

### **Reform agenda almost finished**

The relentless pace of the reform progress left the Slovak government with the fulfillment of 70-80% of the reform agenda finished by the end of 2003 already. Most of the reforms (such as tax, pension and labour market reforms) are finished. With the healthcare reform to be finished in 2004, the reform agenda will be met at 85-90% of the plan.

### **IMF optimistic about Slovakia**

In a report published at the end of May, the International Monetary Fund sees the reforms on the right track and praises the positive developments in Slovakia. These, according to IMF, reflect a number of factors - a strong competitive position vis-à-vis western Europe and neighbouring countries, the influx of direct investments, skillful macroeconomic management, strong improvements in the business environment, a strengthened legal framework, and labour market reform. The IMF also foresees strong macroeconomic performance in 2004.

### **Slovakia ranked 1st**

In a competitiveness comparison carried out by Swiss Institute for Management Development, Slovakia ranked first among central and eastern European countries, beating Hungary, Poland and the Czech Republic. High GDP growth, tight fiscal discipline and a lowering of the tax burden were behind Slovakia's improvement in the rankings.

### **Surpassing all expectations**

Slovakia's recent economic figures are surpassing even most optimistic expectations. According to the Finance Ministry, GDP in 2004 will grow at 4.7%, rather than the originally expected 4.1%. The growth is predicted to accelerate further over the next few years, reaching 5.4% by 2007. The state budget continues its remarkable improvement (on a last-12-months basis, the budget deficit collapsed further to a mere 2.2% of GDP) and foreign trade gap, too, is better than expected (on a last-12-month basis, the deficit narrowed to a mere -1.1% of GDP).

