Completion***

Bratislava, June 26 (TASR) - Imports of electricity into Slovakia last year reached 11,227 gigawatt hours (GWh), while exports from the country stood at 10,500 GWh, meaning a deficit of 727 GWh, reads a report submitted by the Office for the Regulation of Network Industries (URSO) to Parliament on Tuesday.

"Slovakia's electricity network was dependent on imports for the fourth year in a row, although the imports had a trading character and weren't due to a lack of output in Slovakia," said the report.

The state-run regulatory body expects that after the third and fourth reactor blocks at the Mochovce (Nitra region) nuclear power plant are launched into operation in 2014, Slovakia will begin posting small electricity-production surpluses.

Consumption of electricity in Slovakia in 2011 rose by 0.35 percent to 28,862 GWh, while production was up by 1.5 percent to 28,135 GWh.

"These levels of electricity consumption and production may not have reached the level seen two years ago but it's expected that the economy will recover gradually," said URSO.

Meanwhile, gas consumption reached 57.9 TWh in Slovakia in 2010, after standing at 57.3 TWh in 2010. URSO stated that both gas consumption and the number of gas suppliers remained stable in 2011.

bub/df/tf

### ***Fico: I Don't Feel Like Persuading Slovaks to Help Greece Again***

Bratislava, June 26 (TASR) - Prime Minister Robert Fico (Smer-SD) said on Tuesday that he insists on Greece complying with all its commitments to its international creditors agreed in return for the financial assistance provided.

"I absolutely don't feel like going around Slovakia and persuading the Slovak public about providing another loan to Greece," said Fico in connection with Greece's attempts for some slackening of the conditions set by EU/IMF earlier this year.

Fico said, however, that he could imagine a possible postponement in fulfilling of the conditions, but he tends to leave this issue for top EU representatives to negotiate.

"At the last session I held with the European Council President [Herman van Rompuy], an opinion appeared that the pace which was set for Greece is too stringent and too difficult. I felt an interest from the side of the European representatives to speak about it with the Greek Government," said Fico.

SDKU-DS vice-chair Ivan Stefanec said in connection to these thoughts that his party presses for the bailout to be conditioned by strict rules for the debtor. "I'm convinced that softening of the assistance conditions isn't the right way," said Stefanec.

gk/tm/mf

### ***Fico: Closer EU Integration Necessary, But Devil Lies in Details***

Bratislava, June 26 (TASR) - The Government of Robert Fico is in favour of deeper EU integration from the fiscal as well as the banking perspective, and that is the stance the Prime Minister will present at this week's EU Summit in Brussels on June 28-29.

European leaders will gather at the Summit to discuss a strategic document on further EU integration, drafted by President of the European Council Herman Van Rompuy, European Central Bank President Mario Draghi and President of the Euro Group Jean-Claude Juncker.

Fico expects that the process of drafting and carrying out specific measures designed to create tighter economic and currency union can be expected to take place within the scope of the next decade. This next step within EU integration, according to Fico, should be based on four pillars, the first of which represents an integrated financial framework.

"We should focus on the issue of unified European banking supervision, joint deposit protection and crisis situation measures for banks," the Prime Minister said at the parliamentary European Affairs Committee session on Tuesday, wherein he received a mandate to represent Slovakia in Brussels.

The second item is to be an integrated budgetary framework, conceived with an eye towards laying the groundwork for fiscal union with such measures as, for instance, the issuing of joint bonds.

Fico views the third item to be the integration of economic policies. "It turns out that it's difficult to maintain a common European currency with different budgetary and economic policies. It seems that we won't be able to steer clear of this kind of integration, after all," said Fico. Finally, the fourth pillar represents the bolstering of democratic legitimacy and responsibility within the EU.

The Prime Minister believes that this strategic document will win the support of European leaders at the summit, as all of them realise the need for deeper economic and currency integration. "I will admit a certain degree of nervousness prevailing among the leaders. The devil always lies in the details ... so we'll wait to see what kind of proposals will appear," he added.

mf/tm

### **Freso Calling on Government to Halt Changes in Second Pillar**

Bratislava, June 26 (TASR) - Opposition party SDKU-DS on Tuesday called on the Government to put a stop to the changes planned for the second (capitalisation) pillar of the pension system.

"No consolidation, no demographic crisis can serve as an excuse for such swinging changes, such immense interference, without a wider consent from the public," said SDKU-DS chairman Pavol Freso.

Freso views the measures proposed for the second pillar as proof that "the strong ones win" in Slovakia, referring to both Smer-SD and private pension-fund management companies (DSSs). He argues that on one hand, Government wants to cut the deductions flowing to the second pillar from 9 percent to 4 percent; but on the other hand, the DSSs should be compensated by a hike in the fees paid by their clients.

