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Doing Business in Slovenia

Market Overview

Strategically located between Central Europe and the Western Balkans, with excellent infrastructure and a well-educated labor force, Slovenia is currently one of Europe’s fastest growing economies and an attractive destination for U.S. trade and foreign investment. While the global economic crisis of 2008 devastated Slovenia’s economy and exposed systemic weaknesses, particularly in the financial services sector, recent years have brought rising incomes, falling unemployment, low inflation rates, and burgeoning consumer confidence. Slovenia has fully recovered, with four consecutive years of economic growth that reached five percent in 2017, and growth projections by the Bank of Slovenia at 4.6 percent in 2018 and 3.6 percent in 2019. The major driver of economic growth has been exports, which grew by more than ten percent in 2017, while domestic consumption increased as well.


With a small domestic market of just over two million people, Slovenia’s economy relies heavily on foreign trade and is therefore vulnerable to international price and currency fluctuations and economic conditions among its larger trading partners. Seventy-five percent of Slovenia’s foreign trade is with the EU, primarily Germany, Italy, France, and Austria. Slovenia also has extensive trade ties with Western Balkans and Eastern European countries. Outside the EU, Serbia and Russia are Slovenia’s largest export markets, and China its most important import partner.

Taking into account both direct and indirect investment, Bank of Slovenia data indicated U.S. companies accounted for 13.9 percent of foreign investment in 2016, with EUR 53.6 million (USD 63.7 million) invested directly and an additional EUR 1.741 billion (USD 2.07 billion) invested indirectly through subsidiaries in Luxembourg, Sweden, Germany, and Switzerland. This investment totaled EUR 1.795 billion (USD 2.17 billion), second only to Germany’s EUR 1.861 billion in direct and indirect investment.

Market Challenges

More than 25 years after abandoning communism, Slovenia has yet to complete vital structural economic reforms and reduce state involvement in the economy, which remains at least 50 percent state-owned despite pledges to the EU to increase the pace of privatization. Many Slovenians remain resistant to privatization and foreign acquisitions of state-owned firms, despite general awareness of foreign direct investment’s (FDI) importance to economic growth, job creation, and innovation. Potential investors in Slovenia still face significant challenges, including a lack of transparency in economic and commercial decision-making, time-consuming bureaucratic procedures, opaque public tender processes, and an often-inconsistent taxation and regulatory structure. Key reforms, such as privatization, increased openness to foreign investment, more transparency in public procurement, pension reform, and business and investor-friendly changes to the labor and taxation code, would make Slovenia’s economy more competitive and increase opportunities for trade and investment.

The workforce is highly skilled and educated, but relatively high social welfare and income taxes coupled with an opaque tax system can make it expensive to hire new workers. Slovenia has taken positive steps to privatize some state-owned companies and implement limited tax reform, but many private sector contacts assess the pace of the reforms as too slow. Judicial backlogs sometimes prevent legal disputes from being resolved in a
timely manner, although a March 2018 European Commission assessment noted that the total backlog decreased by 13 percent in 2017 compared to 2016.

**Market Opportunities**

Several factors make Slovenia an attractive location for trade and investment. An established parliamentary democracy with stable legal and regulatory frameworks, Slovenia has an excellent and fully-modernized communication and transportation infrastructure with a major port on the Adriatic Sea, offering easy access and proximity to Central European and Balkan markets. The government is in the initial stages of constructing a second railway line from the Port of Koper, significantly increasing its capacity. It has a well-educated and professional workforce with high levels of English language proficiency and a number of firms specialized in high-tech fields. As a member of the Schengen Area, the EU, and the Eurozone, Slovenia is well integrated into greater European and regional markets. Slovenia’s banking sector is increasingly open, as the government plans to sell a majority stake in Nova Ljubljanska banka (NLB), the nation’s largest bank, in 2018-2019. Major growth industries include the high-tech sector, information and communication technology (ICT), energy, financial services, and logistics/transport.

**Market Entry Strategy**

Slovenia is a small country where personal relationships are an asset to doing business. Finding a local partner and/or establishing a permanent presence have proven valuable strategies for entering the market. Increasingly, firms may demonstrate their seriousness about entering Slovenia’s market through commitments to and evidence of corporate social responsibility. The government often offers financial incentives for investments, especially greenfield investments, that create jobs or transfer technology, assuming they meet certain criteria.

Additional information on doing business in Slovenia is available through the U.S. Embassy in Slovenia at [https://si.usembassy.gov/business/](https://si.usembassy.gov/business/) and [http://www.export.gov/slovenia/index.asp](http://www.export.gov/slovenia/index.asp). U.S. exporters and investors seeking general export information/assistance and country-specific commercial information should contact the U.S. Department of Commerce’s Trade Information Center by phone at 1-800-USA-TRAD or by fax at (202) 482-4473.
Political Environment

Information on Slovenia’s political and economic environment is available at https://www.state.gov/r/pa/ei/bgn/3407.htm.
**Selling US Products & Services**

**Using an Agent to Sell US Products and Services**

A carefully selected local agent or distributor may be cheaper and more efficient than direct sales by a U.S. exporter unfamiliar with Slovenia's market. The U.S. Embassy in Slovenia can assist American companies in screening potential Slovenian partners. More information on how the U.S. Embassy can help companies seeking to do business in Slovenia is available at [http://export.gov/slovenia/](http://export.gov/slovenia/).

Late payments to suppliers are not uncommon in Slovenia. U.S. firms are advised to obtain a confirmed irrevocable letter of credit when conducting business with a new local partner. Credit rating agency [Bisnode](https://www.bisnode.si/) (phone: +386-1-080-3903; mail: info.si@bisnode.com) or the [Chamber of Commerce and Industry of Slovenia](https://www.gzs.si/; email: info@gzs.si, phone: +386-1-5898-000; fax: +386-1-5898-100, attn: INFOLINK Office) may be helpful in assessing the creditworthiness of a potential local partner.

Well-known American companies with a local agent/distributor or representative offices include Goodyear, Merck, Sharp & Dohme, Coca-Cola Amatil, UPS, IBM, Nike, DHL, Philip Morris, Oracle, 3M, McDonald's, Microsoft, Pfizer, Wrigley, Deloitte, Cisco, Chrysler, Ernst & Young, Johnson & Johnson, Masterfoods, Proctor & Gamble, Schering Plough, and Eli Lilly.

In Slovenia, non-citizens may establish any legal organizational structure described in the Companies Act, including limited-liability companies, joint-stock companies, limited partnerships with share capital, limited partnerships, general partnerships, and silent partnerships. Non-citizens may be exclusive or part owners of such companies.

All companies registered in Slovenia acquire the status of a legal person upon entry into the court register. Prior to entry into the court register, a number of formalities must be performed. In some instances, it may be beneficial to consult a lawyer early in the process to avoid difficulties that may arise while establishing a company, from adopting the memorandum and articles of association to certification by a notary public and entry into the court register.

Foreign-owned companies have the same rights, obligations, and responsibilities as domestic companies conducting business in Slovenia. On entry into the court register, a foreign-owned business becomes a Slovenian legal entity, regardless of the origin of its capital. The same principles of commercial enterprise, free operation, and national treatment apply to the operations of foreign as well as domestic companies. Basic rights of foreign and domestic companies are guaranteed by the Companies Act and the Law on Foreign Transactions, including:

- the right to manage or participate in the management of companies in proportion to invested funds;
- the right to transfer contractual rights and obligations to other foreign and domestic natural and legal persons;
- the right to participate in profits in proportion to invested funds, and the right to free transfer and reinvestment of profits;
- the right to recover investments in companies and their share in net assets after the dissolution of companies.

Certain commercial activities, such as road transport, catering, and other professions, require government certification. More detailed information on the types of legal entities in Slovenia, as well as how to establish a company, is available at [http://www.investslovenia.org/](http://www.investslovenia.org/).
Companies intending to enter into distribution, franchising, and agency arrangements must ensure the agreements they put into place are in accordance with EU and member state national laws. The EU's Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. The Directive establishes the rights and obligations of the principal and its agents, the agent’s remuneration, and the conclusion and termination of an agency contract, including the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that the Directive states that parties may not derogate certain requirements. Accordingly, European courts will likely rule invalid the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute. Additional information on such arrangements is available at [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML).

The European Commission's Directorate General for Competition enforces legislation concerned with the effects ‘vertical agreements’ on competition in the internal market. U.S. small- and medium-sized companies (SMEs) are exempt from these regulations because their agreements generally qualify as “agreements of minor importance,” meaning they are considered incapable of affecting competition at the EU level but are useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized undertakings. In addition, the EU has indicated that agreements affecting less than 10 percent of a particular market are generally exempt from such regulations as well (Commission Notice 2001/C 368/07). Additional information is available at [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2001:368:0013:0015:EN:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2001:368:0013:0015:EN:PDF).

EU Directive 2000/35/EC addresses issues regarding payment delays in regard to all commercial transactions within the EU, public or private. Consumer transactions do not typically fall within the scope of this Directive. When a seller does not receive payment for goods and services rendered within 30 days of the payment deadline, EU Directive 2011/7/EU entitles the seller to collect interest at a rate of eight percent above the European Central Bank rate as well as EUR 40 as compensation. For business-to-business transactions, a 60 day period may be negotiated subject to conditions. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs. Additional information is available at [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:048:0001:0010:en:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:048:0001:0010:en:PDF).

Agents and distributors of companies registered in the EU and subjected to inefficient management by an EU institution or body may take their complaints to the European Ombudsman. The Ombudsman acts upon such complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights. In addition, SOLVIT, a network of national centers, offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the single market. Additional information is available at [http://www.ombudsman.europa.eu/home/en/default.htm](http://www.ombudsman.europa.eu/home/en/default.htm) and [http://ec.europa.eu/solvit/site/about/index_en.htm](http://ec.europa.eu/solvit/site/about/index_en.htm).

Establishing an Office

Establishing a company in Slovenia may take up to 30 days. Slovenia's Companies Act recognizes the following types of businesses:

**Partnerships** (organized according to general provisions of continental law):
- Limited partnership
- General partnership
- Silent partnership
Corporate forms:
Persons wishing to establish a commercial enterprise in Slovenia may choose from the following types of business organizations:

- Delniška družba (d.d.) – a public limited company/joint-stock company
- Družba z omejeno odgovornostjo (d.o.o.) – a company with limited liability/private limited company
- Samostojni podjetnik posameznik (s.p.) – a sole proprietorship/sole proprietor/sole trader
- Družba z neomejeno odgovornostjo (d.n.o.) – a general partnership
- Komanditna družba (k.d.) – limited partnership
- Dvojna družba – a dual-listed company
- Komanditna delniška družba (k.d.d.) – a limited partnership/partnership limited by shares (Kommanditgesellschaft auf Aktien, the German model)
- Podružnica – branch office (legally organized unit of foreign legal entity, in which the parent company is responsible for all liabilities arising from the operations of its branch)

The most common types of commercial enterprise in Slovenia are limited liability companies (d.o.o.) and joint stock companies (d.d.). Most foreign companies operating in Slovenia establish a limited liability company or a branch office in Slovenia.

Establishing a limited liability company

Founders/shareholders: Such entities have a minimum of one and a maximum of 50 shareholders. The Ministry of Economic Development and Technology must grant approval for a limited liability company to have more than 50 shareholders.

Capital: The minimum founding capital requirement for a limited liability company is EUR 7,500. Each shareholder must contribute a minimum of EUR 50. Before registration, at least 25 percent of each shareholder’s cash contribution must be paid, and the sum of all paid contributions must be at least EUR 7,500. Contributions in kind must be transferred in full before registration. Where the value of contributions in kind exceeds EUR 100,000, their value must be assessed by a certified independent accountant.

Agreements of Incorporation: A limited liability company is established through a notarized agreement on incorporation, signed by all shareholders. Agreements of incorporation may be signed by a proxy, with an appended notarized authorization.

The agreement of incorporation must include the following information:
- a list of all shareholders, including names and addresses;
- the name, address, and activities of the company;
- the amount of founding capital and a list of particular shareholders’ contributions;
- duration;
- eventual liabilities of shareholders to the company other than payments of the company’s contributions and liabilities to the shareholders.

Management: Management rights of shareholders are governed by the agreement of incorporation. In the absence of such provisions in the agreement of incorporation, the authority of shareholders is established by
the Companies Act. The shareholders’ meeting is the limited liability company’s primary organizing body. Normally, each shareholder has one vote for each EUR 50 contributed, but the agreement of incorporation may stipulate otherwise. The agreement of incorporation may also provide for the establishment of a supervisory board. A limited liability company typically has one or more managers appointed for at least a two-year renewable mandate.

Establishment procedure:

- Preparation of articles/agreement of incorporation;
- Notarization of articles/agreement of incorporation (and decision on the appointment of managers if not included in the articles/agreement of incorporation);
- Conclusion of a deposit agreement with a domestic commercial bank to open a temporary account into which the foreigner will transfer the capital required to establish a company;
- Application for court registration must be filed by the manager and accompanied by:
  - name, registered office, and address;
  - agreement of incorporation;
  - list of shareholders and value of their shares;
  - report on contributions in kind;
  - bank receipt for capital contributions to the temporary account; and
  - certified accountant’s report on the value of contributions in kind.
- Applications for court registration of companies must be filed within 15 days of the adoption of the agreement of incorporation with the court in the location of the registered office of the company;
- After the court registration is approved, documentation must be forwarded to the Statistical Bureau to obtain an identification number;
- Production of the company’s official rubber seal.
- Commercial bank order to transfer resources to the permanent account, at which time the company may freely dispose of such assets.

Dissolution:

A limited liability company may be dissolved in the following cases:

- expiration of the term of duration;
- upon a vote by three-quarters of the shareholders;
- invalidation of court registration;
- bankruptcy;
- if the capital is reduced below the level required by the law; or
- merger, amalgamation, or transformation into another corporate structure. A new company may be established by an individual or legal entity directly, by a notary, through one of the Slovenia Business Point offices, known as SPOT or VEM offices (“all in one place”), or even on


Detailed information about Slovenia’s status corporation rules to establish and operate companies is located in the Companies Act at http://www.investslovenia.org/fileadmin/dokumenti/is/Facts___figures/Establishing_a_company/Companies_Act_ZGD-1_ang.pdf and through Invest Slovenia at http://www.investslovenia.org/?id=86.

Franchising
Franchising opportunities are limited only by Slovenia’s small market size. The best known U.S. franchises in Slovenia are McDonald’s, Subway, Burger King, KFC, and Re/Max. No special legal requirements are necessary to acquire a franchise license, although for local tax reporting purposes a legal entity must be the holder of the franchise license.

U.S. businesses interested in franchising within the EU will find the market quite robust and friendly. A number of laws govern the operation of franchises within the EU, but the legislative requirements are broad and do not generally affect or restrict the competitive position of U.S. businesses. Potential franchisees should familiarize themselves not only with EU regulations but also local laws concerning franchising.

Direct Marketing
A wide range of EU legislation governs the direct marketing sector, with compliance requirements most rigorous for marketing and sales to private consumers. Direct marketing companies should focus on the clarity and depth of information provided to consumers prior to purchase and how they collect and use customer data. The following is a brief overview of the most important EU rules and regulations governing distance-selling and online commerce.

Processing Customer Data
The EU has strict laws governing the protection of personal data, including the use of such data in the context of direct marketing activities. For additional information on such rules, please see the privacy section.

Distance Selling Rules
The EU’s Directive on Distance Selling to Consumers (97/7/EC and amendments) establishes a number of obligations for companies conducting business at a distance with consumers. For example, direct marketers must provide clear information as to their corporate identity as well as that of their suppliers, full details on prices including delivery costs, and the period for which an offer remains valid before the conclusion of a contract. Customers generally have the right to return goods without explanation within seven days, and retain the right to compensation for faulty goods thereafter. The EU’s Doorstep Selling Directive (85/577/EEC) offers similar obligations to protect consumers from sales occurring outside of a normal business premises, such as door-to-door sales, and ensure the fairness of any contracts that result.

In 2011, the EU overhauled its consumer protection legislation and merged several existing rules into a single Consumer Rights Directive. This Directive includes provisions on the information traders must provide prior to concluding consumer contracts, regulates the right of withdrawal, establishes rules on the costs for the use of means of payment, and prohibits pre-ticked website boxes. Companies are advised to consult the Directive itself, review the relevant sections of national Country Commercial Guides, and contact the Commercial Service
at the U.S. Mission to the European Union for more specific guidance. Additional information is available at the websites below:

**EU Consumer Affairs:**

**Distance Selling:**

**Door-to-Door Selling:**

**Consumer Rights:**

**Distance Selling of Financial Services**
EU Directive 2002/65/EC ensures customers are appropriately protected with respect to financial transactions taking place in which the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for contract information and withdrawal. Additional information is available at [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT).

**Direct Marketing Over The Internet**
The EU’s eCommerce Directive (2000/31/EC) imposes specific requirements on direct marketing businesses. For example, such businesses may not mislead customers through promotional offers and terms to qualify for such offers must be easily accessible and clear. The Directive further stipulates that marketing e-mails must be identified as such to the recipient and that companies targeting customers online must regularly consult national opt-out registers where they exist. When orders are placed, service providers must acknowledge receipt quickly through electronic means, although the legal effect of placing and acknowledging an order is a matter of national law and not covered by the Directive. Vendors of electronically-supplied services (such as software, which the EU considers a service and not a good) must also collect VAT (see Electronic Commerce section below). Additional information is available at [http://ec.europa.eu/internal_market/e-commerce/index_en.htm](http://ec.europa.eu/internal_market/e-commerce/index_en.htm).

**Joint Ventures/Licensing**
In addition to establishing their own companies, foreigners may also invest in existing companies. For private companies and limited-liability companies, investments are allowed with the agreement of the partners and by joining in the partnership agreement. Takeovers of joint-stock companies are much more frequent and less dependent on the individual partners/shareholders, as the shares are quoted on the Stock Exchange, although this does not apply to shares of closed companies.

Takeovers may be accomplished through mergers or acquisitions. Slovenia’s Law on Takeovers and the Companies Act regulate takeovers and establish conditions for the purchase of stocks/shares sold by individual companies and issuers of stocks when specific legal or natural persons acquire or wish to acquire a stake in a company that gives the buyer more than 25 percent of the voting rights. Takeovers are possible for both public companies with stocks quoted on the market and private companies through direct offers to shareholders. If the company conducting a takeover acquires a controlling interest in another company, it must inform the issuer of shares, the Securities Market Agency (SMA), and the Stock Exchange within seven days of the date it
acquires a majority stake. Per Official Gazette no. 47/97, issuers who receive such a notice must publish it within ten days in daily newspapers or on the premises of the Stock Exchange.

Both domestic and foreign legal and natural persons may freely conclude all types of commercial contracts, including agency contracts, distribution contracts, and license contracts. Slovenian law does not require different administrative procedures for the performance of individual foreign trade transactions or contracts. Contractual parties in international legal transactions may select the law that will regulate their mutual relationships and the court or arbitration tribunal of competent jurisdiction that will hear disputes.

**Selling to the Government**

Many EU member state governments finance public works projects through borrowing from the Multilateral Development Banks. Please refer to “Project Financing” Section in “Trade and Project Financing” for more information.

**Distribution & Sales Channels**

Several distribution channels are open to U.S. goods in the Slovenian marketplace, including wholesaling and retailing, franchising, joint ventures, and licensing. A large number of merchants, agents, intermediaries, wholesalers, and retailers are available in Slovenia. Any firm may carry out both foreign and domestic trade. Slovenia’s major distribution centers are located in Brnik and Koper. The Port of Koper, located on the Adriatic Sea, is Slovenia’s only seaport. Jože Pučnik Airport in Brnik is the nation’s largest commercial airport, 20 kilometers north of the capital and largest city Ljubljana. Smaller distribution centers are also available in major cities such as Ljubljana and Maribor, Slovenia’s second largest city.

**Express Delivery**

All major international express delivery firms are present in Slovenia, including UPS, TNT, and FedEx. UPS and DHL have the largest market share, followed by TNT. All providers are reliable, with routine delivery times of one to two working days for documents and small packages up to two kilograms and four to six working days for larger packages. Customs clearance is done at Ljubljana’s Jože Pučnik Airport, generally within one working day. Slovenia has no special express delivery restrictions.

**Selling Factors & Techniques**

Operating hours for most businesses in Slovenia are Monday through Friday from 8 a.m. to 4 p.m, and the majority of retail stores close by 7 or 8 p.m., with a few staying open until 9 p.m. Most stores are open on Saturday mornings, and several shopping centers are open all day on Saturdays. Larger grocery stores and shopping centers are typically open until 3 p.m. on Sundays.

Many Slovenian consumers prefer to pay in monthly installments, even for lower cost goods. Other approaches critical to marketing success include close and frequent contact with buyers, motivated and trained intermediaries, and aggressive market promotion.

By law, user manuals for technical equipment and content declaration, with appropriate labeling requirements for goods, must be presented in the Slovene language.

