Slovakia presents a strong overall Trilemma score, with sustained improvement in the Security dimension, due mainly to higher storage capacity and lower import dependence. Its Sustainability performance is excellent as a result of improved levels of low carbon electricity generation, which relies mainly on nuclear and hydropower. The last coal-fired power plants are scheduled for closure in 2023. A slightly lower score in the Equity dimension can be attributed to the relatively high electricity prices. Slovakia gets a balance grade of ABA and its global ranking is 20.

**Trends and Outlook**
Recent policy developments are mainly driven by EU energy and climate targets and implementation of EU policy. The removal of cross-subsidies has been challenging particularly for low-income households and the manufacturing sector. The development of renewable energy sources has stalled due to the impact of electricity prices. A new support mechanism using auctions is now being implemented and the Ministry of Economy is auctioning capacity for new installations in order to control the impact on consumer prices.

Small installations of renewable energy for homes and small businesses are subject to reduced legal requirements. The legislation also supports Energy Performance Services in buildings and promotes the deployment of smart grids and e-mobility. Increasing energy efficiency in all sectors of the economy remains a challenge and requires structural changes to move from heavy industry to sophisticated production, as well as measures to reduce the energy consumption of buildings.

The government has committed to the closure of the last domestic coal mines and adjacent coal power plant in the Upper Nitra region by 2023 at the latest and to the transformation of the region using EU funds. Completion of two nuclear reactors is far behind schedule and over budget, but preparation for starting the new reactors continues. The focus is on lowering dependence on natural gas and oil imports.

The electricity distribution system is operated by three regional TSOs, which are 51% owned by the state and 49% by private companies (SWME, EPH, e.ON). There was a proposal in 2020 to merge the two.

The COVID-19 pandemic and country lockdown led to significantly lower electricity consumption in the industrial and transport sectors but recovery is expected to be swift as soon as car manufacturers resume production and exports.