"It's unthinkable to base a consolidation on [measures that are to] the detriment of those who create value," said Freso, adding that the Government is taking money away from savers.

gk/tm/mf

### **ESM Legislation to Go Through Fast-Track Debate**

Bratislava, June 26 (TASR) - Slovakia's cash contribution to the European Stability Mechanism (ESM) will reach €659.2 million, according to the legislative proposal on ESM that will be debated in Parliament in fast-tracked legislation proceedings.

There are five repayments scheduled, with the first (€131.84 million) to be reimbursed by Slovakia within 15 days after the Act comes into force [mid-2012].

According to the document submitted by the Finance Ministry for debate, the second, identical payment is expected later on in the same year, probably in October.

"Slovakia should also provide the other three payments of the underwritten assets in the scope of 2013-14 worth €395.52 million in total," the ministry calculates. [Theoretically, the money will not be lost but rather invested in this fiscal underpinning of the eurozone - ed. note].

According to the Finance Ministry, the first payment will be covered by the state financial assets without any need for their strengthening, so this step won't affect the deficit of the public finances or the state debt.

The other payments will require an increase in the sources of state debt financing, so this will have a negative influence on the state debt.

ESM, as the permanent safety net available to help indebted eurozone members, has been set to replace the temporary financial mechanism EFSF. Contrary to EFSF, which operated based on guarantees for bonds issued by EFSF, ESM will require direct cash deposits. This will take place via underwriting of shares on the share capital of the EMS - an inter-governmental organization - worth €700 billion. Members will have to contribute €80 billion in cash and the remaining €620 billion will be represented by guarantees in form of shares payable on demand. Slovakia's share in the €5.768 billion of underwritten shares will reach 0.8240 percent.

gk/tm/mf

### **Opposition Nominee Toth to Become NBS Vice-Governor**

Bratislava, June 26 (TASR) - Opposition nominee Jan Toth will be appointed Slovak central bank (NBS) vice-governor, Parliament decided on Tuesday.

In a secret vote, 121 MPs out of 135 present voted for Toth, who was nominated by SDKU-DS based on agreement with the rest of the Opposition.

Toth used to serve as the chief economist of the Financial Ministry's Financial Policy Institute during the previous government.

Toth, who has also served as chief economist for Tatra Banka and ING Bank, will join the current vice-governor Viliam Ostrozlik. The post of the second vice-governor has been vacant since January 2010, when the tenure of Martin Barto expired.

gk/tm/mf

## Education and Culture

### ***Croats Commemorate Founding of Independent Country***

Bratislava 25 June (TASR) - The Croatian Embassy on Monday held a ceremony at Bratislava Castle to commemorate the 21st anniversary of the formation of an independent Croatia in 1991.

"To have a country of their own is the greatest objective that the people of any nationality can have, and our generation is a witness to this. We now have a short period of restoring a war-desolated country behind us and we've chosen the path of the collective European Union, of which we should become the 28th member on July 1, 2013," said Croatian chargé d'affaires Tuga Tarle.

At the same time, the event included the opening of a photography exhibition entitled 'Zagreb in the Thirties' featuring the work of Duro Janekovic. The exhibition is to run until July 31.

df/tf

## Miscellaneous

### ***Kosice as a Whole Won't Pay for Cleaning Up Roma-inhabited Lunik IX***

Kosice, June 26 (TASR) - The removal of waste from Kosice's Roma-inhabited Lunik IX housing estate will no longer be financed by the whole city as was the case in the past, Kosice council spokesperson Martina Viktorinova has told TASR.

"We won't pay out any more money for people that don't respect the rules of our society and don't observe basic hygiene. The City's responsibility to prevent the spread of diseases will remain in place, of course, but the financial burden will be on Lunik IX, whose inhabitants have created an illegal dump," said Viktorinova.

She emphasised that the reluctance of people living in Lunik IX to observe any rules is a long-term problem for the whole city, and taxpayers have had to pay for maintenance and cleaning in the housing project. The removal of several tonnes of waste has been financed by the City budget on a regular basis.

Mayor of Kosice Richard Rasi (and Smer MP) agreed with Viktorinova. "Since I was elected as mayor of the city, we've been consistently promoting the idea that laws have to apply to Lunik IX, as well. We're gradually trying to bring order here, but it isn't a problem that can be resolved in a few months. A society-wide problem neglected and ignored for a long time can't be dealt with instantly," he said.