**eCommerce**

Online sales of consumer goods have grown substantially in Slovenia in recent years, as has the use of credit cards for in-person and online transactions. Approximately 90 percent of Slovenians aged 10-74, as well as almost all companies with ten or more employees, have broadband internet access. According to recent statistics, more than 48 percent of Slovenian internet users make monthly web purchases while the average amount per purchase has doubled. ECommerce growth has been most pronounced in the food & beverage,
automotive, and pet food and product markets. Seventy-six percent of websites in Slovenia have developed online versions of their webpages optimized for mobile devices.

The EU’s Electronic Commerce Directive (2000/31/EC) establishes rules for online services throughout the EU. The Directive requires providers to abide by the relevant rules and regulations in the country in which they are established. Online providers must respect consumer protection rules such as including contact details on websites, clearly identifying advertising, and protecting against spam. The Directive also exempts companies from legal liability for unknowingly hosting illegal content or when third-party intermediaries transmit illegal content. In 2012, the European Commission issued its work plan to facilitate cross-border online services and reduce barriers, available at [http://ec.europa.eu/internal_market/e-commerce/directive_en.htm](http://ec.europa.eu/internal_market/e-commerce/directive_en.htm).

In 2003, the EU began applying Value Added Tax (VAT) to sales of Electronically Supplied Services (ESS) by non-EU based companies to EU-based non-business customers. U.S. companies subject to the rule must collect and submit VAT to EU tax authorities. European Council Directive 2002/39/EC offered additional guidance on EU rules for charging VAT. These rules were extended indefinitely following the adoption of Directive 2008/8/EC.

U.S. businesses affected by the 2003 rule change are primarily those based in the United States and selling ESS to EU-based, non-business customers or to businesses that are EU-based and selling ESS to customers outside the EU who no longer need to charge VAT on these transactions. Such businesses have a number of compliance options. The Directive established a special scheme simplifying registration with each member state and allowed companies to register with a single VAT authority in the country of their choice. Companies may have to charge different rates of VAT according to where their customers are based, but VAT reports and returns are submitted to just one authority. The VAT authority responsible for providing the single point of registration service is then responsible for reallocating the collected revenue among other EU VAT authorities. Additional information on this process is available at [https://ec.europa.eu/taxation_customs/business/vat_en](https://ec.europa.eu/taxation_customs/business/vat_en).

Slovenia’s telecommunications infrastructure is well developed and broadband internet is readily available at a reasonable price. ECommerce market revenue is expected to be approximately EUR 280 million in 2018 (USD 327 million), with an annual growth rate of eight percent. The largest eCommerce market is in electronics and media, with an expected 2018 sales volume of EUR 130 million (USD 152 million). The average revenue per user is currently approximately EUR 214 (USD 250).

Domestic eCommerce is expanding rapidly in Slovenia due to lower prices and an increasing variety of products. Online purchases within the EU are not subject to customs duties. Despite global competition, almost half of Slovenian online buyers (49 percent) shop only at domestic online stores. Popular Slovenian eCommerce sites include: [www.ceneje.si](http://www.ceneje.si), [www.mimovrste.si](http://www.mimovrste.si), [www.nakupovanje.net](http://www.nakupovanje.net), [www.enaa.com](http://www.enaa.com), [www.mercator.si](http://www.mercator.si), and [www.trgovine.net](http://www.trgovine.net). Cross-border eCommerce is growing as more Slovenians purchase goods and services online from other EU countries and the United States. Slovenian consumers use all major international eCommerce sites, including [www.amazon.com](http://www.amazon.com), although many Slovenians choose to purchase online from EU-based websites of popular American online companies such as Amazon UK to avoid duties. The most common items purchased online include electronic products, fashion products, housing equipment, books, medicines, health supplements, travel bookings, and airline tickets.

Business-to-business (B2B) eCommerce is still in its infancy in Slovenia, as many companies continue to rely on more established systems with relatively outdated processes and limited sales channels. Slovenia’s automobile industry, with significant sales to Germany, France, and Italy, is in the process of expanding its B2B commerce infrastructure.
Online payments are generally handled through international credit cards such as MasterCard, VISA, or Diners Club, although Pay Pal is also growing in importance. Moneta, a Slovenian secure payment provider, is often used for payments relating to domestic purchases.

Approximately 47 percent of Slovenians use some form of social media. Facebook and Twitter are the most popular social media sites, but there are several Slovenian sites targeted toward younger users (16-24). Online networks are used primarily for instant messages, chats, forums, and blogs.

**Trade Promotion & Advertising**

All normal means of advertising are available and widely used in Slovenia, including newspapers, internet banners, magazines, television, radio, and outdoor billboards/signs. Other promotional techniques commonly employed are sales promotions, public relations campaigns, and trade fairs.

**Truth in Advertising**

The EU Directive on Misleading and Comparative Advertising establishes minimum and objective criteria regarding truth in advertising, including comparative advertising. Per the Directive, misleading advertising is defined as "any advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." Comparative advertising is defined as "advertising which explicitly or by implication identifies a competitor or goods or services by a competitor." EU member states may also authorize more extensive protections against misleading or comparative advertising through national legislation. According to the European Council's Directive on the Sale of Consumer Goods and Associated Guarantees (1999/44/EC), product specifications presented in advertising are legally binding on the seller. Additional information is available at [http://www.citizensinformation.ie/en/consumer_affairs/consumer_protection/consumer_rights/consumer_rights_and_cross_border_shopping_in_the_european_union.html](http://www.citizensinformation.ie/en/consumer_affairs/consumer_protection/consumer_rights/consumer_rights_and_cross_border_shopping_in_the_european_union.html).


**Medical Advertising**

Per European Council Directive 2001/83/EC, as amended by Directive 2004/27/EC, advertising medicinal products or prescription drugs is generally forbidden in the EU without market authorization. EU directives prohibit advertisers from distributing free samples of pharmaceuticals to the general public or recommending therapeutic self-medication where such medication is not suitable. Advertising text must be compatible with the characteristics listed on the product label and should encourage the product’s responsible use. Advertising of medicinal products directed toward medical professionals should include information on the product’s essential characteristics and appropriate classifications. Pharmaceutical companies and representatives are prohibited from offering inducements to physicians or medical professionals to prescribe or supply a particular medical product, and the provision of free samples to physicians and medical professionals is limited.

**Nutrition and Health Claims**

EU Regulation 1924/2006 dictates EU-wide criteria for product nutrition claims such as "low fat" or "high in vitamin C," as well as health claims such as "helps lower cholesterol." These regulations apply to any food or drink product produced for human consumption marketed in the EU. Only foods meeting certain nutrient
profiles (for example, certain levels of salt, sugar, and/or fat content) may carry such claims. Manufacturers and marketers may only include such nutrition and health claims on food labels if they are on one of the EU’s positive lists. Food products carrying such claims must comply with the provisions of the EU’s nutritional labeling directive 90/496/EC and subsequent amendments.

Per EU directives, the European Food Safety Authority (EFSA) authorizes on a case-by-case basis functional health claims, disease reduction claims, and claims related to the health and development of children for particular products to be marketed in the EU, following the submission of a scientific dossier. Health claims based on new scientific data must be submitted to EFSA for evaluation, although simplified authorization procedures have been established. Additional information is available at http://www.efsaeuropa.eu/.

**Food Information to Consumers**


**Food Supplements**

EU Regulation 1925/2006 harmonizes rules on the addition of vitamins and minerals to foods and lists the vitamins and minerals that may be added to foods. This list was most recently revised in November 2009. The EU has yet to develop a positive list of substances other than vitamins and minerals that may be added to consumer food products. Until then, member state laws will govern the use of these substances. Additional information is available at http://ec.europa.eu/food/labellingnutrition/supplements/index_en.htm.

**Tobacco**

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities, while tobacco advertising on television has been banned since the 1990s per the EU’s TV Without Frontiers Directive. Advertising in cinemas, on billboards, and through merchandising is allowed, although several member states limit or prohibit these mediums as well. The EU revised the Tobacco Products Directive in 2014 to require plain packaging and larger, double-sided health pictorial warnings on cigarette packaging. Additional information is available at http://ec.europa.eu/health/tobacco/law/advertising/index_en.htm.

**Media Outlets**

Slovenia's major newspapers include Delo (circulation 43,800), Dnevnik (circulation 31,650), Slovenske Novice (circulation 78,000), and Vecor (circulation 31,000). Newspapers and magazines are used most often for print as well as internet-based advertising on their webpages. Major business periodicals include Finance, (circulation 7,000), Manager (circulation 10,000), Podjetnik, and Slovenian Business Report.

Major television stations include Radio Televizija Slovenija, PLANET TV, and POP TV. Proreklam Europlakat is the major “outdoor” advertiser for billboards and bus stations. The EU’s Audiovisual Media Services Directive regulates television broadcasting activities within the EU. Television advertising is limited to 12 minutes per hour. The Directive also limits junk food advertising during television programming for children.

**Trade and Business Fairs**


Fair grounds that organize trade shows include:

- [Ljubljana Fair Grounds](http://www.ljubljanafair.com/)
Pricing

Prices for goods and services in Slovenia are lower than in Western Europe but higher than in neighboring Western Balkans countries, due primarily to the high cost of labor and lack of competition in certain sectors. Prices are generally based on free market forces, although the government controls the prices of oil, natural gas, and railway transport. As much as fifty percent of the economy is government owned or controlled, and the government may also influence the pricing policies of companies under its direct or indirect control. The price of gasoline is based on a pricing model which adjusts for global prices every two weeks.

Purchases of most goods and services generally include a 22 percent VAT, although food items and certain other goods and services are subject to a 9.5 percent VAT.

Sales Service/Customer Support

Customer support, sales service, and post-sale services are relatively recent innovations in Slovenia and remain poorly developed. The EU has launched a number of initiatives to harmonize national legislation to address consumer frustration over sales service and support, including product labeling, language usage, legal guarantees, and liability. Suppliers inside and outside the EU should remain aware of existing and pending legislation affecting sales, service, and customer support.

Per the EU’s Product Liability Directive, producers of goods are liable for damages resulting from product defects. Victims of such damages must prove both the existence of the defect as well as the causal link between the defect and any bodily or material injury. The manufacturer’s liability may be reduced in cases of negligence on the part of the victim. Additional information on EU product liability regulations is available at http://ec.europa.eu/growth/single-market/goods/.

The European Commission’s Directive on the Sale of Consumer Goods and Associated Guarantees requires professional sellers to provide a minimum two-year warranty on all consumer goods sold to consumers, as defined by the Directive. Remedies available to consumers for noncompliance include:

- Repair of the good(s) in question;
- Replacement of the good(s);
- Price reduction;
- Recission of the sales contract.

Protecting Intellectual Property

Slovenia has adopted all EU eCommerce directives pertaining to intellectual property right protections (IPR). Enforcement of such directives, however, is relatively lax and illegal downloading of music and video content is common. The Slovenian Intellectual Property office oversees eCommerce intellectual property protections. Additional information on IPR issues in Slovenia is available at http://www.uil-sipo.si/sipo/office/tools/home/.
In any foreign market, companies should consider several general principles for effective protection of their intellectual property. For background, please link to our article on Protecting Intellectual Property and Stopfakes.gov for more resources.

**IP Attaché Contact:** Susan Wilson  
U.S. Mission to the European Union  
Boulevard du Régent 27, BE-1000  
Brussels, Belgium  
Office Phone: +32 2-811-5308  
susan.wilson@trade.gov

**Due Diligence**

Product safety testing and certification is mandatory in the EU market. U.S. manufacturers and sellers of goods must perform due diligence in accordance with mandatory EU legislation prior to importing into the European Union.

The U.S. Embassy in Ljubljana offers an “International Company Profile” service, which provides detailed information on a company, its financials, and possible media exposure. Additional information is available at https://si.usembassy.gov/business/our-services/

The following firms operating in Ljubljana may also assist in performing due diligence on potential Slovenian partners:

**BISNODE d.o.o.**
Likozarjeva 3  
1000 Ljubljana  
Tel: +386-080-39-03  
Fax: +386-1-62-02-708  
Web: [http://search.bisnode.si/dnb/si-si/](http://search.bisnode.si/dnb/si-si/)  
Email: info.si@bisnode.com

**Creditreform d.o.o.**
Emonska cesta 8  
1000 Ljubljana  
Tel: +386-1-438-16-71  
Fax: +386-1-438-16-70  
Web: [http://www.creditreform.si/en/index800.html](http://www.creditreform.si/en/index800.html)  
Email: info@creditreform.si

**Coface Intercredit d.o.o.**
Cankarjeva cesta 3  
1000 Ljubljana  
Tel: +386-1-425-90-65  
Fax: +386-1-425-91-30  
Web: [http://www.coface.si/](http://www.coface.si/)  
Email: office@coface.si

**Local Professional Services**

Slovenia does not recognize U.S. legal accreditation, and regulations regarding licenses to practice in-country are restrictive. Some Slovenian law firms conduct business in English and are familiar with U.S. law. Information on local service providers specializing in EU law, consulting, and business development is available

For information on professional services in other EU member states, please see the EU Member State Country Commercial Guides at https://www.state.gov/e/eb/rls/rpts/ccg/.

Principle Business Associations

Slovenia’s most important business association is the Slovenian Chamber of Commerce and Industry (CCIS). CCIS provides a number of essential services for companies operating in Slovenia and is an important local partner for foreign investors. With 7,000 member companies of all sizes from all regions, CCIS is a non-profit, non-governmental, independent business organization representing the interests of its members. CCIS is also an important negotiating partner in national collective bargaining agreements on minimum wages and workers’ rights. Additional information is available at https://eng.gzs.si/.

Other important Slovenian business associations include the Chamber of Craft and Small Business of Slovenia (CCSB) and the American Chamber of Commerce, Slovenia (AmCham). CCSB is an umbrella organization that works with 62 regional chambers of craftsmen and small businesses. Additional information is available at http://www.ozs.si/ozseng/Aboutus.aspx. With more than 300 domestic and foreign company members, AmCham is one of Slovenia’s most active and influential business communities offering a number of services and networking opportunities. Additional information is available at http://www.amcham.si/.

Limitations on Selling US Products and Services

There are no significant restrictions on selling U.S. products and services in Slovenia.

Web Resources

Commercial Services at U.S. Embassy Ljubljana
  http://export.gov/slovenia/index.asp

Slovenian Intellectual Property Office
  http://www.uil-sipo.si/sipo/office/tools/home/

Invest in Slovenia
  http://www.investslovenia.org/

Public Procurement Act
  www.dkom.si/mma/-/2007100210195957

Print media:

Dele - http://www.dele.si/

Dnevnik - http://www.dnevnik.si/

Slovenske Novice - http://www.slovenskenovice.si/

Vecer - https://www.vecer.com/


Information on English Speaking Lawyers in Slovenia
EU websites:


Agreements of Minor importance which do not appreciably restrict Competition under Article 81(1) of the Treaty establishing the European Community


Directive on Late Payment:


European Ombudsman:


EU’s General Data Protection Directive (95/46/EC):


EU Data Protection Homepage


Distance Selling Rules:


Distance Selling of Financial Services:


http://ec.europa.eu/internal_market/e-commerce/index_en.htm

The Unfair Commercial Practices Directive:


Information to Patients - Major developments:


Nutrition and health claims made on foods:

Regulation 1924/2006

Provisions of Nutritional Labeling:

NutritionalLabeling Directive 90/496/EC:


EU-27 FAIRS EU Country Report on Food and Labeling requirements:
Guidance on how companies can apply for health claim authorizations:

Full document from EFSA:

Health & Nutrition Claims:
http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm

Tobacco:

Product Liability:

Legal Warranties and After-Sales Service:
http://ec.europa.eu/consumers/index_en.htm

Copyright:

Harmonization of certain aspects of copyright and related rights in the Information Society:

Copyright Directive (2001/29/EC):

Directive on harmonizing trademark laws:

European Patent Office (EPO)
https://www.epo.org/index.html

Office for Harmonization in the Internal Market (OHIM)

World Intellectual Property Organization (WIPO) Madrid
http://www.wipo.int/madrid/en

U.S. websites:

IPR Toolkit:

EU Public Procurement:
http://export.gov/europeанunion/grantstendersandfinancing/index.asp

Local Professional Services:
http://export.gov/europeанunion/eg.eu.030910.asp
Leading Sectors for US Exports & Investments

Energy

Roughly one-third of Slovenia’s electricity comes from hydroelectric sources, one-third from thermal sources, and one-third from nuclear power (with non-hydro renewables constituting two percent of the total). Almost half of Slovenia’s total energy consumption consists of imported petroleum purchased on global markets. Russia provides most of Slovenia’s natural gas, which accounts for 12 percent of overall energy consumption. Slovenia uses approximately 0.8 billion cubic meters of gas annually, most of which is based on a take-and-pay contract with Gazprom that it renewed in April 2018 for five years.

The government of Slovenia owns a 100 percent stake in Holding Slovenske Elektrarne (HSE) and GEN Energija (GEN), Slovenia’s major electricity producers. In recent years, the government has considered merging the two companies, as HSE lacks the necessary financing to construct a new coal-burning generator at the Sostanj Thermal Power Plant (TES 6). Construction on the TES 6 project continued, and Slovenia’s government provided the necessary loan guarantees to finish the project, despite concerns about its EUR 1.4 billion cost, commercial feasibility, environmental impact, and the perceived lack of transparency surrounding the project. The 600-MW TES 6 went on-line in 2015, but continues to operate at a loss.

The government approved a new energy concept in March 2018 to reduce fossil fuel use and greenhouse gas emissions, support renewables, and increase efficiency. Critics faulted the concept for its lack of concrete measures or policy recommendations, and the National Assembly did not approve it before its mandate expired. Slovenia is seeking to gradually transition to low-carbon energy sources by focusing on efficient energy consumption, increased use of renewable energy sources, and the development of active electricity-distribution networks. This strategy will likely envisage a strong reliance on nuclear energy and further development of hydroelectric power. However, the government’s concept failed to include specific recommendations or concrete proposals as to which energy options – coal, nuclear, natural gas, solar, hydro, etc. – should be developed to meet Slovenia’s future energy needs consistent with its Paris Agreement commitments. Energy experts warn Slovenia’s energy producers must optimize, digitalize, become more efficient, and develop products and services for export to meet its 2030 carbon emission goals, which are anticipated to cost between EUR 600 million and EUR 2.5 billion. Whether Slovenia’s next government will reintroduce the energy concept in the National Assembly or develop a new strategy remains unclear.

Increased hydroelectric power generation will likely be an important part of the next government’s energy policy. Plans include further upgrades of the upper stations on the Sava River and construction of a chain of six new plants on the lower Sava. The government has invested in a series of hydropower plants since 2004 and recently announced construction of new hydropower plants on the middle Sava River, with expected investments of EUR 1.7 billion. There are also plans to upgrade three plants on the Drava River, and feasibility studies are underway for additional small hydroelectric power projects. Together with the new plants, these renovations will create an additional 470 MW of hydroelectric capacity by 2020.

Plans for conventional coal-fired thermal power generation are contingent on maintaining production at existing plant locations and building new facilities, primarily for combined heat and power generation. Investments will be required to improve pollution controls to meet environmental standards, increase rapid response and peaking capacity, and renovate control systems at existing plants. The government also plans construction of two oil-fired facilities, including a 60 MW unit in Sostanj. One new unit in Brestanica went online in 2018.

GEN Energija has prepared tentative plans for a second nuclear production facility at the Kriško nuclear power plant to provide 1,000-1,600 MW by 2030. However, any government decision on the timing of such an expansion will depend on energy needs, available financing, and public sentiment regarding nuclear energy.
Despite Krško’s recent lifecycle extension through 2043, forecasts show Slovenia will be unable to meet domestic energy production needs by 2025. Westinghouse supplies Krško’s fuel rods, Urenco supplies its fuel, and in 2017 the U.S. firm Holtec won the contract to develop a dry cask nuclear waste storage facility.

Slovenia uses approximately 0.8 billion cubic meters of natural gas annually, accounting for about 11 percent of Slovenia’s energy consumption, most of which is based on a take-and-pay contract with Russia’s Gazprom. The state-owned gas company Geoplin recently signed a five-year natural gas supply contract with Gazprom to import 600 million cubic meters of Russian natural gas per year. Gas storage facilities are limited, however, with companies dependent on infrastructure in Austria and Croatia. Slovenia’s natural gas infrastructure company Plinovodi hopes to work with Hungary’s FGSZ to construct a new gas interconnector to link Hungary and Slovenia, a project the EU has designated as a Project of Common Interest and which qualifies for funding through the Connecting Europe Facility. Investment plans through 2018/19 in the transmission and distribution system also include the modernization of national dispatching and local distribution control centers, the renovation of the transmission grid, better control of reactive power in the system, and the completion and renovation of the east-west 400 kV transmission with Hungary. However, a lack of financial resources has postponed these projects.

Slovenia also plans to build three wind-operated power plants in the Primorska region, where the Bora wind could produce significant quantities of electrical power. Each of the three plants would consist of 150 wind-powered turbines. The government is currently in the midst of a lengthy approval process complicated by local community opposition efforts.