"We won't pay City money to clean up Lunik IX. They'll have to pay for it ... The whole cost of the clean-up operation will come from the budget of that part of the city," added Rasi.

df/tf

### ***Host of Officials Fined for Belated Filing of Property Declarations***

Bratislava, June 26 (TASR) - More than 20 public officials who failed to submit their property-disclosure declarations in time received fines from the Parliamentary Conflict of Interest Committee on Tuesday, TASR learnt on the same day.

Among those stripped of a month's salary were erstwhile transport ministry state secretary Kristian Takac, former ombudsman Pavel Kandrak and former Freedom and Solidarity (SaS) MP Lubos Majer.

The list of transgressors also includes former board chairman of state-run National Highway Company (NDS) Alan Sitar, former chief-of-general-staff of the Slovak Armed Forces Lubomir Bulik, and erstwhile Slovak Post Office director Paulina Stefanovicova.

Proceedings were also launched against a host of other officials who also failed to comply with legally prescribed duties vis-a-vis their property declarations. In a number of cases, however, officials claimed to have mistakenly believed that if the deadline fell on a weekend it would be automatically extended to Monday. No fines were imposed under such circumstances.

Public officials have to submit annual property declarations to the committee within 30 days after assuming a public post. A person is considered to be a public official even up to a year after ceasing to hold a public post. Consequently, the obligation to submit property declarations also applied to former MPs who'd failed to make it into Parliament in the March 2012 general election.

tf/df/mf

**Skanska SK and Strabag Submit Lowest Bid for D1 Section**

Bratislava, June 26 (TASR) - Construction companies Skanska SK and Strabag submitted the cheapest bid for construction of the most difficult D1 motorway section near Zilina, which includes the 7.5-km Visnove tunnel, TASR learnt on Tuesday.

Envelopes with bids in the public tender for the construction of the 13.4-km section Lietavska Lucka-Dubna Skala revealed on Tuesday that Skanska-Strabag consortium are ready to build it for €338.3 million.

According to TASR's information, the second lowest bid reaching €382.8 million was, submitted by construction company Doprastav and was followed by another bidder - consortium of Duha and Impregilo, which wants to build the section for €409.8 million.

The expected construction expenditures of the construction calculated by the state expertise are almost three times as high as the cheapest bid and reach €896.5 million, however. According to the estimates available, the whole section - including the tunnel - should be built within 5-6 years. When completed, Visnove will be the longest tunnel in Slovakia. The tender was announced in December 2011.

gk/tm/mf

**Decision on Mandate for Slovak Troops in Afghanistan Awaited in Summer**

Bratislava, June 26 (TASR) - A final decision on the change of mandate for Slovak soldiers in ISAF operation in Afghanistan is expected to be made over the course of this summer, Defence Minister Martin Grlac informed Australian Ambassador to Slovakia Michael Potts on Tuesday.

The Defence Ministry is considering the withdrawal of a patrol unit from Tarin Kowt base, where Australian soldiers are stationed as well, and the expansion of the mandate of special units in Afghanistan.

"The talks on proposals for transformation of our contribution towards ISAF operation are still ongoing ... All decisions are to be communicated in advance, as we want to be a reliable and stable partner," stressed Grlac.

Potts praised the joint operation of Slovak and Australian troops and thanked the minister for the co-operation. "It's only natural that you attempt to boost your capacities and look ahead - by that, I'm now referring to your special forces. However, we truly appreciate that you will continue to contribute towards provincial reconstruction and training teams," added Potts.

mf/tm

**Experts: Bid for D1 Near Zilina Too Low, Addendums to Come**

Bratislava, June 26 (TASR) - The lowest price offered in the tender for construction of the D1 motorway section Lietavska Lucka-Dubna Skala near Zilina by the Strabag-Skanska SK consortium is surprisingly low, experts told TASR on Tuesday.

The traffic analysts also recommend the state to be aware of possible pressure on concluding addendums to the contract that may be imposed later.

"The price is very low, I've certainly been expecting a higher price," said Lubomir Palcak from the Traffic Research Institute.

The consortium is ready to build the section, which includes Visnove tunnel - to become the longest in Slovakia - for €338.3 million. State experts estimated the expected costs to reach almost three times as much, however.

"I'm asking seriously whether this is a realistic price," said Palcak.

Juraj Cermak from the Traffic Policy Institute expressed the same doubts for TASR as Palcak. According to him, the price is too low to ensure a quality construction without addendums.

"Complaints about worse geological conditions than expected in Visnove tunnel will follow," predicts Cermak, adding that this will result in pressure on concluding addendums. "I would be extremely careful about whether they [the addendums] are justified," he added.

Palcak concedes that the expertise of the Institute may not be 100-percent exact, but the difference in the price shouldn't exceed 30 percent - not 300 percent as is the case now.

gk/tm/mf

### ***Corgon Declared Best Slovak Pale Lager***

Bratislava, June 26 (TASR) - Slovak beer Corgon was assessed to be the best Slovak beer in the category of 10% and 12% pale lagers at the expert beer tasting 'Slovak Beer Crown 2012' on Tuesday.

Zlaty Bazant's dark beer was declared the best beer in its category.

"Beer is a Slovak national drink. It is also a sector which represents the tiniest of problem areas when it comes to food safety and quality. This competition proved that we can, without hesitation, but in moderation, drink Slovak beer," said State Veterinary and Food Directorate head Jozef Bires when announcing the winners.

Altogether five large and medium-size breweries took part in the competition, accompanied by seven microbreweries operated by restaurants.

gk/tm/mf



## Media Monitor

### ***Pravda Daily on Tuesday, June 26***

The Government is planning to force people who are saving only very small amounts in the private second pillar of the pension system to leave the scheme completely and pay all their pension deductions into the state-run first pillar, *Pravda* daily reports on pages 1 and 10 on Tuesday.

The Labour Ministry calculates that around ten thousand people whose deposits in the second pillar won't even supply them with a minimum pension will be obliged to leave.

Private pension-management companies want to hold negotiations concerning any further moves concerning the second pillar. "Nobody has held official talks with us, so how are they supposed to know that this won't cause us any problems, especially when we don't know what exactly they intend to put into the legislation?" said vice-chairman of VUB Generali Slovensko Viktor Kouril.

Labour Ministry State Secretary Jozef Burian (Smer-SD) promised that the Government will draw up a set of comprehensive conditions so that people will know exactly where they stand.

A total of around 1.4 million people in Slovakia are currently saving in the second pillar.

On pages 6 and 7, the daily draws attention to the work carried out in Slovak towns and villages that is being paid for by European funds.

Many places in the country have been made to look more attractive with EU money, but a large number of less glamorous projects such as new drainage systems have also been funded.

In fact, these projects have never been more important, as the crisis has meant that the EU is the only source of funding currently available for many places.

"Smaller settlements are struggling to survive and have put a halt to their own large projects because they just don't have the money for them. This is why we're investing in European projects, as they are the only source of development [at the moment]," said mayor of Dubnice nad Vahom (Trencin region) Jozef Gasparik.

Dubnice nad Vahom [which has a population of around 25,000 - ed. note] has managed to obtain almost €13.6 million in European funds over the past three years. "With the larger projects we've been able to reconstruct two primary schools with attached nursery schools and part of a manor house that contains a museum and gallery," said Gasparik.

The list of projects carried out with EU funding in Slovakia so far includes the following: more than 100 kilometres of rail track, more than 30 kilometres of motorways; 1,600 kilometres of drainage infrastructure; 60 waste-separation facilities; 16 industrial parks; and reconstruction work on more than 100 schools, 18 hospitals, 24 social-care facilities and 46 cultural centres.

df/tf

### ***Hospodarske Noviny Daily on Tuesday, June 26***

Despite the governing Smer-SD party's anti-privatisation sentiments, the state may lose part of its stake in state-run rail-freight carrier ZSSK Cargo, *Hospodarske Noviny* daily reports on pages 1, 4 and 5 on Tuesday.

This could happen by increasing the company's registered capital after ZSSK Cargo's new head Vladimir Luptak told the daily that he

views this option as the most appropriate one for tackling ZSSK Cargo's perennial financial woes.

Luptak advocated keeping 34 percent for the state as a means of retaining influence over what goes on in the company, while the remainder of the shares could go to an investor via upping the company's registered capital.

A new investor would primarily repay the company's €300-million debt towards the state and should also bring in new resources to ZSSK Cargo, improving its management and providing new transport links.

The search for a strategic investor for ZSSK Cargo was launched by the former government, but current Transport Minister Jan Pociatek (Smer-SD) has also warmed to the idea, albeit not fully, as Smer is supposed to be dead against privatisation. A resolution of the issue will be sought by a consultancy due to emerge from a ministry tender.

Former transport minister Jan Figel, who was in office until earlier this year, also championed an increase in the company's registered capital. This, however, attracted criticism from then Opposition leader and current Prime Minister Robert Fico.

"I'm wondering what kind of volte-face Mr. Fico will have to make in the media now after criticising and rejecting this approach before the election, while promising altogether different certainties," said Figel in reference to Smer's pre-election billboards featuring the slogan: 'people deserve certainties'.