**Quick Facts about Slovenia’s Energy Sector:**

While the gas and oil markets have made progress toward privatization, electricity production remains largely in state hands. Holding Slovenske Elektrarne (HSE) owns and manages a series of electricity production plants, primarily hydropower. GEN Energija manages a nuclear plant as well as several hydropower units.

**Energy imports:**
- brown coal and lignite,
- oil derivatives,
- liquid gas,
- natural gas,
- electricity

**Leading companies:**

**Oil:**
- Petrol, d.d.: [http://www.petrol.eu](http://www.petrol.eu)
- OMV Slovenija: [http://www.omv.si](http://www.omv.si)

**Natural Gas:**
- Geoplin: [http://www.geoplin.si/en](http://www.geoplin.si/en)
Electricity:

- Holding Slovenske Elektrarne:
  http://www.hse.si/en/
- Eles:
  http://www.eles.si/en/
- Gen Energija:
  http://www.gen-energija.si/

Leading Sub-Sectors

- Fuels and lubricants (wholesale)
- Motor fuels (retail)
- Distribution of electricity, gas, heat, and hot water
- Mining

Opportunities

Slovenia increasingly imports power to meet growing domestic consumption in the face of flat domestic production and could face shortfalls in the near future, particularly in view of its limited financial resources and the long regulatory approval process required for new hydroelectric or nuclear capacity. Slovenia has an effective electricity grid and is actively pursuing opportunities to partner with neighboring countries to build and strengthen natural gas interconnections, as well as opportunities to increase access to and markets in Serbia, Romania, Bulgaria, Greece, Turkey, and the Western Balkans. Slovenia’s energy companies are active in developing innovative electricity transmission and distribution solutions, while the country’s energy infrastructure is among the strongest in the region. Slovenia’s electricity prices are among the lowest in Europe, providing the country’s companies with important advantages over foreign competitors. The government has plans to increase energy production through new hydropower plants on the middle Sava River and an additional unit at the existing nuclear power plant, and also plans to improve its power distribution grid.

Web Resources

Ministry of Infrastructure, Langusova 4, SI-1000 Ljubljana, Slovenia
E-mail: gp.mzi@gov.si
Web: http://www.mzi.gov.si/si/delovna_podrocja/energetika/

Chamber of Commerce and Industry of Slovenia, Dimiceva 13, 1504 Ljubljana, Slovenia
E-mail: info@gzs.si
Web: https://eng.gzs.si/

U.S. Commercial Service
Matjaž Kavčič, Senior Economic Commercial Specialist
Phone: +386 1 200 5644
Fax: +386 1 200 5555
E-mail: DoingBusinessinSlovenia@state.gov
Logistics and Distribution

Overview

Slovenia’s geographical location at the intersection of the 5th and 10th Pan-European corridors makes it one of the major transportation connectors between the Adriatic Sea and the Balkans. The Port of Koper on the Adriatic Sea is a major cargo transshipment point, while Ljubljana’s Jože Pučnik Airport, located in the center of the country, hosts a number of airway and land cargo logistics and transport companies. Operated by the German transport company Fraport, Jože Pučnik Airport has expanded its cargo and passenger terminal capacity and plans to develop a new intermodal center, including a railway connection, to improve distribution capacities. In 2017, 1.7 million passengers and 13.5 million tons of cargo passed through Jože Pučnik Airport. Two international logistics companies, UPS and DHL, also operate hubs at the airport. Slovenia’s national carrier Adria Air, now owned by the German company 4K Invest, has yet to fulfill its promises to significantly improve Ljubljana’s connections to other European locations however. In addition to Jože Pučnik Airport, Maribor Airport mostly handles cargo transportation.

Slovenia has about 2,500 companies in the logistics and distribution sector, with EUR 3.6 billion in turnover and EUR 1.6 billion in export sales. Leading companies in the sector include:

- **BTC, d.d.**
  [http://www.btc.si](http://www.btc.si)
- **Eurotek**
  [http://www.eurotek.si](http://www.eurotek.si)
- **Inter europa**
  [http://www.intereuropa.si](http://www.intereuropa.si)
- **Aerodrom Ljubljana**
  [http://www.lju-airport.si](http://www.lju-airport.si)
- **Luka Koper**
  [https://luka-kp.si/eng/](https://luka-kp.si/eng/)
- **Slovenske Železnice**
  [http://www.slo-zeleznice.si](http://www.slo-zeleznice.si)
- **Schenker**
  [http://www.schenker.si](http://www.schenker.si)

Sub-Sector Best Prospects

- Air cargo shipping
- Ship cargo transport
- Storing of goods
- Maritime and inland logistics
- Services at terminals
**Opportunities**

Slovenia’s investment promotion agency SPIRIT has promoted the country as a logistics hub for foreign companies interested in entering the EU market. One of the most important commercial ports in the Northern Adriatic, the Port of Koper features modern and flexible infrastructure and the shortest route for goods between Asia and central Europe. In addition, nine business facilitation zones located throughout the country offer foreign business partners a chance for public-private partnership projects. Slovenia’s Country Development Plan includes a thorough upgrade of railway networks in both the 5th and 6th European corridors, construction of a second railway line between the Port of Koper and Divača, and additional highway projects in the next few years, subject to funding. Slovenia has earmarked EUR 17 billion to improve logistics and transportation facilities through 2030 and has also adopted a transport development strategy, a national traffic development plan, and an alternative fuels strategy. The government is also encouraging further digitalization in transport and logistics to eliminate red tape and reduce costs.

**Web Resources**

**Ministry of Infrastructure**, Langusova 4, SI-1000 Ljubljana, Slovenia  
E-mail: gp.mzi@gov.si  

**Ministry of Economic Development and Technology**, Kotnikova 5, SI-1000 Ljubljana, Slovenia  
E-mail: gp.mg@gov.si  

**Chamber of Commerce and Industry of Slovenia**, Dimiceva 13, 1504 Ljubljana, Slovenia  
E-mail: info@gzs.si  
Web: [https://eng.gzs.si/](https://eng.gzs.si/)

**Transport and Communications Association**, Dimiceva 9, 1000 Ljubljana, Slovenia  
E-mail: gzs@gzs.si

**U.S. Commercial Service**  
Matjaž Kavčič, Senior Economic Commercial Specialist  
Phone: +386 1 200 5644  
Fax: +386 1 200 5555  
E-mail: DoingBusinessinSlovenia@state.gov

**Information and Communications Technology**

**Overview**

With more than 3,000 companies employing more than 20,000 people, Slovenia’s information and communications technology (ICT) sector presents numerous opportunities for investment and partnerships. Slovenia is home to well-developed IT companies with established services and R&D capability. Information systems outsourcing has grown to become the largest market in Slovenia, followed by systems integration and hardware support. IT services sales in 2017 were strongest in the finance, insurance industry, and government sectors. There are also vibrant start-up and entrepreneurial communities with young companies seeking investment and joint venture opportunities. Many start-up companies are concentrated in technology parks such as Technology Park Brdo-Ljubljana.
In 2017, Slovenian startups with at least one Slovene founding member raised EUR 286 million, the majority of from venture capital (EUR 240 million) followed by Slovenian state funds, crowdfunding, angels, and accelerators. Most investment start-up funds originated in the EU, United States, Slovenia, and China. The IT sector is expected to grow more slowly in 2018 and 2019, however, due primarily to expected reductions in investments from EU firms.

According to Slovenia’s Statistical Office, one in four enterprises provided training to develop e-skills in 2017, while 20 percent of enterprises with at least 10 persons employed ICT specialists. Six percent of enterprises recruited or tried to recruit ICT specialists in 2017, 49 percent of which had ICT specialist vacancies that were difficult to fill.

Slovenia’s cyber security market continues to expand as well, largely in response to the rapidly-changing nature of threats and vulnerabilities to businesses and government. Industry representatives forecast a continued need for security services, particularly in small and medium-sized enterprises (SMEs). The market for security software grew 15 percent in 2017, with growth expected to continue through 2018 and beyond. In response to ongoing budget pressures, however, the government has made significant cuts to IT expenditures. Existing IT platform upgrades and continued investment in a three-tiered cloud-computing infrastructure should provide for some short-term growth.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
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<th>2016</th>
<th>2017 (Estimated)</th>
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<tbody>
<tr>
<td>Total Local Production</td>
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<td>320</td>
<td>320</td>
<td>310</td>
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<tr>
<td>Total Exports</td>
<td>160</td>
<td>180</td>
<td>180</td>
<td>180</td>
</tr>
<tr>
<td>Total Imports</td>
<td>520</td>
<td>560</td>
<td>550</td>
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<tr>
<td>Imports from the US</td>
<td>420</td>
<td>440</td>
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<tr>
<td>Total Market Size</td>
<td>654</td>
<td>680</td>
<td>680</td>
<td>690</td>
</tr>
<tr>
<td>Exchange Rates: 1 USD</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
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</tbody>
</table>

(Source: Statistical Office of Slovenia; Chamber of Economy; estimates based on top 10 IT firms’ directors)

Sub-Sector Best Prospects

The cloud-computing sector is the IT industry’s fastest growing segment, currently growing at 40 percent per year. In 2018, more than 47 percent of enterprises with 10 or more employees purchased cloud computing services such as e-mail, computer software, electronic file storage space, and computing power, up from 15 percent in 2014. Such services are purchased primarily by large enterprises, followed by medium-sized and small enterprises. Slovenia’s Chamber of Commerce projects the potential for up to 3,000 new IT jobs in Slovenia through 2018, due primarily to cloud solutions targeted towards the public sector as well as SMEs.

Areas of potential growth in the IT sector include:

- Planning and implementation of communicating networks
- Broadband infrastructure
- Security systems
• E-banking
• CMS software
• Software systems for back-up files
• IT Solutions
• Logistics

Opportunities
Slovenia’s Ministry of Public Administration has allocated EUR 38 million to develop a cloud-computing system in 2018. The best opportunities for U.S. software sales in Slovenia include internet systems engineering, application development, consulting, database and communications software/office automation, security, systems integration, archiving, content and document management, and business intelligence. Primary end-users are industry, financial services, public administration, trade, health, energy, production, distribution, and electronic banking.

Web Resources
Ministry of Economic Development and Technology, Kotnikova 5, SI- 1000 Ljubljana, Slovenia
E-mail: gp.mg@gov.si

Ministry of Interior, Stefanova 2, 1000 Ljubljana, Slovenia
E-mail: gp.mnz@gov.si

Ministry of Public Administration, Trzaska 21, 1000 Ljubljana, Slovenia
E-mail: gp.mnz@gov.si

Chamber of Commerce and Industry of Slovenia, Dimiceva 13, 1504 Ljubljana, Slovenia E-mail: info@gzs.si
Web: http://eng.gzs.si/

U.S. Commercial Service
Matjaž Kavčič, Senior Economic Commercial Specialist
Phone: +386 1 200 5644
Fax: +386 1 200 5555
E-mail: DoingBusinessinSlovenia@state.gov
Agriculture

Overview

Slovenia's agricultural sector has declined in recent years as small farmers increasingly leave family farms and integrate into the non-agricultural workforce, while arable land is increasingly being replaced by construction and transport infrastructure. To reverse these trends, the government has tried to revive rural areas through policy initiatives and subsidies to support eco-farming and encouraging eco-tourism. Slovenia is a net food importer and its food self-sufficiency is quite low. Slovenian farms produce less than 20 percent of the country's fruit consumption, less than 40 percent of its vegetables, less than 50 percent of its potatoes, and less than 60 percent of its cereals, sugar, and pork.

According to the Statistical Office of Slovenia, the value of its agricultural production amounted to EUR 1.22 billion in 2016 (2.3% of GDP), and the sector employed approximately 80,000 people, accounting for 7.8% of the workforce. Currently, 69,902 Slovenian holdings are engaged in agricultural activities, averaging 6.9 hectares and 7.5 livestock units. The primary crops are corn (339,000 tons/year), wheat (157,000 tons/year), potatoes, and fruit (apples alone account for over 71,000 tons/year). More than one million tons of corn and other types of fodder are produced annually, with most grain production destined for animal feed.

U.S. exports of agricultural, fish, and forest products to Slovenia have fluctuated widely in recent years. Most official statistics tend to understate actual imports from the U.S., as they do not account for products transshipped through other EU countries.

Leading Sub-Sectors

• Organic products
• Biotech

Opportunities

A number of U.S. food products benefit from lower tariffs due to Slovenia's EU membership and have the best sales potential, including organic products, edible dried beans, cocoa, dried fruits, fruit juices, pet foods, wines, and whiskey.

Web Resources


U.S. Commercial Service

Mirjana Rabič, Economic Commercial Specialist

Phone: +386 1 200 5500
Fax: +386 1 200 5555
E-mail: DoingBusinessinSlovenia@state.gov

Chemical & Pharmaceutical Sector

Overview

Slovenia's chemical and pharmaceutical sectors are among the country's most successful enterprises, thanks to the industry's long tradition in this part of Europe. Production is substantial and requires consistent supplies of raw materials. Approximately 546 companies are active in the pharmaceutical sector, although only 33
actually manufacture pharmaceutical products. Pharmaceuticals account for most of the sector's exports, followed by vehicle tires, inner tubes, and plastics. The most important pharmaceutical companies are Lek and Krka, both of which manufacture generic pharmaceutical products.

<table>
<thead>
<tr>
<th>USD thousands</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017 (Estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Market Size</td>
<td>4,200,000</td>
<td>4,000,000</td>
<td>4,100,000</td>
<td>4,300,000</td>
</tr>
<tr>
<td>Exchange Rates</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
</tr>
</tbody>
</table>

(Note: the above statistics are unofficial industry experts’ estimates)

**Leading Sub-Sectors**

- base chemicals
- pesticides and agrochemicals
- paints, lacquers, and glazes
- pharmaceuticals and soaps
- products for cleaning and scents
- other chemical products
- artificial fibers
- rubber and plastics

**Opportunities**

The chemical and pharmaceutical sectors offer significant opportunities to U.S. suppliers of raw materials. Leading companies in the sector include:

- **Belinka:**
- **Bia Separations:**
  [http://www.biaseparations.com](http://www.biaseparations.com)
- **Cinkarna Celje:**
- **Helios:**
  [http://www.helios.si/eng](http://www.helios.si/eng)
- **Institut Jožef Stefan:**
  [http://www.ijs.si](http://www.ijs.si)
- **Krka:**
  [http://www.krka.si](http://www.krka.si)
- **Lek:**
  [http://www.lek.si](http://www.lek.si)
- **Atotech:**
Medical Equipment

Overview

As a result of limited and/or highly specialized domestic production, Slovenia’s health care equipment market is dependent on imports from Germany, Italy, Austria, Switzerland, and the United States. U.S. exporters account for between 15 and 20 percent of Slovenia’s USD 420 million medical equipment market. The medical equipment market has grown over the last ten years, but the real potential lies ahead, as much of the medical equipment in Slovenia’s public hospitals is outdated and expensive to maintain. Slovenia is currently considering how to restructure the health care sector and consolidate several public health agencies. The government has increased investments in specialized hospitals in recent years, including the Oncology Institute and the Pediatric Clinic, and there will likely be increased demand for innovative instruments and equipment in the years ahead.

The Ministry of Health is the main player in Slovenia’s medical equipment market. The Ministry develops health care policies, proposes the government’s health care budget and the sector’s investment program, and monitors the work of state-owned hospitals and health care institutions. Due in part to fiscal problems with the national health account, the Ministry was forced in recent years to take over purchasing programs and centralize hospital tenders, resulting in increased public procurement transparency.

Most dental services are private practices.

The Slovenian health care market is very price-sensitive. Institutions are prepared, however, to pay high prices for state-of-the-art equipment.
Leading Sub-Sectors

- Diagnostic equipment
- Scanners; CTI devices; magnetic resonance devices
- Laboratory equipment

Opportunities

The best opportunities in Slovenia’s health care sector are for producers and distributors of diagnostic and imaging equipment as hospitals and clinics upgrade aging technology. Digital imaging and medical records management software also represent promising opportunities.

Web Resources

Ministry of Health, Štefanova 5, SI- 1000 Ljubljana, Slovenia  
E-mail: gp.mz(at)gov.si

Chamber of Commerce and Industry of Slovenia, Dimiceva 13, 1504 Ljubljana, Slovenia  
E-mail: info@gzs.si
Web: [https://eng.gzs.si/](https://eng.gzs.si/)

U.S. Commercial Service

Mirjana Rabič, Economic Commercial Specialist  
Phone: +386 1 200 5500  
Fax: +386 1 200 5555  
E-mail: DoingBusinessinSlovenia@state.gov

Pharmaceuticals

Overview

Slovenia’s pharmaceutical market is very competitive. Once dominated by two local domestic generic producers, the market is now increasingly open to competition from foreign competitors. Innovative drug producers enjoyed favorable market conditions in Slovenia until 2007, when the government decreased spending on pharmaceuticals. Since then, the government has changed its pharmaceutical purchase process, worsening the position of established pharmaceutical companies. According to the Slovenian National Institute of Public Health, Slovenia spent approximately EUR 484 million on pharmaceuticals in 2017. Each Slovenian spends an average of EUR 230.44 each year to purchase an average of 8.31 prescription medications.

The Ministry of Health is the primary actor in Slovenia’s pharmaceutical market. The ministry develops health care policies, proposes the government’s health care budget, and monitors spending in the national health care fund, with an eye toward keeping medical costs as low as possible. Slovenia has introduced therapeutic reference pricing schemes similar to those of other EU member states, which have made market conditions difficult for producers of brand-name pharmaceuticals.

Experts forecast four percent annual growth for the pharmaceutical market over the next two years, despite downward pressure on certain therapeutic products. Almost three quarters of all pharmaceuticals approved for sale in Slovenia are imported, accounting for nearly 16 percent of total health care spending. Around 70 percent of health care spending is publicly financed, and international comparisons show that drug consumption in Slovenia is higher than EU average and growing by 1.5 percent per year. Increased life expectancies and the growth in private health care insurance are expected to have a positive impact on the market.
Slovenia’s premier research institution, the Jozef Stefan Institute, is very involved in chemical and pharmaceutical research and development, including therapeutic nanotechnology and biotechnology products.

<table>
<thead>
<tr>
<th>Unit: EUR millions</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017 (Estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Local Production</td>
<td>1,550</td>
<td>1,500</td>
<td>1,500</td>
<td>1,600</td>
</tr>
<tr>
<td>Total Exports</td>
<td>1,390</td>
<td>1,380</td>
<td>1,340</td>
<td>1,400</td>
</tr>
<tr>
<td>Total Imports</td>
<td>390</td>
<td>320</td>
<td>320</td>
<td>300</td>
</tr>
<tr>
<td>Imports from the US</td>
<td>235</td>
<td>240</td>
<td>220</td>
<td>220</td>
</tr>
<tr>
<td>Total Market Size</td>
<td>550</td>
<td>520</td>
<td>480</td>
<td>500</td>
</tr>
<tr>
<td>Exchange Rates</td>
<td>1.11</td>
<td>1.11</td>
<td>1.11</td>
<td>1.11</td>
</tr>
</tbody>
</table>

(Source: Statistical Office of Slovenia, National Institute of Public Health)

**Leading Sub-Sectors**

**Sub-Sector Best Prospects**

- Drugs for cardiovascular illnesses
- Branded products for cancer treatments
- Pharmaceuticals for psychotherapy
- AIDS medications
- Vitamins

**Opportunities**

The best prospects for American-made pharmaceutical companies are in the fields of cancer medications, cardiovascular medications, and bio-technologically-produced medications.

**Web Resources**

**Ministry of Health**, Štefanova 5, SI- 1000 Ljubljana, Slovenia
E-mail: gp.mz@gov.si

**Agency for Drugs and Medical Devices**, Ptujska 21, 1000 Ljubljana, Slovenia
E-mail: info@jazmp.si
Web: http://www.jazmp.si/

**National Institute of Public Health**, Trubarjeva 2, 1000 Ljubljana, Slovenia
E-mail: info@nijz.si
Web: http://www.nijz.si/en

**Chamber of Commerce and Industry of Slovenia**, Dimiceva 13, 1504 Ljubljana, Slovenia E-mail: info@gzs.si
Web: https://eng.gzs.si/
Environment

Overview

According to Slovenia’s Statistical Office, Slovenia produced almost 5.5 million tons of waste in 2016, 476 kilograms (kg) per capita, of which 17.9 percent was municipal waste. Sixty-seven percent of Slovenia’s municipal waste was separately collected and 57.7 percent of all waste was recycled. Waste and pollution control mechanisms have improved in recent years, and Slovenia’s environmental legislation is harmonized with that of the EU. Major concerns include insufficient treatment facilities for municipal and industrial wastewater, uncontrolled dumping of solid and hazardous wastes, lack of proper disposal sites, lack of recycling facilities and incinerators, and air pollution emissions in industrial areas.