A new investor is heading for Presov region, as Spanish engineering company Funderia Condals is set to provide jobs to 400 people when it sets up shop in the industrial park in Zaborske, according to an article on pages 1, 13 and 16.

"We're in talks with an unnamed Spanish investor, [but] I can't give you any names for now. At this point, we're addressing the issue of securing supplies of electricity for a production hall," said mayor of Presov Pavel Hagyarí.

Only a few days ago, Hagyarí spoke of Presov being in the frame for an investment by a Spanish company doing business in the automotive sector. This partly matches the range of activities of Funderia Condals, as some of the company's products are supplied to car-makers.

If things go well, the company may begin to build the production hall within an investment of €10 million by the end of this year.

According to the daily, the Spanish company is also set to seek state assistance. With Presov region posting a 17-percent unemployment rate, Funderia Condals will be entitled to the maximum level, that is 50 percent of eligible costs.

tf/df

## **SME Daily on Tuesday, June 26**

The governing Smer-SD party has proposed two young candidates for two vacant posts on the board of directors of the Nation's Memory Institute (UPN) that should be filled via a parliamentary vote later this week, but one of them is a former guarantor of a social enterprise currently being investigated by the police, SME daily reports on pages 1 and 2 on Tuesday.

Both candidates, Roman Lebeda, 29, and Jan Hruby, 25, are officials of Smer's youth organisation. "I view them as skilled young people," said Smer MP Andrej Kolesik, who chairs the youth organisation.

Lebeda, who is currently serving as Kolesik's parliamentary assistant, was in the past active as the main expert guarantor in the 'Gemersky Socialny Podnik' (social enterprise). The police have been investigating Gemersky Socialny Podnik (which has gone bankrupt in the meantime) for the crime of damaging the interests of the European Commission, allegedly to the tune of €1.9 million.

Freedom and Solidarity (SaS) MP Lucia Nicholsonova, who as state secretary at the ministry of labour, social affairs and the family in 2009 filed a criminal complaint against Gemersky Socialny Podnik, described Lebeda's nomination as outrageous. She claims that Lebeda submitted an invoice for €2,261 even though his work statement was no different from those of employees at the enterprise who didn't ask for such remuneration. Lebeda's father was also employed by the social enterprise at the time.

Kolesik told the daily that Lebeda had nothing to do with the enterprise's financial management and hasn't received any unjustified payment. He also said that the police have never approached him. "He was only involved in training," said Kolesik.

Meanwhile, the other candidate, Hruby, praised President Ivan Gasparovic on his blog for refusing to appoint Jozef Centes as prosecutor-general.

"Our president is the only sober [and] democratically thinking citizen [in the country]," wrote Hruby.

UPN publishes documents concerning persecution and the people responsible for this under Nazism and Communism.

The Slovenske Lodenice Shipyard (SLK) in Komarno (Nitra region) is in talks with an Austrian entrepreneur of Hungarian origin on launching the production of luxury houseboats at the traditional ship-producing facility on the Danube River, the daily reports on pages 1 and 7.

Between five and fifteen luxury houseboats each year may be constructed at SLK, which has been particularly plagued by financial problems as of late and has had to dismiss 200 people since the summer of 2011. The shipyard may have enough orders on its books, but banks have been reluctant to provide loans to its customers due to the economic crisis.

"It's fine, but it [the new project] isn't something that could sustain the entire factory," said SLK director Peter Bulla.

The investment in Komarno may be supported by the state under certain circumstances. The Austrian entrepreneur still hasn't turned to the Economy Ministry, however, said ministry spokesman Stanislav Jurikovic.

The unemployment rate in Komarno district reaches 18 percent, which is 5 percentage points above the Slovak average.

bub/df/tf

# Schedule

## ***Scheduled Events for W E D N E S D A Y, June 27***

BRATISLAVA:

09.00      Parliament session  
            Parliament, Nam. A. Dubceka 1

10.00      Government session  
            Government Office, Nam. Slobody 1

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# Exchange Rates

## **Euro Exchange Rates**

European Central Bank

Euro exchange rates valid until the new exchange-rates list is published on June 27, 2012.

Currency	Country	Rate
USD	United States	1.2475
JPY	Japan	98.97
CZK	Czech Republic	25.963
GBP	United Kingdom	0.79960
HUF	Hungary	286.40
PLN	Poland	4.2480
CHF	Switzerland	1.2010
RUB	Russia	41.2200
CAD	Canada	1.2824
CNY	China	7.9387
KRW	South Korea	1445.32

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