Leading Sub-Sectors

- Waste Water Treatment
- Recycling

Opportunities

Project financing for environmental projects is available from a number of sources, including the state budget, local government budgets, environmental funds, EU structural funds, and individual investors and entrepreneurs. U.S. firms are eligible to compete for EU funds if they partner with a Slovenian firm.

Web Resources

Ministry of the Environment and Spatial Planning:
http://www.mop.gov.si/en
Customs Regulations & Standards

Trade Barriers

Slovenia joined the World Trade Organization (WTO) in 1995, and to date there have been no cases of Slovenia violating WTO rules. As a WTO member country, Slovenia is required by the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other member countries. Slovenia is a signatory to the Trade Facilitation Agreement (TFA) and has implemented all TFA requirements.

As an EU member state, Slovenia's regulatory system is based on two principles: the supremacy of EU laws and the principle of direct effect. In areas subject to EU responsibility, EU laws override any conflicting member state laws. Direct effect enables Slovenians and other EU citizens to use EU laws in national courts against the government or private parties.


Information on agricultural trade barriers is available at http://www.fas.usda.gov/data/search?f[0]=field_report_type%3AInternational%20Agricultural%20Trade%20Reports.

To report existing or new trade barriers and request assistance in removing them, contact either the Trade Compliance Center at http://tcc.export.gov/Report_a_Barrier/index.asp or the U.S. Mission to the European Union at http://export.gov/europeanunion/.

Import Tariff

Slovenia adopted the EU's customs legislation when it joined the union in 2004. EU regulation establishes an overall legal foundation, and Slovenia has adapted some parts of EU customs regulations through national legislation. The basic legal framework of the Republic of Slovenia’s Customs System is based on the Customs Law, the Customs Service Law, and the Customs Tariff Law (OG RS 66/00). Additional information on customs legislation is available at: http://www.fu.gov.si/en/customs/.

Import levies are payable upon the importation of most agricultural and food products. Levies are not charged if the agricultural or food product is exempt from duties pursuant to the Customs Law.

The primary basis for customs valuation is ad valorem on the transaction value of the goods (i.e., the price paid or the price to be paid for the goods to be imported), including all duties and taxes paid outside Slovenia. For more than 95 percent of imports, a product’s customs value is established based on transaction value. In addition to customs duties paid according to rates provided by the Customs Tariff or preferential agreements, imports are also subject to VAT.

Import Requirements & Documentation

The European Union’s Integrated Tariff of the Community, or TARIC (Tarif Intégré de la Communauté), provides rules applying to specific products imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a particular product requires a license, consult the TARIC.

The TARIC may be searched by country of origin, Harmonized System (HS) Code, and product description through the interactive website of the Directorate-General for Taxation and the Customs Union at http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm. The online TARIC is updated daily.
Many EU member states maintain their own lists of goods subject to import licensing. For additional information on member state import licenses, please consult the appropriate EU member states’ Country Commercial Guides.

**Import Documentation**

**Non-agricultural Documentation**

The European Union Customs Code, which defines the legal framework for customs rules and procedures in the EU customs territory, entered into force on May 1, 2016, repealing and replacing the Community Customs Code, the EU’s previous customs legislation. The Single Administrative Document (SAD) is the primary form used for customs declarations in the EU, including Slovenia. The SAD is used for trade between EU member states and non-EU countries and for the movement of non-EU goods within the EU. Traders and agents may use the SAD to declare import, export, transit, and community status declarations. Additional information on the European Union Customs Code and the Single Administrative Document is available at [https://ec.europa.eu/taxation_customs/business/customs-procedures/general-overview/single-administrative-document-sad_en](https://ec.europa.eu/taxation_customs/business/customs-procedures/general-overview/single-administrative-document-sad_en).

Customs authorities may allow a period for lodging the declaration, which may not extend beyond the first working day following the day on which the goods are presented to customs. Importers may submit the ENS on a form corresponding to the model prescribed by the customs authorities, although customs authorities may also accept any commercial or official document that contains the particulars necessary for identification of the goods.

The summary declaration is to be lodged electronically by:

- the person who brought the goods into the customs territory of the Community or by any person who assumes responsibility for carriage of the goods following such entry; or
- the person in whose name the person referred to above acted.

Non-EU goods presented to customs must be assigned a customs-approved treatment or use authorized for such non-Community goods. Where goods are covered by a summary declaration, the formalities to be assigned a customs-approved treatment or use must be carried out:

- 45 days from the date on which the summary declaration is lodged in the case of goods carried by sea;
- 20 days from the date on which the summary declaration is lodged in the case of goods carried other than by sea.

Where circumstances warrant, the customs authorities may set a shorter period or authorize an extension of the period.

In 2013, the European Parliament and European Council approved Council Regulation 952/2013 establishing the Union Customs Code to modernize EU customs and serve as the framework regulation on customs rules and procedures throughout the EU. The UCC was intended to streamline customs legislation and procedures, provide greater legal certainty and uniformity, simplify customs rules and procedures, transition to a paperless and fully electronic and interoperable environment, and implement faster customs procedures for compliant and trustworthy importers. Although the UCC began operations on May 1, 2016, a transition period will be in place until December 31, 2020 to allow time to develop and implement the necessary IT systems to fully implement the legal requirements. More information regarding UCC and transitional period is available at [https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-introduction_en](https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-introduction_en).
Batteries

EU battery rules changed in September 2006 following the publication of the directive on batteries and accumulators and waste batteries and accumulators (Directive 2006/66). The updated directive applies to all batteries and accumulators sold on the EU market, including automotive, industrial, and portable batteries. The directive also protects the environment by restricting the sale of batteries and accumulators containing mercury or cadmium (with exemptions for emergency and alarm systems, medical equipment, and cordless power tools) and promoting collection and recycling. Under the directive, producers are responsible for the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The directive also includes provisions on the labeling of batteries and their removability from equipment.

REACH

The EU controls chemicals through its European Regulation on Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) program, which entered into force in 2007 through Council Regulation 1907/2006. REACH shifts the responsibility for assessing and managing risks posed by chemicals and providing appropriate safety administration from public authorities to industry in order to protect human health and the environment. REACH requires chemicals produced or imported into the EU in amounts exceeding one ton per year to be registered in the European Chemicals Agency’s (ECHA) central database, including information on the chemicals’ properties, uses, and safe means of handling. U.S. companies not present in Europe may not register directly with ECHA and must have their chemicals registered through their importer or an EU-based “Only Representative of non-EU manufacturer.” A list of such “Only Representatives” (ORs) is available through the U.S. Mission to the EU at http://export.gov/europeanunion/reachclp/index.asp. Safety data sheets must be REACH compliant. For more information, see the guidance on safety data sheets at https://echa.europa.eu/safety-data-sheets-and-exposure-scenarios-guide.

U.S. exporters to the EU should carefully consider the REACH ‘Candidate List’ of substances of very high concern, which are subject to additional communication requirements and may require additional authorizations for the EU market. More information is available through ECHA at http://echa.europa.eu/web/guest/candidate-list-table.

Additional information on the EU’s REACH program is available at https://ec.europa.eu/growth/sectors/chemicals/reach_en.

WEEE & RoHS

While not requiring special customs or import paperwork, EU rules on Waste Electrical and Electronic Equipment (WEEE) may entail a financial obligation for U.S. exporters and may require U.S. exporters to register their products with a national WEEE authority directly or through a local partner. The WEEE Directive establishes the responsibilities of EEE producers for the collection and recycling of their products at the end of their lifecycles. The EU’s revised WEEE Directive, also known as the WEEE Recast Directive, was published in the Official Journal of the European Union on July 24, 2012.

The EU’s Restriction of Hazardous Substances (ROHS) Directive restricts the use of certain chemicals and prohibits the use of lead, mercury, cadmium, hexavalent chromium, and some polybrominated flame retardants in electrical and electronic equipment. The revised ROHS Directive, published in the Official Journal of the European Union on January 7, 2011, is commonly known as the “ROHS II Directive.” By July 2019, ROHS will apply to all EEE products “dependent on electric current or electromagnetic fields for at least one intended function.” For more information on products covered by the legislation, substances banned in electrical and electronic equipment, and exemption requests, see http://export.gov/europeanunion/weeerohs/rohsinformation/index.asp.

**Cosmetics**

The EU does not assess customs duties on many cosmetic products, including hair products, manicure and pedicure products, lip and eye makeup, and many essential oils. However, U.S. exporters of cosmetic products to the EU must comply with the provisions of the EU Cosmetics Regulation (EUCR), including designation of a professional “Responsible Person,” a Product Information File, registration on the Cosmetic Products Notification Portal (CPNP), and appropriate labeling. By default, the EUCR designates the importer as the Responsible Person, although many U.S. exporters choose to designate a specialized consultant or law firm for strategic commercial reasons.

EU rules regulating ingredients commonly found in cosmetics may differ from those in the United States. For example, the EU requires all products including nano-scale ingredients identify such substances and prohibits the sale of any product containing ingredients tested on animals to acquire safety data if such testing occurred after March 11, 2013. Such restrictions are listed in the EUCR’s Annexes II, III, IV, V, and VI, and are often updated. Therefore, U.S. exporters should ensure they are complying with the most up-to-date provisions.


**Agricultural Documentation**

Goods imported into the EU must meet EU sanitary and phytosanitary requirements to protect human and animal health.

**Phytosanitary Certificates:** Phytosanitary certificates are required for most fresh fruits, vegetables, and other plant materials imported into the EU.

**Sanitary Certificates:** For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a sanitary certificate issued by the competent authority of the exporting country. This requirement applies regardless of whether the product is intended for human consumption, pharmaceutical use, or strictly non-human purposes (e.g., veterinary biologicals, animal feeds, fertilizers, research, etc.). Although the harmonization process is not yet complete, the vast majority of such certificates are uniform throughout the EU. During this transition period, certain member state import requirements continue to apply. In addition to the legally-required EU health certificates, a number of other certificates are used in international trade. These certificates, which may also be harmonized through EU legislation, certify product origin for customs purposes and certain quality attributes. Up-to-date information on harmonized import requirements is available at [http://www.fas.usda.gov/topics/regulations-and-requirements](http://www.fas.usda.gov/topics/regulations-and-requirements).

**Sanitary Certificates (Fisheries)**

The EU is the world’s largest importer of fish, seafood, and aquaculture products, and import rules are harmonized for all EU countries. In 2006, the EU declared the U.S. seafood inspection system equivalent to its own. As a result, U.S. seafood imports into the EU must be accompanied by a public health certificate specific to the type of product. Commission Decision 2006/199/EC established the conditions on imports of fishery products from the United States.

Unlike for fishery products, the U.S. shellfish sanitation system is not equivalent to that of the EU. The EU and the United States continue to negotiate a veterinary equivalency agreement on shellfish. Until such an agreement is concluded, however, the EU bans the import of U.S. bivalve mollusks, in whatever form, into EU territory. This ban does not apply to wild roe-off scallops.
With the implementation of the EU's second Hygiene Package, aquaculture products entering the EU from the United States must be accompanied by a public health certificate, per Commission Decision 2006/199/EC, and the animal health attestation included in the new fishery products certificate, covered by Regulation (EC) 1250/2008. This animal health attestation is not required in the case of live bivalve mollusks intended for immediate human consumption.

Since June 2009, the unique U.S. competent authority for issuing sanitary certificates for fishery and aquaculture products is the National Marine Fisheries Service (NOAA-NMFS). In addition to sanitary certificates, all third countries wishing to export fishery products to the EU must provide a catch certificate certifying that the products in question have been caught legally.

Additional information on import documentation for seafood, is available at https://www.fisheries.noaa.gov/national/international-affairs/importing-and-exporting-seafood-commodities.

Labeling/Marking Requirements

The EU has a number of mandatory and voluntary requirements pertaining to the marking, labeling, and packaging of different types of products. A mark is a symbol or pictogram appearing on a particular product or its packaging to provide information concerning safety, health, energy efficiency, or environmental concerns related to a product, while labels refer to written text or numerical statements with more specific information on a product such as measurements or materials found in the product. Some mandatory marking requirements are left to individual member states, while some voluntary marks and labels are used as marketing tools in some member states. An overview of EU mandatory and voluntary labeling and marking requirements is available at https://www.export.gov/article?id=European-Union-Marking-Labeling-and-Packaging-Overview.

In Slovenia, the following labeling information must be included in Slovene on the original package of products subject to quality control:

- Name of the product
- Manufacturer’s full address
- Importer’s full address
- Net quantity/weight/volume
- Information regarding ingredients, where applicable
- Use and storage instructions
- Other warnings important for the customer.

Technically complicated products must also include instructions for use, manufacturer specifications, warranties, a list of authorized maintenance offices, and other applicable data. All information must be in Slovene and attached to each product before it reaches customers. Additional information on Slovenia’s labeling and marketing requirements is available through the Slovenian Chamber of Commerce and Industry at http://www.gzs.si.

U.S. Export Controls

U.S. companies may export most technology from the United States to Slovenia under general export licenses, although some equipment still requires validated export licenses from the Commerce Department’s Bureau of Industry and Security and/or the Department of State. The Department of Commerce’s Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR).
which regulate the export and re-export of some commercial items, including "production" and "development"
technology. Items subject to BIS regulations are often referred to as "dual use," since they have both
commercial and military applications. Additional information on U.S. export controls and licensing

BIS has developed a list of "red flags," or warning signs, intended to identify possible violations of the EAR.
These "red flags" are available at http://www.bis.doc.gov/index.php/compliance-a-training/export-

BIS also provides helpful "Know Your Customer" guidance at http://www.bis.doc.gov/index.php/compliance-
a-training/export-management-a-compliance/freight-forwarder-guidance/23-compliance-a-training/47-
know-your-customer-guidance.

If an exporter has reason to believe an export control violation is taking or has taken place, they should report
it to the Department of Commerce through its 24-hour hotline at 1(800) 424-2980.

The EAR does not control all goods, services, and technologies, and other U.S. government agencies regulate
more specialized exports. For example, the U.S. Department of State has authority over the export and licensing
defense articles and services. A list of other U.S. government agencies and departments involved in export
control and licensing is available on the BIS web site or in Supplement No. 3 to Part 730 of the EAR, which is
available at https://www.bis.doc.gov/index.php/forms-documents/doc_view/410-part-730-general-
information.

As an aid to industry in conducting electronic screenings of potential parties to regulated transactions, the
Office of the United States Trade Representative offers a consolidated tool to search eleven export-screening
lists from the Departments of Commerce, State, and the Treasury at http://developer.trade.gov/consolidated-
screening-list.html.

BIS also offers a variety of training sessions on export controls and licensing throughout the year to U.S.
exporters, including one to two-day seminars on the basics of exporting as well as more advanced topics. A list
of upcoming seminars is available at https://www.bis.doc.gov/index.php/compliance-a-training/current-
seminar-schedule.

Temporary Entry

Slovenia is a signatory to the World Customs Organization's ATA Convention on Temporary Imports and
Exports, which allows for simplified procedures for the free movement of some types of goods across borders
and into customs territories without being subject to duties and taxes. The ATA Carnet allows for a product's
temporary import and export and also serves as a transit document for the transit of goods to a country of
temporary importation. The Chamber of Commerce and Industry of Slovenia is Slovenia's ATA System
Guarantee Association and is also licensed to issue ATA carnets.

Under some circumstances, products may be imported into Slovenia on a temporary basis and be exempt from
customs duties, including:

- Goods to be released into free circulation exempt from customs duty under the Customs Act;
- Goods temporarily imported for exhibitions or testing, if the foreign owner has made them available free of charge and for a specific period of time;
- Animals, instruments, and other items required for artistic, sports, or other events and the production of motion pictures;
Packaging materials, freight, security equipment, etc., required for the delivery or dispatch of foreign-owned goods;

- Equipment for governmental and non-governmental international or bilateral organizations, or international or bilateral commissions, with a seat in the customs territory, or having a representative office with a seat in the customs territory;

- Equipment required to avert imminent danger of epidemics, elementary, or other natural disasters, or to mitigate the immediate consequences of such disasters;

- Yachts, sailing ships, and other sea vessels with accessory floating moorings and anchoring equipment, if they are used for sport and tourism (under the condition that they are temporarily imported by companies or individual entrepreneurs registered for the rental of foreign yachts, sailing ships, and other sea vessels or through contracts concluded with foreign sport clubs and their associations permitting them to rent the sea vessels to foreign tourists, members of these clubs, and their associations for use in Slovenia);

- Household items temporarily imported by domestic and foreign natural persons entering Slovenia for a temporary sojourn; and

- Equipment temporarily imported by permanent correspondents or editorial offices of foreign media registered in the customs territory.

Time limits for temporary imports vary based on the purpose for which goods are temporarily imported, but may not exceed a period of 12 months. Partial exemption from customs duties may be granted for the temporary import of goods not mentioned above if they remain the property of foreign persons. The duty to be paid for temporary imports of goods with a partial exemption from customs duty is three percent of the duty that would have to be paid for these goods if they were released for free circulation.

**Prohibited & Restricted Imports**

The TARIC provides rules applying to specific products imported into or out of the EU customs territory. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

- CITES Convention on International Trade of Endangered Species
- PROHI Import Suspension
- RSTR Import Restriction


**Customs Regulations**

The EU’s Customs and Taxation Union Directorate’s website is available at http://ec.europa.eu/taxation_customs/index_en.htm.

**Major Regulatory Efforts of the EC Customs and Taxation Union Directorate:**

*Electronic Customs Initiative*—The ECI deals with major EU Customs modernization developments to improve and facilitate trade in the EU member states, based on the following three pieces of legislation:

- The Security and Safety Amendment to the Customs Code, providing for full computerization of all procedures related to security and safety;
The Electronic Customs Decision on the paperless environment for customs and trade, establishing the basic framework and major deadlines for electronic customs projects;


**Customs Valuation** – Most customs duties and value added taxes (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to arrange a standard set of rules for establishing the goods’ value, which then serves for calculating the customs duty.

The EU imported more than EUR 1.8 trillion worth of goods in 2017 and seeks to accurately measure the value of its commerce for the purposes of:

- economic and commercial policy analysis,
- application of commercial policy measures,
- proper collection of import duties and taxes, and
- import and export statistics.

To meet these objectives, the EU applies an internationally-accepted concept of “customs value.”

Determining the customs debt, the technical term for the duty to be paid on imported goods, is based on three elements of taxation: the value of the imported goods, the origin of the imported goods, and the customs tariff on the imported goods. Additional information on customs valuation is available at http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm.

**Customs Security** – The EU amended the Community Customs Code and the Customs Code Implementing Provisions in 2005 and 2006 to implement a new security management model for the EU’s external borders through Commission Regulation 648/2005 and 1875/2006. Through these amendments, the EU introduced a number of measures to tighten security around goods crossing international borders. These measures include:

- Requiring traders to provide customs authorities with information on goods prior to import to or export from the European Union (see Pre Arrival / Pre Departure Declarations);
- Providing reliable traders with trade facilitation measures see Authorized Economic Operator (AEO);
- Introducing a mechanism for setting uniform Community risk-selection criteria for controls, supported by computerized systems

Contact information for national customs authorities is available at http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm.

**Standards for Trade**

**Overview**

Based on the European Commission’s 2015 Single Market Strategy and the June 2016 EU standardization package, the EU's Joint Initiative on Standardization establishes a shared vision for European standardization and determining the legal nature of standards and technical regulations. According to the Joint Initiative, standards must be timely, market-driven, and produced in an inclusive way that supports EU policies and international standardization, with most European standards market driven and initiated by businesses. Under the EU standardization package, standards are optional and voluntary and do not become a binding
requirement unless so designated by a competent ministry. Slovenia recognizes all EU and international standards for trade.

Goods and services imported for sale in Slovenia must comply with prescribed standards and technical regulations and be certified by an authorized institution, if so prescribed by the appropriate ministry. Where there is no authorized institution for certification, the Republic of Slovenia’s Standards and Metrology Institute will issue a certificate. Certificates issued abroad are valid in Slovenia if there is a mutual recognition agreement between the issuing authority and the local issuing institution. Health, veterinary, phytosanitary, or ecological control is obligatory for some types of products such as foodstuffs and animals. The Slovenian Standards Institute is available to answer all questions pertaining to standards at sist@sist.si.

All technical goods and consumer durables imported into Slovenia must include technical instructions, a written guarantee statement, and, if necessary, instructions for use. In addition, the importer must guarantee product servicing and the supply of spare parts. A declaration including the name and type of product, name of manufacturer, and other prescribed data should be attached to the product. All such documents and declarations must be in Slovene.

If a contract with a foreign person, regulations of a foreign country, or a bilateral or international agreement requires that export or import goods be shipped with documents certified by a competent authority, the Chamber of Commerce and Industry of Slovenia or an authorized customs organization is the competent authority. If the regulations of the country in which the documents are to be used stipulate that the documents must be issued by a state body, the Ministry of Foreign Affairs is the competent issuing authority in Slovenia.

Products tested and certified in the United States to American standards may have to be re-tested and re-certified to EU requirements due to the EU’s different approach to protecting the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are subject to the EU’s General Product Safety Directive as well as to possible additional national requirements. Products in controlled product categories may not be legally sold in the EU unless they have met the necessary standards to receive the European Conformity (CE) marking.

European Union standards are harmonized across the 28 EU member states and European Economic Area countries to allow for the free flow of goods. While EU harmonization may facilitate access to the EU Single Market, manufacturers should be aware that mandatory regulations and voluntary technical standards might also function as barriers to trade if U.S. standards differ from those of the European Union. Additional information on EU harmonization standards and the New Legislative Framework is available at http://ec.europa.eu/growth/single-market/european-standards/harmonised-standards/index_en.htm and http://ec.europa.eu/growth/single-market/goods/new-legislative-framework/.

Standards

EU standards setting is based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European, or international level. Non-governmental organizations, including environmental and consumer groups, play an important role in European standardization. Many EU standards are adopted from international standard setting bodies such as the International Standards Organization (ISO). EU standards are formally drafted by three European standards organizations:

- CENELEC, European Committee for Electro Technical Standardization: http://www.cenelec.eu/
- ETSI, European Telecommunications Standards Institute: http://www.etsi.org/
- CEN, European Committee for Standardization, handling all other standards:
The EU recognized CEN, CENELEC, and ETSI as European Standardization Organizations through EU Regulation 1025/2012, which entered into force in 2013. EU standards are established or modified by experts in technical committees or working groups. CEN and CENELEC work with the national standards bodies of EU member states, which have "mirror committees" that monitor and participate in ongoing European standardization. When possible, CEN, CENELEC, and ETSI are encouraged to reference international standards and to include societal stakeholders to improve efficiency in terms of delivery through European standardization.

CEN, CENELEC, and their national members and committees work jointly to develop and define standards to facilitate cross-border trade and support the implementation of European legislation. ETSI allows direct participation in its technical committees from non-EU companies with interests in Europe and offers some of its individual standards at no charge on its website. After the publication of a European standard, each national standards body or committee is obligated to withdraw any national standard conflicting with the new European standard, thereby ensuring harmonization.

In addition to the three standards developing organizations, the European Commission plays an important role in standardization by funding and encouraging small- and medium-sized companies and non-governmental organizations, such as environmental and consumer groups, to participate in the standardization process. The Commission also provides money to the standards bodies when it mandates standards development to the European Standards Organization for harmonized standards to be linked to EU technical legislation. Additional information on such mandates is available at http://ec.europa.eu/growth/tools-databases/mandates/index.cfm.

Given the EU's vigorous promotion of its regulatory and standards system as well as generous development funding, the EU's standards regime is broad and extends well beyond the EU's political borders to include affiliate members such as Albania, Belarus, Macedonia, and Morocco, among others. In addition, the standards organizations of countries such as Mongolia, Kazakhstan, and Australia, which are not likely to become CEN members or affiliate members for political and geographical reasons, are recognized as "partner standardization bodies."

The CEN and CENELEC websites include information on current EU standardization requirements. In addition to their respective annual work plans, CEN’s "what we do" page provides an overview of standards activities by subject. Both CEN and CENELEC allow database searches, while ETSI's portal (http://portal.etsi.org/Portal_Common/home.asp) links to ongoing activities.


Testing, inspection and certification

Conformity Assessment

The European Union requires all manufacturers to submit their products to conformity assessment procedures to ensure they meet all applicable EU requirements and to prevent unsafe or noncompliant products from entering the market. EU product legislation provides manufacturers a number of options regarding conformity assessment depending on the level of risk involved in the use of their product, ranging from self-certification, type examination, and production quality control systems to full quality assurance systems. Conformity assessment bodies in individual member states are listed in the European Commission's New Approach Notified and Designated Organizations (NANDO) Information System at http://ec.europa.eu/growth/tools-databases/nando/.
A number of voluntary conformity assessment programs are available to promote market acceptance of final products, including CENELEC’s conformity assessment program, CEN’s Keymark system, CENCER mark, and workshop agreement (CWA) Certification Rules. ETSI does not offer conformity assessment services.

Product Certification

To sell products in the EU’s 28 member states as well as in Norway, Liechtenstein, and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of options to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to their manufacturing process, and whether to use EU-wide harmonized standards.

Products manufactured to standards adopted by CEN, CENELEC, and ETSI and referenced in the Official Journal as harmonized standards are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. Products designated accordingly can be marketed and circulate freely within the EU. Manufacturers that choose not to use the harmonized EU standards must demonstrate their product meets the essential safety and performance requirements. Trade barriers may arise when European standardization organizations adopt design rather than performance standards and when U.S. companies without a European presence do not have access to the appropriate standardization process.

The EU adopted the New Legislative Framework in 2010 to strengthen market surveillance of regulated products throughout the EU and to establish a blueprint for all CE marking legislation, harmonize definitions, and establish responsibilities for European accreditation. National control authorities of EU member states are primarily responsible for CE marking, which simplifies the task of essential market surveillance of regulated products. CE marking is not intended to require detailed technical information on the product, but should include sufficient information to enable inspectors to trace the product back to the manufacturer or the local contact established in the EU. Such detailed information should not appear next to the CE marking, but rather on the declaration of conformity, which the manufacturer or authorized agent must be able to produce at any time, along with the product’s technical file or the documents accompanying the product.

Accreditation

Competent national authorities may officially accredit independent testing and certification laboratories as notified bodies to test and certify products as meeting EU requirements. “European Accreditation” (EA) is an association of national accreditation bodies officially recognized by national governments to assess and verify against international standards organizations carrying out evaluation services such as certification, verification, inspection, testing, and calibration. Membership is open to nationally-recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58. Additional information on EA is available at http://www.european-accreditation.org/.

Publication of technical regulations

The official gazette of the European Union, the Official Journal is published online daily at http://eur-lex.europa.eu/LexUriServ/en and consists of two series covering draft and adopted legislation as well as case law, committee reports, and other information on technical regulations. The Official Journal also includes the standards reference numbers linked to legislation at http://ec.europa.eu/growth/single-market/european-standards/harmonised-standards/index_en.htm.

Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country(ies) and industry sector(s) of interest, and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

Contact Information

The Slovenian Standards Institute (SSI) is responsible for national technical and quality standards in Slovenia. Information on specific local standards and certification requirements is available through SSI at www.sist.si, by email at sist@sist.si, by telephone at +386-1-478 3013, or by fax at +386-1-478 3094.

Trade Agreements

Slovenia has been a member of WTO since 1995 (http://www.wto.org/English/thewto_e/countries_e/slovenia_e.htm).

Bilateral agreements between the Republic of Slovenia and the Government of United States of America:

- Agreement on Investment Incentives  
  Signed in Washington on 04.26.1994

- Convention on International Civil Aviation  
  Signed in Chicago on 12.07.1944

- Statute of the International Monetary Fund  
  Signed in Washington on 01.01.1945

- Statute of the International Financial Corporation  
  Signed in Washington on 04.11.1955

- Statute of the International Bank for Reconstruction and Development  
  Signed in Washington on 12.27.1945

- Accord on Transit in the International Air Space  
  (Accord relative au Transit des Services Aériens Internationaux)  
  Signed in Chicago on 12.07.1944

For a list of trade agreements with the EU and its member states, as well as concise explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp.

Licensing Requirements for Professional Services

Slovenia does not recognize U.S. legal accreditation, and regulations regarding licenses to practice in-country are restrictive. Some Slovenian law firms conduct business in English and are familiar with U.S. law. Information on local service providers specializing in EU law, consulting, and business development is available through the Commercial Service at the U.S. Mission to the European Union at https://2016.export.gov/europeanunion/bussinesproviders/index.asp.
Web Resources

Information on Slovenian customs legislation:

More on EU customs:

Information on excise duties:

National Trade Estimate Report on Foreign Trade Barriers, published by USTR:

Agricultural trade barriers:
  http://www.fas.usda.gov/

Trade Compliance Center:
  http://www.trade.gov/

U.S. Commercial Service, U.S. Mission to the European Union:
  http://www.buyusa.gov/

EU’s Customs website:
  http://ec.europa.eu/taxation_customs/home_en

Information on batteries:
  http://export.gov/europeanunion/marketresearch/telecommunicationse-commercesectors/

REACH:
  http://www.buyusa.gov/

WEEE and RoHS:
  http://www.buyusa.gov/

Up-to-date information on harmonized import requirements:
  http://www.fas.usda.gov/

U.S. export controls:
  http://www.bis.doc.gov

EU mandatory and voluntary labeling and marking requirements:

Slovenian Standards Institute:
www.sist.si
Foreign Agricultural Service:

http://www.fas.usda.gov/

Labeling: Key Links:


European Accreditation:

http://www.european-accreditation.org/home

Trade agreements with the EU and its Member States:

http://www.wto.org/English/thewto_e/countries_e/slovenia_e.htm

More resources offering up-to-date information pertaining to Slovenia’s legal and regulatory framework in Slovenia are available at http://www.poslovniportal.si/

EU websites:

Online customs tariff database (TARIQ):


Modernized Community Customs Code (MCCC):


ECHA:

http://echa.europa.eu

Taxation and Customs Union:

http://ec.europa.eu/taxation_customs/home_en

Security and Safety Amendment to the Customs Code - Regulation (EC) 648/2005:


Electronic Customs Initiative: Decision N° 70/2008/EC


Modernized Community Customs Code Regulation (EC) 450/2008:


Legislation related to the Electronic Customs Initiative:


International Level:

What is Customs Valuation?

Establishing the Community Customs Code: Regulation (EC) nº 648/2005 of 13 April 2005

Pre Arrival/Pre Departure Declarations:

AEO: Authorized Economic Operator:

Contact Information at National Customs Authorities:
http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

New Approach Legislation:
http://ec.europa.eu/growth/index_en.htm

Cenelec, European Committee for Electrotechnical Standardization:
http://www.cenelec.eu/

ETSI, European Telecommunications Standards Institute:
http://www.etsi.org/

CEN, European Committee for Standardization, handling all other standards:
http://www.cen.eu/cenorm/homepage.htm

Standardization – Mandates:

ETSI – Portal – E-Standardization:
http://portal.etsi.org/Portal_Common/home.asp

CEN – Sector Fora:

Nando, (New Approach Notified and Designated Organizations) Information System:
http://ec.europa.eu/growth/tools-databases/nando/

Mutual Recognition Agreements (MRAs):
http://ec.europa.eu/growth/single-market/goods/

European Co-operation for Accreditation:
http://www.european-accreditation.org/

Eur-Lex – Access to European Union Law:
https://eur-lex.europa.eu/homepage.html

Standards Reference Numbers linked to Legislation:

European Standards:

What's New:

National technical Regulations:
http://ec.europa.eu/growth/tools-databases/

NIST - Notify U.S.:
http://www.nist.gov/

Metrology, Pre-Packaging – Pack Size:

European Union Eco-label Homepage:
http://ec.europa.eu/comm/environment/ecolabel/index_en.htm

Eco-Label Catalogue:
http://ec.europa.eu/ecat/

U.S. websites:

National Trade Estimate Report on Foreign Trade Barriers:

Agricultural Trade Barriers:
http://www.fas.usda.gov/

Trade Compliance Center:
http://www.trade.gov/

U.S. Mission to the European Union:
http://useu.usmission.gov/

The New EU Battery Directive:
http://export.gov/europeanunion/marketresearch/telecommunicationse-commercesectors

The Latest on REACH:
http://export.gov/europeanunion/reachclp/index.asp

WEEE and RoHS in the EU:
http://export.gov/europeanunion/weeerohs/index.asp

Overview of EU Certificates:
http://www.fas.usda.gov/

Center for Food Safety and Applied Nutrition:
http://www.fda.gov/Food/default.htm

EU Marking, Labeling and Packaging – An Overview:

Trade Agreements:
http://tcc.export.gov/Trade_Agreements/index.asp
**Investment Climate Statement**

Several factors make Slovenia an attractive location for foreign direct investment (FDI): modern infrastructure with access to important EU transportation corridors, a major port on the Adriatic Sea with access to the Mediterranean, a highly-educated and professional workforce, proximity to Central European and Balkan markets, and membership in the Schengen Area, EU and Eurozone.

The 2008 global economic crisis hit Slovenia hard and the country slumped into recession again in 2012. Slovenia’s Statistical Office reported economic growth topped 2.6 percent each year in 2014-16, however, and Slovenia is now one of the fastest growing economies in the EU, with growth estimated at over 5 percent in 2017 and projected at 4 percent in 2018. According to the Chamber of Commerce and Industry of Slovenia, at least 50 percent of Slovenia’s economy remains state-owned or state-controlled, and there is continued resistance to privatization and foreign direct investment (FDI), despite general awareness of FDI’s importance to economic growth, job creation, and developing new technologies. Potential investors in Slovenia still face significant challenges, including a lack of transparency in economic and commercial decision-making, time-consuming bureaucratic procedures, opaque public tender processes, and an often inconsistent taxation and regulatory structure.

As of 2016, the Bank of Slovenia reported inward FDI in Slovenia totaled EUR 12.9 billion (32 percent of GDP), an increase of 11.5 percent over the previous year. EU member states accounted for 84.7 percent of all inward FDI, primarily in manufacturing (32.5 percent), financial and insurance activities (22.5 percent), and wholesale and retail trade and repair of motor vehicles and motorcycles (19.2 percent). Slovenia’s most important sources for direct foreign investment were Austria (24.7 percent of all inward FDI), Luxembourg (11.1 percent), Switzerland (10.6 percent), Italy (8.8 percent), and Germany (8.6 percent).

Taking into account both direct and indirect investment, Bank of Slovenia data indicated U.S. companies accounted for 13.9 percent of foreign investment in 2016, with EUR 53.6 million invested directly and an additional EUR 1.741 billion invested indirectly through subsidiaries in Luxembourg, Sweden, Germany, and Switzerland. This investment totaled EUR 1.795 billion and was second only to Germany’s EUR 1.861 billion in direct and indirect investment.

According to the Bank of Slovenia, although foreign companies in Slovenia represented only a small share of total FDI (4.7 percent) in 2016, they accounted for nearly 23.7 percent of capital, over 24 percent of assets, and 24.2 percent of corporate sector employees. Their capital and workforce generated more than 31 percent of total net sales revenue and 28.8 percent of total operating profit. Foreign companies accounted for 39.9 percent of corporate sector exports and 44.9 percent of corporate sector imports. Wages in foreign firms were 12.7 percent higher than the average Slovenian salary and net profit per employee was 21.8 percent higher, while value-added was 12.2 percent higher on average than for domestically-owned companies. Returns on equity (ROE) for foreign companies in Slovenia were 10.4 percent higher in 2016, compared to 7.3 percent for all firms.
Table 1

<table>
<thead>
<tr>
<th>Measure</th>
<th>Year</th>
<th>Index/Rank</th>
<th>Website Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>TI Corruption Perceptions Index</td>
<td>2017</td>
<td>34 of 175</td>
<td><a href="http://www.transparency.org/research/cpi/overview">http://www.transparency.org/research/cpi/overview</a></td>
</tr>
<tr>
<td>Global Innovation Index</td>
<td>2017</td>
<td>32 of 128</td>
<td><a href="https://www.globalinnovationindex.org/analysis-indicator">https://www.globalinnovationindex.org/analysis-indicator</a></td>
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<tr>
<td>U.S. FDI in partner country (M USD, stock positions)</td>
<td>2016</td>
<td>USD 399</td>
<td><a href="http://www.bea.gov/international/factsheet/">http://www.bea.gov/international/factsheet/</a></td>
</tr>
</tbody>
</table>

Openness to and Restrictions upon Foreign Investment

Policies Toward Foreign Direct Investment

The Slovenian Public Agency for the Promotion of Entrepreneurship, Innovation, Development, Investment and Tourism (SPIRIT) promotes FDI and advocates on behalf of foreign investors in Slovenia. Its mission is to enhance Slovenia's economic competitiveness through technical and financial assistance to entrepreneurs, businesses, and investors.

Foreign companies conducting business in Slovenia have the same rights, obligations, and responsibilities as domestic companies. The principles of commercial enterprise, which include free operation and national treatment, apply to the operations of foreign companies as well. The Law on Commercial Companies and the Law on Foreign Transactions guarantee their basic rights.

According to SPIRIT's annual survey on foreign perceptions of the Slovenian business environment, investors cite the high quality of Slovenia's labor force as the primary factor in choosing Slovenia as an investment destination, followed by widespread knowledge of foreign languages, technical expertise of employees, innovation potential, and strategic geographic position providing access to EU and Balkan markets.

While generally welcoming Greenfield investments, Slovenia presents a number of informal barriers that challenge foreign investors. According to SPIRIT's survey, the most significant FDI disincentives are high taxes, high labor costs, lack of payment discipline, an inefficient judicial system, difficulties in firing employees, and excessive bureaucracy.

Foreign companies doing business in Slovenia and the local American Chamber of Commerce have also cited additional factors that adversely affect the local investment climate, including the lack of a high-level FDI
promotion strategy, a sizable judicial backlog, difficulties in obtaining building permits, labor market rigidity, and disproportionately high social contributions and personal income taxes coupled with excessive administrative tax burdens. Businesses have also reported a lack of transparency in public procurement, unnecessarily complex and time-consuming bureaucracy, frequent regulatory changes, relatively high real estate prices, and confusion among government agencies over responsibility and jurisdiction regarding foreign investment.

**Limits on Foreign Control and Right to Private Ownership and Establishment**

Both foreign and domestic private entities have the right to establish and own business enterprises, and engage in different forms of remunerative activity. Slovenia has relatively few formal limits on foreign ownership or control.

**Sector-specific restrictions**

Professional services: There are limits on banking and investment services, private pensions, insurance services, asset management services, and settlement, clearing, custodial, and depository services provided in Slovenia by companies headquartered in non-EU countries. Companies from non-EU countries can operate freely only through an affiliate with a license granted by an appropriate Slovenian or EU institution.

Gaming: There is a 20 percent cap on private ownership of individual companies.

Air transport: Aircraft registration is only possible for aircraft owned by Slovenian or EU nationals or companies controlled by such entities. Companies controlled by Slovenian nationals or carriers complying with EU regulations on ownership and control are the only entities eligible for Air Operator’s Certificates (AOC) for performing airline services.

Maritime transport: The law forbids majority ownership by non-EU residents of a Slovenian-flagged maritime vessel unless the operator is a Slovenian or other EU national.

Slovenia has an open economy, and no screening or review process is necessary for FDI.

**Other Investment Policy Reviews**


**Business Facilitation**

Individuals or businesses may adopt a variety of different legal and organizational forms to perform economic activities. Businesses most commonly incorporate legally as limited liability companies (LLC or d.o.o.) and public limited companies (PLC or d.d.).

Non-residents of the Republic of Slovenia must obtain a Slovenian tax number before beginning the process of establishing a business. Slovenia’s Companies Act, which is fully harmonized with EU legislation, regulates the establishment, management, and organization of companies.


Generally, bureaucratic procedures and practices for foreign investors wishing to start a business in Slovenia are sufficiently streamlined and transparent. Start-up costs for businesses are among the lowest in the EU. In order to establish a business in Slovenia, a foreign investor must produce capital of at least EUR 7,500 (USD 8,771) for an LLC and EUR 25,000 (USD 29,237) for a stock company. The investor must also establish a
business address and file appropriate documentation with the courts. The entire process usually takes three weeks to one month, but may take longer in Ljubljana due to court backlogs.

Individuals or legal entities may establish businesses through a notary, one of several VEM (Vse na Enem Mesto or "all in one place") point offices designated by the Slovenian government, or online. A list of VEM points is available at http://www.podjetniski-portal.si/ustanavljam-podjetje/vem-tocke/seznam-vstopnih-tock-vem.


Outward Investment

Slovenia does not restrict domestic investors from investing abroad, nor are there any incentives for outward investments. The majority of Slovenia’s outward investments are in the Western Balkans. The Bank of Slovenia reports Croatia is the most popular destination for Slovenian outward investment, constituting 28 percent of Slovenia’s investments abroad, followed by Serbia (18 percent), Bosnia and Herzegovina (9 percent), and Macedonia (7 percent).

Bilateral Investment Agreements and Taxation Treaties

Slovenia does not have a Bilateral Investment Treaty (BIT) with the United States.

Slovenia has signed BITs with Albania, Austria, the Belgium - Luxembourg Economic Union, Bosnia and Herzegovina, Bulgaria, China, Croatia, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Israel, Kuwait, Lithuania, Macedonia, Malta, Moldova, Montenegro, the Netherlands, Poland, Portugal, Romania, Singapore, Slovakia, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, the United Kingdom, Uzbekistan, and Serbia.

Slovenia has a bilateral taxation treaty with the United States.

Slovenia has signed bilateral taxation treaties with Albania, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, China, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, India, Iran, Ireland, the Isle of Man, Israel, Italy, Japan, Kazakhstan, Kosovo, Kuwait, Latvia, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Montenegro, the Netherlands, Norway, Poland, Portugal, Qatar, the Republic of Korea, Romania, the Russian Federation, Serbia, Singapore, Slovakia, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, the United Arab Emirates, the United Kingdom, the United States, and Uzbekistan.

Legal Regime

Transparency of the Regulatory System

Accounting, legal, and regulatory procedures are transparent and consistent with international norms.

Financial statements should be prepared by the Slovenian Institute of Auditors in accordance with the Slovenian Accounting Standards and International Financial Reporting Standards (IFRS), as adopted by the EU. Annual reports of for-profit business entities are publicly available on the website of AJPES, the Slovenian Business Database (https://www.ajpes.si/?language=english).

There are three levels of regulatory authority: supra-national (Slovenia is a member of the EU), national, and sub-national (municipalities have limited regulatory power over local affairs, and regulations must comply with state regulations). Laws may be proposed by the government, member(s) of parliament, or through signatures of at least 5,000 voters.
Slovenia adopted a comprehensive regulatory policy in 2013, focusing on measures aimed at raising the quality of the regulatory environment to improve the business environment and increase competitiveness.

Slovenia’s Ministry of Public Administration is required by several legal and policy documents to solicit and include public stakeholder engagement in decision-making processes. Public authorities must solicit stakeholder engagement and inform the public about their work to the greatest extent possible.

Government entities that propose regulations must invite experts and the general public to participate by publishing a general invitation, together with a draft regulation, on their websites. The experts and general public must respond by the deadline, ranging from 30 to 60 days from the day of its publication. In addition to the relevant ministry, the proposals are also published on the government websites and on the Ministry of Public Administration’s eDemocracy portal.

Through the eDemocracy web portal, citizens may actively cooperate in the decision-making process by expressing opinions and submitting proposals and comments on draft regulations. When possible, government entities take into consideration proposals and opinions on proposed regulations submitted by experts and the general public. If such opinions and proposals are not taken into consideration, those proposing the regulation must inform stakeholders in writing and explain the reasons.

The public, however, is not invited to comment on proposed regulations when the nature of the issue precludes such consideration, such as in emergency situations and in matters relating to the national budget, the annual financial statement, the rules of procedure of the government, ordinances, resolutions, development and planning documents, development policies, declarations, acts ratifying international treaties, and official decisions.

A regulatory impact assessment (RIA) is obligatory for all primary legislation; however, the quality of such assessments varies and analyses are often only qualitative or incomplete due to the lack of an external body to conduct quality control. The quality of such assessments has improved, however, since the Ministry of Public Administration introduced its small-to-medium enterprises (SME) test in 2012 to measure regulatory impacts on small and medium-sized businesses.

The General Secretariat of the Republic of Slovenia is responsible for administrative oversight to ensure the government follows administrative procedures. There are no informal regulatory processes managed by non-governmental organizations or private sector associations.

According to the Ministry of Public Administration, Slovenia’s executive branch initiates approximately 92 percent of primary laws, with regulations often developed rapidly. The government’s frequent use of urgent procedures (normally reserved for national emergencies) to pass legislation often limits the stakeholder engagement process.

After the adoption of new legislation, the text is published in the Official Gazette of the Republic of Slovenia and online at https://www.uradni-list.si/glasilo-uradni-list-rs. Slovenia lacks a systematic process to evaluate regulations after their implementation.

To measure regulatory burdens on businesses, Slovenia adopted the Standard Cost Model, which has led to a significant reduction of such burdens. The United Nations (UN) awarded its Public Service Award to Slovenia in 2009 for its system of one-stop shops (the so-called “VEM points”) to incorporate and establish businesses. The introduction of e-government processes has simplified administrative procedures.

**International Regulatory Considerations**

Slovenia joined the WTO in 1995, and to date Slovenia has not violated WTO rules. The law treats domestic and foreign investors equally. The government does not impose performance requirements or any condition for establishing, maintaining or expanding an investment. As a WTO member country, Slovenia is required by
the Agreement on Technical Barriers to Trade (TBT Agreement) to report to WTO all proposed technical regulations that could affect trade with other member countries. Slovenia is a signatory to the Trade Facilitation Agreement (TFA) and has implemented all TFA requirements.

As an EU member state, Slovenia applies two principles in its regulatory system: the supremacy of EU laws and the principle of direct effect. In areas subject to EU responsibility, EU laws override any conflicting member state laws. Direct effect enables Slovenians and other EU citizens to use EU laws in national courts against the government or private parties.

**Legal System and Judicial Independence**

Slovenia has a well-developed, independent legal system based on a five-tier (district, regional, appeals, supreme, and administrative) court system. These courts handle a wide array of legal cases, including criminal, probate, domestic relations, land disputes, contracts, and other business-related issues. A separate social and labor court system, comprised of regional, appeals, and supreme courts, deals strictly with labor disputes, pensions, and other social welfare claims. As with most other European countries, Slovenia has a Constitutional Court, which receives complaints alleging violations of human rights and personal freedoms. The Constitutional Court also issues opinions on the constitutionality of international agreements and state statutes and deals with other high profile political issues. In 1997, Slovenia’s National Assembly established an administrative court to handle legal disputes among local authorities, between state and local authorities, and between local authorities and executors of public authority.

In 1999, the National Assembly passed legislation to streamline legal proceedings and speed up administrative judicial processes. The law established a stricter and more efficient procedure for serving court documents and providing evidence. In commercial cases, defendants are required to file their defense within 15 days of receiving a notice of a claim. At the end of 2017, the Ministry of Justice reported 72,109 cases remained open.

**Laws and Regulations on Foreign Direct Investment**

On March 27, 2018, the National Assembly passed Slovenia’s Investment Incentives Act, defining the types of incentives, criteria, and procedures to promote long-term investment in Slovenia. The act establishes that domestic and foreign investors are equal and mandates priority treatment of strategic investments, defined as investments totaling EUR 40 million or more and creating 400 new jobs in manufacturing and services, while R&D strategic investments are defined as totaling at least EUR 200 million and creating 200 new jobs. Under the law, a working group headed by the Ministry of Economic Development and Technology will assist strategic investors in obtaining necessary permits. The Invest Slovenia website serves as a resource for investors to obtain relevant information on investment regulations and incentives.

**Competition and Anti-Trust Laws**

Slovenia’s Prevention of Restriction of Competition Act regulates restrictive practices, concentrations, unfair competition, regulatory restrictions of competition, and measures to prevent restrictive practices and concentrations that significantly impede effective competition. The law applies to corporate bodies and natural persons engaged in economic activities regardless of their legal form, organization, or ownership. The law also applies to the actions of public companies and complies with EU legislation.

Slovenia’s competition and anti-trust laws prohibit restrictive agreements; direct or indirect price fixing; sharing markets or supply sources; limiting or controlling production, sales, technical progress, or investment; applying dissimilar conditions to different trading parties; or subjecting the conclusion of contracts to acceptance of supplementary obligations that, by their nature or according to commercial usage, have no connection with the subject of their contracts.
Companies and entities whose domestic market share exceeds 40 percent for a single undertaking and 60 percent for two or more undertakings (joint dominance) are prohibited from abusing dominant market positions. Slovenian law defines a non-exhaustive list of dominant position abuses describing the most common practices.

However, the government may prescribe market restrictions by means of regulatory instruments and actions in cases of natural disasters, epidemics or states of emergency; significant market disturbances due to a shortage of goods or disturbances in other fields that represent a risk to the safety and health of the population; or when necessary to satisfy product requirements, raw materials, and semi-finished goods of special or strategic importance to the defense of the nation.

The fines for restrictive agreements and abuses of dominant positions may total as much as 10 percent of an undertaking's annual turnover in the preceding business year. Those legally responsible for a legal entity or sole proprietorship may be subject to a fine of EUR 5,000-10,000 or EUR 15,000-30,000 for more serious violations.

Slovenia's Competition Protection Agency (CPA) supervises the implementation of the Restriction of Competition Act. The agency monitors market conditions to ensure effective competition, conducts procedures and issues decisions, and submits opinions to the National Assembly and the government. The CPA is also responsible for the enforcement of Slovenia's antitrust and merger control rules. An independent administrative authority, the CPA was established in 2013 by reorganization of the former Slovenian Competition Protection Office, which was part of the Ministry of the Economy. Some private sector representatives expressed concern about the CPA's susceptibility to outside influence and ability to reach timely decisions on complex cases.

In 2017, the CPA reviewed 34 undertakings to assess their potential market implications. By the end of the year, the CPA had issued decisions in 30 cases, with four still pending, and found evidence of dominant market position abuse in two cases. In a high-profile case involving a U.S. firm's bid to purchase a Slovenian media company, the CPA reviewed whether the acquisition would establish a dominant market position or limit access to television channels through unfair and discriminatory terms. The CPA had yet to issue a decision in the case by the end of the year.

Expropriation and Compensation

According to Article 69 of Slovenia’s Constitution, the government may take real property or limit rights to possess real property for public purposes in the public interest, in exchange for in-kind compensation or financial compensation under conditions determined by law. Article 7 of Slovenia’s Investment Incentives Act stipulates that, if the government deems an investment strategic, it may expropriate private property for construction in exchange for compensation, under conditions determined by law. In such cases, a special government task force monitors the investment and coordinates the acquisition of environmental and building permits.

The current government is not involved in any expropriation-related investment disputes. National law gives adequate protection to all investments. However, legal disputes continue over private property expropriated by the former Yugoslav government for state purposes. Following its secession from Yugoslavia, Slovenia's 1991 Denationalization Act established a process to "denationalize" these properties, return them to their rightful owners or their heirs, or pay just compensation if returning the property was not feasible. In some of these cases, the rightful owners and heirs are U.S. citizens.

Since the 1993 deadline for filing claims, the Ministry of Justice reports over 99 percent of denationalization cases have been closed, although only 88 percent of cases involving American owners and heirs have been resolved. Cases involving U.S. citizens have taken longer in part because the claimants generally do not live in
Slovenia. In such cases, the Ministry of Justice must determine the nationality of the property’s former owners at the time the property was seized – a generally simple question for Slovenians who never acquired another citizenship, but more complicated in cases involving naturalized American citizens. In addition, some claims may involve property currently controlled by prominent and influential Slovenians, thereby creating additional informal obstacles to restitution.

Dispute Settlement

ICSID Convention and New York Convention

Slovenia is a contracting state to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID) and a signatory to the New York Convention on Recognition of Foreign Arbitral Awards, which requires local courts to enforce international arbitration awards that meet certain criteria.

There have been no major investment disputes in Slovenia over the past five years. Authorities handle investment disputes in the same manner as all other business disputes.

International Commercial Arbitration and Foreign Courts

Slovenia is a signatory to the 1961 European Convention on International Commercial Arbitration. The Slovenian Arbitration Act is modeled after the UN Commission on International Trade Law’s model law. Slovenia’s regional court specializing in economic issues has jurisdiction over business disputes. However, parties may agree in writing to settle disputes in another court or jurisdiction. Parties may also agree to court-annexed mediation. Local courts recognize and enforce foreign arbitral awards and foreign court judgments.

Parties may also exclude the court as the adjudicator of a dispute if they agree in writing to arbitration, whether ad hoc or institutional. In the former, applicable procedures and laws must be determined. In the case of institutional arbitration, Slovenian law requires a clear definition of the type of arbitration to be implemented. The Slovenian Chamber of Commerce’s Ljubljana Arbitration Center is an independent institution that resolves domestic and international disputes arising out of business transactions among companies. Arbitration rulings are final, and decisions are binding.

Bankruptcy Regulations

Competition is lively in Slovenia, and bankruptcies are an established and reliable means of working out firms’ financial difficulties. By law, there are three procedural methods for dealing with bankrupt debtors. The first procedure, compulsory settlement, allows the insolvent debtor to submit a plan to the court for financial reorganization. Creditors whose claims represent more than 60 percent of the total amount owed may vote on the proposed compulsory settlement plan. If the settlement is accepted, the debtor is not obligated to pay the creditor any amount exceeding the payment agreed to in the confirmed settlement. The procedure calls for new terms, extended in accordance with the conditions of forced liquidation settlement (see below). Confirmed compulsory settlement agreements affect creditors who have voted against the compulsory settlement as well as creditors who have not reported their claims in the settlement procedure.

Creditors or debtors may also initiate bankruptcy proceedings. In such instances, the court names a bankruptcy administrator who sells the debtor’s property according to a bankruptcy senate, the senate president’s instructions, and court-sponsored supervision. Generally, the debtor’s property is sold at public auction. Otherwise, the creditors’ committee may prescribe a different mode of sale such as collecting offers or placing conditions on potential buyers. The legal effect of the completed bankruptcy is the termination of the debtor’s
legal status to conduct business, and distribution of funds from the sale of assets to creditors according to their share of total debt.

In accordance with the Law on Commercial Companies, the state can impose forced liquidation on a debtor subject to liquidation procedures and legal conditions for ending its existence as a business entity. This would occur, for example, in cases in which an entity’s management has ceased operations for more than 12 months, if the court finds the registration void, or by court order.

In 2013, the National Assembly adopted an amendment to the Financial Operations, Insolvency Procedures, and Compulsory Dissolution Act to simplify and speed up bankruptcy procedures and deleveraging.

Slovenia ranks as 9th out of 190 economies for ease of “resolving insolvency” in the World’s Bank Doing Business Report.

**Industrial Policies**

**Investment Incentives**

Slovenia offers special tax incentives for high-tech sector investments that create jobs and are linked to research and development activities. In some economically depressed and underdeveloped regions (such as the Prekmurje region near the Hungarian border), Slovenia offers special facilities, services, and financial incentives to foreign investors.

All companies registered in Slovenia can participate in government-financed or subsidized research and development programs, regardless of the origin of capital.

**Foreign Trade Zones/Free Ports/Trade Facilitation**

**Free Customs Zones (FCZ)**

The Port of Koper is Slovenia’s only FCZ. Under Slovenia’s Customs Act, subjects operating in FCZs are not liable for payment of customs duties, nor are they subject to other trade policy measures until goods are released into free circulation.

Duties and rights of users include the following:

- Separate books must be kept for activities undertaken in FCZs;
- Users may undertake business activities in a FCZ on the basis of contracts with the founders of FCZs;
- Users are free to import goods (customs goods, domestic goods for export) into FCZs;
- Goods imported into FCZs may remain for an indefinite period, except agricultural produce, for which the government sets a time limit;
- Entry to and exit from FCZs is to be controlled;
- Founders and users must allow customs, or other responsible authorities, to execute customs, or other, supervision; and
- For the purposes of customs control, users must keep records of all goods imported into, exported from, consumed or altered in FCZs.

The Customs Act also allows the establishment of open FCZs to allow for more flexible organization and supervision of customs authorities.

In such FCZs, users may undertake the following activities:
Production and service activities, including handicrafts, defined in the founding act or contract, and banking and other financial business transactions, property and personal insurance and reinsurance connected with the activities undertaken:

- Wholesale transactions;
- Retail sales, but only for other users of the zone or for use within the FCZ.

Slovenia has set aside land for Greenfield investments. Most of the newly-developed industrial zones have direct access to well-developed infrastructure, including highways and rail service. Land prices vary greatly. Municipalities and the state often subsidize infrastructure and land costs as incentives to increase employment opportunities, reducing prices for fully-equipped land in industrial zones.

For example, in the town of Lendava in eastern Slovenia, local real estate advertisements indicate the price per square meter of land is roughly EUR 5 (USD 5.85), while prices in the vicinity of Ljubljana can run to EUR 50 (USD 58.50) or more. Potential investors may access a full range of free services and concessions provided by local development agencies for start-ups. Such assistance may also include assistance in completing all the necessary paperwork, securing permits, and in some cases organizing and financing construction in line with investor requirements. Interested investors may contact the U.S. Embassy in Ljubljana for further information.

Performance and Data Localization Requirements

Rigid procedures necessary to acquire work permits can be an impediment for foreign investors. It can take as long as two to three months to obtain a single work and residence permit, which is required for local employment. Applicants must submit their single permit application at an administrative unit or at the diplomatic or consular office in their home country. The Ministry of Labor has established a fast-track procedure for foreigners registered as authorized persons or representatives of companies, managers of branch offices, and foreigners who are temporarily sent to work in organizational units for foreign legal persons (corporate entities) registered in Slovenia. More information on single work and residence permits and employment services may be found at http://english.ess.gov.si/the_info_point_for_foreigners/working_in_slovenia.

The government does not obligate foreign investors to use domestic content in goods and technology, or to use local data storage.

Protection of Property Rights

Real Property

According to the World Bank’s Doing Business index, registering property in Slovenia requires an average of five procedures, takes 49.5 days, and costs 2 percent of the property’s value. Globally, Slovenia ranks 36 of 190 economies on the ease of registering property.

Administrative reforms implemented in 2011 and 2012 simplified property registration, while increased automation in Slovenia’s land registry reduced property registration delays by 75 percent. Slovenia has also made transferring property easier by introducing online procedures and reducing fees. Virtually all land has a clear title.

The land registry court (local court) initiates the registration process for the entry of a title in the land registry. Amendments to the Land Registry Act adopted in 2009 and implemented in 2011 require submission to the court of proposals with appendices in electronic form. Submissions are tendered via a notary public or attorneys and real estate agencies acting on the applicant’s behalf. In some cases, applicants may submit registrations directly. Other amendments to the Land Registry Act have transferred responsibility from the courts to the notary for depositing original documents (e.g. contracts) attached to submissions, whereby the
notary's confirmation of authenticity renders the evidence value of the electronic version equal to that of the original. The amendments also enable free access via a web-portal to the land registry records, including pending notations and land register extracts, neither of which were free prior to the reform.

Land registry proposals are automatically assigned to the least-burdened local court. Once the proposal is filed with the land registry court, the registration process is initiated ex officio and the priority of entry is ensured with a land registry seal. The priority order takes effect the day the proposal has been filed. The buyer may theoretically dispose of the property as soon as the purchase agreement is signed and the buyer obtains (direct or indirect) possession of the property. Buyers whose title is not yet entered into the land registry, but who have already taken possession of the property are recognized as proprietary possessor in good faith - the presumed owner. The presumed owner has the right to claim the return of a property in the event of its dispossession from a proprietary possessor in good faith who has the property with a weaker legal title. The buyer may claim the return of the purchase price, but has no claims under the law of property until the title is entered into the land registry. Since May 2011, the law requires submission of proposals in electronic format.

**Intellectual Property Rights**

Slovenia has enacted advanced and comprehensive legislation for the protection of intellectual property that fully reflects the most recent developments in the TRIPS (Trade Related Aspects of Intellectual Property) Agreement and various EU directives. Slovenia negotiated its TRIPS commitments as a developing country and implemented the policy as of January 1, 1996. Slovenia is a full member of the TRIPS Council of the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO). Slovenia has ratified the WIPO Copyright Treaty and the Cyber Crime Convention.

Slovenia's Intellectual Protection Office actively participates in the Council of Europe’s Intellectual Property Working Group, the Trademark Committee, and other EU bodies engaged in the formulation of new EU intellectual property legislation. The Copyright and Related Rights Act, as amended in 2015 and 2016, deals with all aspects of modern copyright and related laws, including traditional works and their authors, computer programs, audiovisual works, and rental and lending rights. The act also takes into account new technologies such as storage and electronic memory, original databases, satellite broadcasting, and cable re-transmission. Slovenia's 2004 harmonization with EU legislation introduced a new system of collective management of intellectual property rights compliant with the latest directives.

The 1994 Law on Courts gives the District Court of Ljubljana exclusive subject matter jurisdiction over intellectual property disputes. The aim of the law is to ensure specialization of judges and efficiency of relevant proceedings. For enforcement of TRIPS provisions, the law provides a number of civil legal sanctions, including injunctive relief and the removal of the infringement, seizure and destruction of illegal copies and devices, publication of the judgment in the media, compensatory and punitive damages, border and customs measures, and the securing of evidence and other provisional measures without the prior notification and hearing of the other party. These infringements also constitute a misdemeanor charge, with fines ranging from EUR 400 (USD 468) to EUR 45,000 (USD 52,628) for legal persons and from EUR 40 (USD 47) to EUR 2,000 (USD 2,440) for supervisors of individual offenders provided that the reported offenses are not criminal in nature. In criminal cases, Slovenia’s Criminal Code applies, which may result in fines or imprisonment. While laws regarding intellectual property are clearly defined, foreign investors have complained that the court system is too slow.

Since the enactment of the Law on Copyright and Related Rights Act, there have been relatively few reported prosecutions regarding copyright infringements and violations. The most notable cases usually involve computer software piracy. In 2004, a long-running software piracy court case ended with a prison sentence and monetary fine. Slovenia has dedicated resources to training prosecutors and public authorities. Slovenia also continues to address the preservation of evidence in infringement procedures and border measures through amendments to existing legislation. The Ministry of Culture has established the Intellectual Property
Fund, the Slovenian Copyright Agency, and the Anti-Piracy Association of Software Dealers to combat the problem of piracy in a collective manner.

The Law on Industrial Property grants and protects patents, model and design rights, trademark and service marks, and appellations of origin. The holder of a patent, model, or design right is entitled to exclusively profit from the protected invention, shape, picture, or drawing; exclusively market any products manufactured in accordance with the protected invention, shape, picture, or drawing; dispose of the patent, model, or design right; and prohibit the use of a protected invention, model, or design by any person without consent.

The holder of a trademark has the exclusive right to use the trademark to designate products or services in the course of trade. The authorized user of a protected appellation of origin has the right to use the appellation in the course of trade for labeling products to which the appellation refers.

The patent and trademark rights granted by the Law on Industrial Property take effect from the date of filing the appropriate applications. Patents are granted for 20 years from the date of filing, and model and design rights are granted for 10 years. Trademarks are granted for 10 years, but may be renewed an unlimited number of times. The term of an appellation of origin is unlimited. All patents and trademarks are registered through the Intellectual Property Office, and all registers are open to the public. Patent and trademark applications filed in member countries of the International Union for the Protection of Industrial Property are afforded priority rights in Slovenia. The priority period is 12 months for patents and six months for model and design rights.

Any person who infringes upon a patent or trademark right may be held liable for damages and prohibited from carrying out the infringing acts.


The Law on Industrial Property also provides for the contractual licensing of patents, model and design rights, and marks. All license agreements must be in writing and specify the duration of the license, the scope of the license, whether the license is exclusive or non-exclusive, and the amount of remuneration for use of the patent, model and design rights, and marks.

Compulsory licenses may be granted to another person when the invention is in the public interest or the patentee misuses rights granted under the patent. A misuse of a patent occurs when the patentee does not use or insufficiently uses a patented invention and refuses to license other persons to develop or make use of the protected invention, or imposes unjustified conditions on the licensees. If a compulsory license is granted, the patentee is entitled to compensation. Slovenian industrial property legislation fully complies with EU standards.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO’s country profiles at http://www.wipo.int/directory/en/.

Financial Sector

Capital Markets and Portfolio Investment

Capital markets remain relatively underdeveloped for Slovenia’s level of prosperity and the country continues to feel the effects of the global financial crisis. Enterprises rarely raise capital through the stock market and tend to rely on the traditional banking system and private lenders to meet their capital needs.
Established in 1990, the Ljubljana Stock Exchange (LSE) is a member of the International Association of Stock Exchanges (FIBV). In 2015, the Zagreb Stock Exchange acquired the LSE. However, the number of companies listed on the exchange is limited, and trading volume is very light, with annual turnover similar to a single day's trading on the NYSE. Low liquidity is an issue when entering or exiting sizeable positions.

In 1995, the Central Securities Clearing Corporation (KDD) was established to provide central securities custody services, clear and settle securities transactions, and maintain the central securities registry on the LSE electronic trading system. Slovenia's Securities Market Agency (SMA), established in 1994, has powers similar to the U.S. Securities and Exchange Commission. The SMA supervises investment firms, the LSE, the KDD, investment funds, and management companies. It shares responsibility with the Bank of Slovenia for supervision of banking and investment services.

Slovenia adheres to Article VIII of the International Monetary Fund's Article of Agreement and is committed to full current account convertibility and full repatriation of dividends.

The LSE uses different dissemination systems, including real-time online trading information via Reuters and the Business Data Solutions System. The LSE also publishes information on the Internet at http://www.ljse.si/.

Foreign investors in Slovenia have the same rights as domestic investors, including the ability to obtain credit on the local market.

Money and Banking System

There is a relatively high degree of concentration in Slovenia's banking sector. The country's largest bank, NLB (Nova Ljubljanska Banka), remains state-owned, despite the government's commitment to the European Commission to sell 50 percent of the bank by the end of 2017 and conclude the privatization process by the end of 2019. The second largest bank, NKBM (Nova Kreditna Banka Maribor), was sold to an American fund in 2016. NLB accounts for approximately 26 percent of market share, while NKBM and other foreign-owned banks account for more than 40 percent. There are 12 commercial banks, three savings banks, and three foreign bank branches in Slovenia, serving two million people. According to European Banking Federation data, the total assets of Slovenia's banking sector were EUR 37.1 billion (USD 43.4 billion) as of the end of 2016, accounting for approximately 93 percent of GDP. In 2008, the combined effects of the financial crisis, the collapse of the construction sector, and diminished demand for exports (nearly 70 percent of GDP is derived from exports) led to significant capital shortfalls. Bank assets declined steadily after 2009, but rebounded in 2016 and have remained steady since then. Most banks have tried to refocus their business activities towards the small and medium-sized enterprises segment and individuals/households, prompting larger companies to search for alternative financing sources.

Several foreign banks have announced takeovers or mergers with Slovenian banks. In 2001, the French bank Societe Generale acquired Slovenia's largest private bank, SKB Banka. That same year, the Italian banking group San Paolo IMI purchased 82 percent of the Bank of Koper, the fifth largest bank in Slovenia. In 2002, the government sold 34 percent of NLB to Belgium's KBC Group and another five percent to the European Bank for Reconstruction and Development (EBRD). In December 2012, KBC sold its share of NLB, and the government stepped in again to recapitalize the bank. In early 2018, the government continued to negotiate with the European Commission on NLB's privatization.

Slovenia's banking sector was hit hard by the 2009 economic crisis. NLB and NKBM faced successive downgrades by credit rating agencies due to the large number of non-performing loans in their portfolios. According to World Bank statistics, an estimated 5.1 percent of Slovenian banking assets were non-performing as of end of 2016, while approximately 12 percent of NLB's total assets were nonperforming at the end of 2017. According to European Bank Authority statistics from mid-2017, based on a broader definition of "non-
performing loans.” 14 percent of all loans in Slovenia were past due. The Slovenian Bank Association report estimates 5.3 percent of Slovenian bank loans are nonperforming.

In 2013, the government established a Bank Asset Management Company (BAMC) with a management board comprised of financial experts to promote stability and restore trust in the financial system. BAMC agreed to manage the non-performing assets of three major state banks in exchange for bonds. Three such operations were conducted from December 2013 through March 2014. The government also injected EUR 3.5 billion (USD 4.1 billion) into three of the biggest banks (NLB, NKBM, and Abanka). These measures helped recapitalize and revitalize the country’s largest commercial banks.

Banking legislation authorizes commercial banks, savings banks, and stock brokerage firms to purchase securities abroad. Investment funds may also purchase securities abroad, provided they meet specified diversification requirements.

Slovenian entrepreneurs are very active in developing blockchain technology, with several important global blockchain technology players headquartered in Slovenia. Despite this vibrant community, however, Slovenian banks have not adopted blockchain technologies to process banking transactions.

Slovenia’s takeover legislation is fully harmonized with EU regulations. In 2006, Slovenia implemented EU Directive 2004/25/ES by adopting a new takeover law. The law was amended in 2008 to reflect Slovenia’s adoption of the euro as its currency. The law defines a takeover as a party’s acquisition of 25 percent of a company’s voting rights and requires the public announcement of a potential takeover offer for all current shareholders. The acquiring party must publicly issue a takeover offer for each additional acquisition of 10 percent of voting rights until it has acquired 75 percent of voting rights. The law also stipulates that the acquiring party must inform the share issuer whenever its stake in the target company reaches, surpasses, or drops below 5, 10, 20, 25, 33, 50, or 75 percent. The law applies to all potential takeovers.

It is common for acquisitions to be blocked or delayed, and drawn out negotiations and stalled takeovers have hurt Slovenia’s reputation in global financial markets. In 2015, the privatization of Slovenia’s state-owned telecommunications company, Telekom Slovenije, failed in large part due to political attempts to discourage the sale of a state-owned company. The government has struggled to meet its commitment to open Slovenia’s economy to the international capital market. Slovenia’s biggest retailer, Mercator, faced similar challenges in 2014 when a lengthy and arduous process and strong domestic opposition preceded its eventual sale to a Croatian buyer.

A handful of large companies dominate Slovenia’s insurance sector. The largest such company, state-owned Triglav d.d., holds 36 percent of the total market. The four largest insurance companies in Slovenia account for 84 percent of the market, while foreign insurance companies constitute less than 10 percent. In 2016, two Slovenian and two Croatian insurance companies merged into a new insurance company, SAVA. 14 insurance companies, two re-insurance companies, three retirement companies, and seven branches of foreign firms operate in Slovenia. Insurance companies primarily invest their assets in non-financial companies, state bonds, and bank-issued bonds.

Since 2000, there have been significant changes in legislation regulating the insurance sector. The Ownership Transformation of Insurance Companies Act, which seeks to privatize insurance companies, has stalled on several occasions due to ambiguity over the estimated share of state-controlled capital. Although plans for insurance sector privatization have been under discussion since 2005, there has been no implementation.

Slovenia currently has three registered health insurance companies and a variety of companies offering other kinds of insurance. Under EU regulations, any insurance company registered in the EU can market its services in Slovenia, provided the insurance supervision agency of the country where the company is headquartered has notified the Slovenian Supervision Agency of the company’s intentions.
**Foreign Exchange and Remittances**

**Foreign Exchange Policies**
Slovenia adheres to Article VIII of the IMF Article of Agreement and is committed to full current account convertibility and full repatriation of dividends. To repatriate profits, joint stock companies must provide evidence of the settlement of tax liabilities, notarized evidence of distribution of profits to shareholders, and proof of joint stock company membership (Article of Association). All other companies must provide evidence of the settlement of tax liabilities and the company's act of establishment.

For the repatriation of shares in a domestic company, the party must submit its act of establishment, a contract on share withdrawal, and evidence of the settlement of tax liabilities to the authorized bank.

Slovenia replaced its previous currency, the Slovenian tolar, with the euro in January 2007. The Eurozone has a freely floating exchange rate.

**Remittance Policies**
Not applicable/information not available.

**Sovereign Wealth Funds**
Slovenia does not have a sovereign wealth fund.

**State-Owned Enterprises**
Private enterprises compete on the same terms and conditions as public enterprises with respect to access to markets, credit, and other business operations.

State-owned and partially state-owned enterprises (SOE) are present across most industries in Slovenia. The state has never undergone a wholesale privatization program, having retained significant ownership shares in many large companies since its independence. SOEs are particularly predominant in sectors of strategic national interest, such as energy, transport, public utilities, banking, telecommunications, and insurance. Other economic sectors, including retail, entertainment, construction, tourism, and manufacturing, include important firms that are either wholly state-owned or in which the state maintains a controlling interest by virtue of holding the largest single block of shares.

In general, SOEs do not receive a greater share of contracts or business than private sector competitors in sectors that are open to private and foreign competition. SOEs obtain goods and services from private and foreign firms. SOEs have to follow a strict government procurement agreement which requires transparent procedures available to all firms. Private firms can compete under the same terms and conditions with respect to market share, products, and incentives. All firms have the same access to financing.

SOEs are subject to the same laws as private companies. They must submit their books for independent audits and publish annual reports if required (for example, if the SOE is listed on the stock exchange or the size of the company meets a certain threshold). The reporting standards are comparable to international financial reporting standards. SOEs must fully comply with all legal obligations.

Slovenia is an active participant in the OECD Working Party on State Ownership and Privatization Practices and adheres to the OECD Guidelines on Corporate Governance for SOEs.

Following OECD recommendations, the government established the Capital Asset Management Agency (AUKN) in 2010 to increase transparency and promote more efficient management of SOEs. In 2013, authorities transformed the AUKN into the Slovenian Sovereign Holding (SSH). The SSH is charged with simplifying and shortening the administrative process of privatizing state assets. SSH took over all AUKN portfolios as well as the portfolios of two other smaller state-owned funds. More than 95 percent of SSH funds are invested
domestically. SSH is an independent state authority that reports to the National Assembly. It provides the National Assembly with annual reports regarding the previous year’s implementation of the Annual Plan of the Corporate Governance of Capital Investments. The government then adopts the Annual Plan of the Corporate Governance of Capital Investments based on SSH’s proposal.

Privatization Program

In 2013, the National Assembly approved a list of 15 state-owned companies it planned to sell. To date, the state has sold 11 of these companies, and one is in the final phase of privatization. The government planned to sell NLB by the end of 2017, but stopped the process and re-opened negotiations on the terms for the sale with the European Commission in 2017. Foreign investors may participate in the public-bidding processes on an equal basis. However, interested parties often describe the bidding process as opaque, with unclear or unenforced deadlines.

In 2015, the government prepared an asset management strategy that classified state-owned assets into strategic, important, and portfolio assets. In companies classified as strategic, the state will maintain or obtain at least a 50 percent plus one share. In companies classified as important, the state will maintain a controlling share (25 percent plus one share). In companies classified as portfolio, it is not mandatory for the state to maintain a controlling share. The government reclassified the list of companies in 2017.

SSH publishes online the latest list of state stakes for sale. It is available in Slovenian at https://www.sdh.si/sl/si/prodaje-nalozb/kapitalske-nalozbe-v-postopku-prodaje.

Responsible Business Conduct

The concept of Responsible Business Conduct (RBC) has become increasingly popular among Slovenia’s business community, but the due-diligence approach is not yet commonly recognized. However, to raise their public profiles and improve their images with the public, larger international companies have increasingly undertaken activities such as sponsoring sports teams and community events in the name of corporate social responsibility. Larger companies in Slovenia have also focused on developing environmentally-friendly images by implementing green technologies and adhering to high environmental standards.

As an OECD member, Slovenia adheres to the OECD Guidelines for Multinational Enterprises and encourages foreign and local enterprises to follow generally accepted RBC principles, including the UN Guiding Principles on Business and Human Rights. Slovenia’s National Contact Point for the OECD Guidelines is located in the Ministry of Economic Development and Technology: http://mneguidelines.oecd.org/ncps/slovenia.htm.

Corruption

Slovenia has no bribery statute comparable to the U.S. Foreign Corrupt Practices Act. However, Chapter 24 of the Slovenian Criminal Code (SCC) provides statutory provisions for criminal offenses in the economic sector. Corruption in the economy may take many forms, including collusion among private firms or public officials using influence to appoint patrons to the boards of SOEs.

The SCC calls for criminal sanctions against officials of private firms for forgery or destruction of business documents, unauthorized use or disclosure of business secrets, insider trading, embezzlement, acceptance of gifts under certain circumstances, money laundering and tax evasion.

Articles 241 and 242 of the SCC make it illegal for a person performing a commercial activity to demand or accept undue rewards, gifts, or other material benefits that will ultimately result in harm or neglect to a business organization.

Under Article 261 of the SCC, public officials cannot request or accept a gift to perform or omit an official act within the scope of their official duties. The acceptance of a bribe by a public official may result in a fine or
imprisonment of no less than one year, with a maximum sentence of five years. The law also stipulates the seizure of the accepted gift or bribe.

Article 262 holds the gift’s donor accountable, making it illegal for natural persons or legal entities to bribe public officials with gifts. Violation of this article carries a sentence of up to three years. In cases in which the gift giver discloses the attempted bribery before it is detected or discovered, punishment may be reduced.

The State Prosecutor’s Office is responsible for the enforcement of anti-bribery laws. The number of cases of actual bribery is small and generally limited to instances involving inspection and tax collection. The Prosecutor’s Office has reported that obtaining evidence is difficult in bribery cases, making it equally difficult to prosecute. In 2010, the government established the Commission for the Prevention of Corruption (CPC), an independent state body with a broad mandate to investigate corruption, prevent breaches of ethics, and ensure the integrity of public officials. The CPC is not part of Slovenia’s law enforcement or prosecution system, and its employees do not have traditional police powers. However, the CPC has broad legal powers to access and subpoena financial and other documents, question public servants and officials, conduct administrative investigations, and direct law enforcement bodies to gather additional information and evidence within the limits of their authority. The CPC may also issue fines for violations.

In 2011, to combat Slovenia’s ongoing problems with corruption and non-transparent procedures in public procurement, authorities established a new government-wide Public Procurement Agency under the Ministry of Justice to carry out all public procurements over established EU thresholds, such as goods and services above EUR 40,000 (USD 46,780) and projects above EUR 80,000 (USD 93,560). By law, the National Review Commission provides non-judicial review of all public procurements.

Corruption is an ongoing problem, although its prevalence remains relatively limited. In 2001, Slovenia convicted its first senior public official for accepting a bribe. A second case was prosecuted in 2010, resulting in the imprisonment of a member of parliament. The small size of Slovenia’s political and economic elite contributes to a lack of transparency in government procurement and widespread cronyism in the business sector. Several prominent national and local political figures have been charged or tried for corruption in public procurements. In 2008, investigators accused several public officials, including the prime minister, of accepting bribes from the Finnish defense contractor Patria related to an armored personnel carrier procurement. Although three defendants, including the former prime minister, were convicted in 2013, the convictions were overturned on appeal. The CPC has instituted a new system for tracking corruption in public procurement at the municipal level and has discovered numerous violations since implementation.

The CPC also operates with a broad mandate to prevent and investigate breaches of ethics and integrity involving holders of public office. The president of Slovenia appoints the leadership of CPC, which reports to the National Assembly.

Slovenia ratified the UN Anticorruption Convention in 2008.

Slovenia is a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Resources to Report Corruption

Contact at government agency or agencies are responsible for combating corruption:

Boris Stefanec, President
Commission for the Prevention of Corruption
56 Dunajska cesta
1000 Ljubljana
Slovenia
Tel: +386 1 400 5710
Exporters and investors should be aware that virtually all countries prohibit the bribery of public officials and prohibit officials from soliciting bribes under domestic laws. As party to various international conventions, most countries are required to criminalize such bribery and other acts of corruption.

Political and Security Environment

Except for its brief, 10-day war of independence from Yugoslavia in 1991, there have been no significant incidents of political violence in Slovenia since independence.

Labor Policies and Practices

According to the Statistical Office of Slovenia, Slovenia's unemployment rate has fallen steadily since 2014 and reached an eight-year low of 6.6 percent in 2017.

Following the 2008 economic crisis, many Slovenian companies declared bankruptcy or laid off significant portions of their workforce. While prevalent in all sectors, financial difficulties hit the construction, automotive, textile, and other producers particularly hard. Various government-sponsored economic reforms addressed this problem through a combination of retraining and investment in new technologies, often targeting areas with the highest unemployment.
Although significantly lower than its 2013 high of 25 percent, the Statistical Office reported Slovenia’s youth unemployment rate remains relatively high at 15 percent. To address this problem, authorities implemented “Youth Guarantee 2014-2015,” whereby every young person aged 15 to 29 years is eligible for an employment offer (including apprenticeship), on-the-job training, formal education, or a short form of institutional or work-based training, within four months of registering with a government-sponsored employment service. Based on its initial success, the government budgeted EUR 300 million for the 2016-2020 Youth Guarantee program.

Slovenia fully harmonized its labor legislation with the EU in 2004. In line with this legislation, Slovenia maintains strict rules on issuing work permits to non-EU applicants. The 2001 Employment of Aliens Act introduced a quota system for work permits and simplified the procedure for obtaining such permits for foreigners who have worked and lived in Slovenia for an extended period.

Slovenia’s wage-setting practice follows the “social partners” model, designed to contain upward pressure by centralizing wage decisions. In practice, however, high wage expectations have pushed Slovenia’s wage levels above those of its neighbors in the Western Balkans. Despite these pressures, Slovenia’s well-educated labor force and position as a productive transition economy allows it to remain competitive in niche markets.

In 2003, Slovenia adopted an Employment Relationship Act that defines a full-time workweek as 36 to 40 hours (made up of six to eight-hour days, including a 30-minute lunch break). The act increases protections for critical working groups (including women and children) and eases the conditions under which an employer may terminate employees. Amendments to the act adopted in 2013 further ease the conditions for termination of employment. Slovenia’s labor force performs well in the higher value-added activities that utilize its skilled technicians and engineers at a competitive cost. Despite the introduction of policies offering greater labor market flexibility, however, the market for workers remains quite rigid, and investors find that laying off workers is more difficult than in the United States.

As of April 2018, the Institute for Macroeconomic Analysis and Development reported Slovenia’s minimum wage is EUR 842.79 (USD 985.66) per month, among the highest in Europe. In addition, growing public sector labor unrest has placed pressure on regulators to push wages higher. In November 2015, the National Assembly endorsed a motion sponsored by trade unions to exempt bonuses for night, weekend, and holiday work from the minimum wage and force employers to pay these wages separately. Given such rapid increases in the minimum wage, Slovenia has lost its cost competitiveness in many sectors.

In the aftermath of the global financial crisis, Slovenia encountered protracted labor unrest related to public sector salaries. The current government, formed in 2014, negotiated a reform of the public sector pay system with the unions that lowered salaries by 0.5 percent to 4.86 percent, depending on the pay scale. The agreement went into force in July 2014 and remained valid through 2015. In November 2015, the government and unions reached an agreement that the public sector wage bill would rise by around EUR 148 million (USD 173 million) in 2016 compared to 2015. The deal stipulated that wages would return to 2013 levels (a 3.47 percent increase), while the annual holiday allowance would increase. Public sector promotions, more or less frozen for years, have been partially relaxed.

**OPIC and Other Investment Insurance Programs**

Slovenia signed a bilateral agreement with the U.S. Overseas Private Investment Corporation (OPIC) in 1994. OPIC currently offers several investment finance and insurance programs in Slovenia, including loan guarantees, direct loans, and political violence and expropriation insurance.

The U.S. Export-Import Bank offers short-, medium-, and long-term private sector, as well as short-term public sector, programs in Slovenia. In 1999, the Slovenian Export Corporation (SEC) and the U.S. Export-Import Bank signed a memorandum on cooperation in financing, insuring, and reinsuring exports to Southeast European
Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data: U.S. FDI in Host Country/Economy

<table>
<thead>
<tr>
<th>Economic Data</th>
<th>Year</th>
<th>Amount</th>
<th>USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>USD 44,709</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>USD 399</td>
<td></td>
</tr>
<tr>
<td>Host Country's FDI in the United States (M USD, stock positions)</td>
<td>2016</td>
<td>USD 48</td>
<td>BEA data available at <a href="http://bea.gov/international/direct_investment.htm">http://bea.gov/international/direct_investment.htm</a></td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Total Inbound Stock of FDI as % host GDP</td>
<td>2016</td>
<td>35%</td>
<td>2016</td>
</tr>
</tbody>
</table>

*Statistical Office of the Republic of Slovenia

(D) indicates that investment levels are so small that the U.S. BEA has suppressed the data to avoid disclosure of data of individual companies.

N.B.: The Bank of Slovenia (BoS), in its official data, lists U.S. FDI at approximately USD 61 million or 0.5 percent of total inward FDI. However, this amount does not take into account significant investments by U.S. firms not listed as U.S. in origin by the BoS, as U.S. funds are often routed through third-country subsidiaries. In 2017, the BoS began reporting FDI according to the ultimate investing country or originating country of capital. It
estimated that USD 2.19 billion (EUR 1.795 billion euros) or 13.9 percent of Slovenia's total FDI originated in the United States, making the United States second only to Germany as a source of foreign investment in Slovenia.

*Table 3: Sources and Destination of FDI*

**Direct Investment from/in Counterpart Economy Data**

**From Top Five Sources/To Top Five Destinations (US Dollars, Millions)**

<table>
<thead>
<tr>
<th>Inward Direct Investment</th>
<th>Outward Direct Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Inward</td>
<td>13,628</td>
</tr>
<tr>
<td>Austria</td>
<td>3,365 (25%)</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>1,517 (11%)</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1,446 (11%)</td>
</tr>
<tr>
<td>Italy</td>
<td>1,204 (9%)</td>
</tr>
<tr>
<td>Germany</td>
<td>1,168 (9%)</td>
</tr>
<tr>
<td>Croatia</td>
<td>1,699 (28%)</td>
</tr>
<tr>
<td>Serbia</td>
<td>1,070 (18%)</td>
</tr>
<tr>
<td>Bosnia Herzegovina</td>
<td>543 (9%)</td>
</tr>
<tr>
<td>Macedonia</td>
<td>438 (7%)</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>413 (7%)</td>
</tr>
</tbody>
</table>

'0' reflects amounts rounded to +/- USD 500,000.

Source: IMF’s Coordinated Direct Investment Survey
http://data.imf.org/CDIS

*Table 4: Sources of Portfolio Investment*

**Portfolio Investment Assets**

**Top Five Partners (Millions, US Dollars)**

<table>
<thead>
<tr>
<th>Total</th>
<th>Equity Securities</th>
<th>Total Debt Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All Countries</td>
<td>All Countries</td>
</tr>
<tr>
<td></td>
<td>17,623 (100%)</td>
<td>3,777 (100%)</td>
</tr>
<tr>
<td>Germany</td>
<td>1,817 (10%)</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td>1,062 (28%)</td>
<td>1,521 (11%)</td>
</tr>
<tr>
<td>United States</td>
<td>1,739 (10%)</td>
<td>Luxembourg</td>
</tr>
<tr>
<td></td>
<td>479 (13%)</td>
<td>1,503 (11%)</td>
</tr>
<tr>
<td>France</td>
<td>1,739 (10%)</td>
<td>Ireland</td>
</tr>
<tr>
<td></td>
<td>410 (11%)</td>
<td>1,327 (10%)</td>
</tr>
<tr>
<td>Country</td>
<td>Value</td>
<td>Change</td>
</tr>
<tr>
<td>-------------</td>
<td>-------</td>
<td>---------</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1,402</td>
<td>8%</td>
</tr>
<tr>
<td>Germany</td>
<td>297</td>
<td>8%</td>
</tr>
<tr>
<td>Italy</td>
<td>1,294</td>
<td>9%</td>
</tr>
<tr>
<td>Italy</td>
<td>1,318</td>
<td>7%</td>
</tr>
<tr>
<td>Austria</td>
<td>295</td>
<td>8%</td>
</tr>
<tr>
<td>Spain</td>
<td>1,123</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: IMF’s Coordinated Direct Investment Survey

Contact for More Information on the Investment Climate Statement
William D. Baker
Economic & Commercial Officer
31 Presernova Street, Ljubljana, Slovenia
+386 1 200 5668
Email: BakerWD@state.gov OR DoingBusinessinSlovenia@state.gov
Trade & Project Financing

Methods of Payment

The primary means of payment in Slovenia are cash, bank debit cards, and major credit cards. Many vendors offer payment by installment, especially for goods valued over USD 100. Through cooperative agreements with local banks, many vendors also offer on-the-spot “mini-loans” for purchases from approximately USD 500 to USD 1,500.

Other types of payment, such as wire transfer, letters of credit, documentary collections, and factoring, are also used.

The local credit rating company Bisnode d.o.o. provides credit rating information for local companies within a few days: http://www.bisnode.si.

Additional information about methods of payment or other trade finance options is available through the Department of Commerce’s Trade Finance Guide at www.Export.gov/TradeFinanceGuide.

Banking Systems

The 2008-12 global economic crisis had a devastating impact on Slovenia’s banking sector and heavily exposed it to management buyouts of key Slovenian companies, most of which failed, thereby increasing the ratio of non-performing loans. Consequently, the banking sector tightened credit, resulting in a huge credit crunch, especially for SMEs. Although the financial environment has improved dramatically since 2012 as major banks have shed bad assets, new loans are often difficult to obtain. NLB, Slovenia’s largest bank, is state-owned, although the government has announced a plan to privatize it by the end of 2019.

Banks are limited to a narrow range of traditional activities and have yet to engage in new consumer services, investment banking, and management of more complex financial instruments. Nevertheless, the financial statements of Slovenian banks comply with international standards and are audited regularly by internationally-recognized auditors. Identifying financing for domestic projects can be problematic, with banks typically seeking 100 percent or more collateral in most cases.

Slovenia has taken some important steps to liberalize its financial markets, and a combination of market forces, national legislation, and Bank of Slovenia regulations are moving the banking sector toward greater compliance with global expectations. In the future, portfolio and direct investments will likely become more straightforward and transparent, while banking, securities broking, and complex credit transactions will become more commonplace.

Other sources of financing are available for a limited range of activities. The U.S. Export-Import Bank provides medium-term and long-term loans and guarantees, while OPIC offers loan guarantees and direct loans. The European Investment Bank (EIB) and the International Finance Corporation fund large infrastructure projects, while the European Bank for Reconstruction and Development (EBRD) provides financing for banking sector privatization as well as privatization of other sectors.

In July 1999, the Slovenian Export Corporation (SEC) and the U.S. Export-Import Bank signed a memorandum on cooperation in financing, insuring, and reinsuring exports to Southeast European countries.

The reference interest rate in Slovenia is EURIBOR. Interest rates are usually expressed as three, six, or 12-month EURIBOR + margin. The Consumer Price Index (CPI) is used as a measure of inflation.
Foreign Exchange Controls

Slovenia introduced the euro as its national currency in 2007. The Slovenian Central Bank is a member of the European Central Bank (ECB), based in Frankfurt, Germany. The Slovenian Central Bank does not operate independently. As a member of the ECB, Slovenia operates under the guidelines of the EDB and follows all ECB directives.

US Banks & Local Correspondent Banks

Slovenia hosts 12 banks and three savings houses. Larger correspondent banks include:

**Nova Ljubljanska Banka d.d., Ljubljana, Trg republike 2, 1000 Ljubljana, Slovenia**
- Tel: +386 1 476 3900
- Email: info@nlb.si
- Web: www.nlb.si

**Nova Kreditna Banka Maribor d.d., (NKB Maribor), Vita Kraigherja 4, 2502 Maribor, Slovenia**
- Tel: +386 2 229 2290
- Email: info@nkb.si
- Web: www.nkb.si

**SKB Banka d.d., Ajdovscina 4, 1000 Ljubljana, Slovenia**
- Tel: +386 1 471 5555
- Email: info@skb.si
- Web: www.skb.si

**Banka Koper d.d., Pristaniška ulica 14, 6502 Koper, Slovenia**
- Tel: +386 5 66 61 000
- Email: info@intesanpaolobank.si
- Web: www.intesanpaolobank.si/

List of all banks in Slovenia: https://bsi.si/financna-stabilnost/subjekti-nadzora/banke-v-sloveniji

Project Financing

Private capital investment in public infrastructure projects is rare, and project financing as a means of financing larger scale (mostly construction) projects is developing slowly in Slovenia, which lags behind the EU average in terms of project financing for public infrastructure projects. Public infrastructure projects are generally accompanied by state financial guarantees to the contractors, which, in part helps explain Slovenia’s underdeveloped project financing system. Slovenia’s lack of public private partnerships, traditional drivers of project financing in other countries, also hinders the development of project financing for public infrastructure projects.

Project financing for the private sector is somewhat more evolved, with Slovenian banks routinely offering project financing services for construction and development projects. Under such financing, banks generally offer up to 70 percent financing, with 30 percent of the project cost typically required from the investor’s own sources. Banks also offer, and in some cases require, advisory services pertaining to Slovenian regulations on building and real estate sales as well as ownership transfers of mortgaged real estate. To ensure transparency,
banks often require that investors establish a separate company and bank account to manage the project and through which all cash flows pertaining to the project are funneled. As collateral, banks usually require a mortgage on any real estate under development.

EU financial assistance programs offer a wide array of grants, loans, loan guarantees, and co-financing for feasibility studies and infrastructure projects in a number of key sectors, including environmental, transportation, energy, telecommunications, tourism, and public health. From a commercial perspective, these initiatives represent significant market opportunities for U.S. businesses, U.S.-based suppliers, and subcontractors.

The EU itself also supports projects within its member states, as well as EU-wide “economic integration” projects that cross both internal and external EU borders. In addition, the EU provides project financing to accession countries in Eastern and Southern Europe, Iceland, and Turkey, as well as some of the former Soviet republics.

The European Union provides project financing through grants from the European Commission and loans from the European Investment Bank. Structural Fund grants are distributed through the member states’ national and regional authorities, and are available only for projects in the 28 EU member states. All grants for projects in non-EU countries are managed through the EuropeAid Cooperation agency in conjunction with various departments, called “Directorates-General.”

The CSEU Tenders Database

The U.S. Commercial Service at the U.S. Mission to the European Union offers a tool on its website to help U.S.-based companies identify European public procurement opportunities. The database features all current public procurement tenders issued by all national and regional public authorities in the EU’s 28 member states as well as four other European countries open to U.S.-based firms under the terms of the 1995 Government Procurement Agreement (GPA). The database is updated twice weekly and features a range of search options, including approximately 20 industry sectors. The database also includes tenders for public procurement contracts relating to structural funds. The database is available at http://export.gov/europeanunion/grantstendersandfinancing/cseutendersdatabase/index.asp.

EU Structural Funds

The EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically-depressed regions of the European Union with industrial restructuring. For the 2014-20 period, the EU earmarked EUR 352 billion for projects under the Structural Funds and the Cohesion Fund programs for the EU-28. In addition to funding economic development projects proposed by member states or local authorities, EU Structural Funds also support specialized projects promoting EU socioeconomic objectives.

Member states negotiate regional and “sectoral” programs with officials from the regional policy Directorate-General. Additional information on approved programs that will result in future project proposals is available at http://ec.europa.eu/regional_policy/en/.

Member state officials are the key decision-makers for projects financed through EU Structural Funds. These officials assess their countries’ needs, investigate proposed projects, evaluate bids, and award contracts. To become familiar with the available EU member state financial support programs, would-be contractors are advised to meet with local officials to discuss local needs.

Tenders issued by member states’ public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation if they meet the EU minimum contract value requirement for the eligible sector. Below this threshold, tender procedures are subject to national procurement legislation. There are no overt prohibitions against participation by U.S. companies in such tenders, as either developers or concessionaires of projects supported partially by the Structural Funds or as bidders on subsequent public
tenders related to such projects, but it is advisable to team up with a local partner. All Structural Fund projects are co-financed by national authorities, and many also qualify for loans from the European Investment Bank. The private sector is also involved in project financing. Additional information on these programs is available through the market research section on the U.S. Mission to the EU website at http://export.gov/europeanunion/marketresearch/index.asp.

The Cohesion Fund

The Cohesion Fund is another instrument of EU structural policy. Its EUR 352 billion (2014-2020) budget seeks to improve cohesion within the EU by funding transport infrastructure and environmental projects in Portugal, Spain, Greece, and the 13 EU member states from Central and Eastern Europe that have joined since 2004. These projects are generally co-financed by national authorities, the European Investment Bank, and the private sector.

Other EU Grants for Member States

Another set of sector-specific grants offers assistance to EU member states in the fields of science, technology, communications, energy, environmental protection, education, training, and research. Tenders related to these grants are posted on the various websites of the directorates-general of the European Commission. Conditions for participation are strict, and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs is available at https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/types-funding_en.

External Assistance Grants

The EuropeAid Cooperation Office is the European Commission agency in charge of managing the EU’s external aid programs. This agency manages the entire project cycle, from identification to evaluation, while the directorates-general in charge of external relations and development are responsible for drafting multi-year programs. The EuropeAid website offers extensive information on the range of grant programs available, the kinds of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation in calls for tenders for contracts financed by EuropeAid is reserved for enterprises located in the EU member states and requires that the projects use products manufactured in the EU or in the aid recipient country. Consultants of U.S. nationality employed by a European firm are allowed to form part of a bidding team. European subsidiaries of U.S. firms are eligible to participate in these calls for tender. Additional information is available at http://ec.europa.eu/europeaid/index_en.htm.

All tenders related to EU-funded programs outside the European Union, including accession countries, are located on the EuropeAid Cooperation Office website at http://ec.europa.eu/europeaid/node/22.

The EU has approved two new types of programs for the 2014-2020 financing period: the Instrument for Pre-accession Assistance (IPA) and the European Neighborhood and Partnership Instrument (ENPI). In providing specific pre-accession financial assistance to accession candidate countries, the IPA replaces the following programs: PHARE (Poland and Hungary Assistance for Restructuring of the Economy), ISPA (Instrument for Structural Pre-Accession financing transport and environment projects), SAPARD (projects in the agriculture sector), CARDS (aid to southern Balkans), and the Turkey Facility Fund. IPA focuses on priorities linked to the adoption of the acquis communautaire, the body of European Union law that accession candidate countries must adopt as a precondition to accession, to assist them in building up the administrative and institutional capacities and financing investments necessary to comply with European Commission law. IPA also finances projects in potential EU candidate countries, such as in the Balkans. IPA’s budget for 2014-2020 is EUR 11.6 billion. The European Neighborhood and Partnership Instrument (ENPI) also provides assistance to southern Mediterranean and eastern neighbors of the EU. Additional information is available at
European Investment Bank Loans

Headquartered in Luxembourg, the European Investment Bank (EIB) is the European Union's financing arm. Since its creation in 1958, the EIB has played a key role in building Europe. As the EIB's lending practices evolved over the years, it became highly competent in assessing, reviewing, and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, including telecommunications, transport, energy infrastructure, and the environment.

While the EIB mostly funds projects within the EU, it lends outside the EU as well, primarily in Central, Eastern, and Southeastern Europe, Latin America, and Pacific and Caribbean states. The EIB also plays a key role in supporting EU enlargement through loans to finance infrastructure improvements, research, and industrial manufacturing to help those countries prepare for eventual EU membership.

Projects financed by the EIB must contribute to the socioeconomic objectives set out by the European Union, such as fostering the development of less favored regions, improving European transport and telecommunication infrastructure, protecting the environment, supporting the activities of SMEs, assisting in urban renewal, and promoting growth, competitiveness, and employment in Europe. The EIB has posted on its website a list of projects eligible for approval, with invaluable information on upcoming tenders related to EIB-financed projects at http://www.eib.org/projects/pipeline/index.htm.

The EIB offers attractive business opportunities to U.S. businesses, often with lending rates lower than most other commercial rates. Like all EIB customers, however, U.S. firms must apply the loan proceeds to a project that contributes to the European objectives cited above.

The U.S. Mission to the European Union in Brussels has developed a database to help U.S.-based companies bid on EIB public procurement contracts in non-EU countries with information on EIB-financed contracts open to U.S.-based companies. On average, the EIB database contains 50 to 100 tenders extracted from the EU’s Official Journal and is updated twice per week. Additional information is available at http://export.gov/europeanunion/grantstendersandfinancing/eusetrainersdatabase/index.asp.

U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (European Bank for Reconstruction and Development, World Bank)

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the European Bank for Reconstruction and Development and the World Bank. These institutions lend billions of dollars in developing countries toward projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and promoting infrastructure development. The Commercial Liaison Offices help businesses that create U.S. jobs learn how to get involved in bank-funded projects and how to connect to other parts of the International Trade Administration, including the U.S. Field; the overseas network of Commercial Service offices; and, in Washington, desk officers, sectoral experts, and the Advocacy Center. Learn more by contacting the Commercial Liaison Office to the European Bank for Reconstruction and Development (http://export.gov/ebrd) and the World Bank (http://export.gov/worldbank).

Web Resources

Commercial Liaison Office to the European Bank for Reconstruction and Development:

http://export.gov/ebrd
Commercial Liaison Office to the World Bank:
  http://export.gov/worldbank

Financing Web Resources

Future project proposals:

The EU regional policies, the EU Structural and Cohesion Funds:

EU Grants and Loans index:
  http://ec.europa.eu/contracts_grants/index_en.htm

IPA:
  http://ec.europa.eu/enlargement/instruments/overview/index_en.htm

The European Investment Bank:
  http://www.eib.org

EIB-financed projects:

Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team:
  http://www.export.gov/tradefinanceguide

Export-Import Bank of the United States:
  http://www.exim.gov

OPIC:
  http://www.opic.gov

Trade and Development Agency:
  https://www.ustda.gov/

SBA's Office of International Trade:
  http://www.sba.gov/oit/

USDA Commodity Credit Corporation:
  http://www.fsa.usda.gov/

U.S. Agency for International Development:
  http://www.usaid.gov
Business Travel

Business Customs
In general, business managers in Slovenia take a market-based approach to business. Management in Slovenia tends to concentrate decision-making at the senior levels, with relatively little delegation of authority or decision-making to middle management. In principle, one should not consider negotiations concluded until confirmed by the general manager or a clearly acknowledged decision maker. Slovenians place a premium on personal contacts and correspondence, and personal visits are important in conducting business. Clarity and continuity in communication are important.

Travel Advisory
No travel advisories have been issued for Slovenia. More information on travel to Slovenia provided by the Department of State is available at https://travel.state.gov/content/travel/en/international-travel/International-Travel-Country-Information-Pages/Slovenia.html.

Visa Requirements
Slovenia is a party to the Schengen Agreement. As such, U.S. citizens do not need a visa for business or tourist stays up to 90 days in a six-month period. (Note: The 90-day timeline starts on the date of first entry into the Schengen Zone.) For other types of travel, a visa or residence permit must be acquired at a Slovenian embassy or consulate.

For American citizens residing in the United States, an application for the initial visa or residence permit should be filed at the Slovenian Embassy in Washington DC or the Consulate in Cleveland. For American citizens residing outside the U.S., the application may be filed at the Slovenian embassy with jurisdiction over the individual’s country of residence.


For more information on Slovenia’s entry and visa requirements and additional information for travelers, please see the State Department’s Country Specific Information page for Slovenia at https://www.state.gov/p/eur/ci/si/ Travelers should also refer to the U.S. Embassy in Ljubljana’s website at https://si.usembassy.gov/ and U.S. citizens are encouraged to enroll in the Smart Traveler Enrollment Program (STEP) at https://step.state.gov/step/.

U.S. companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants consult the following links:

State Department Visa Website:
https://travel.state.gov/content/travel/en.html
https://si.usembassy.gov/visas/

Currency
Slovenia is a member of the Eurozone and has used the euro since January 2007.

Telecommunications/Electronics
Slovenia has efficient postal and telephone services. Email communication is widely used, although fax usage has decreased significantly in recent years. Local telephone calling card services are not available in-country.
and long-distance charges tend to be high, even by European standards. In most areas, tone-dialing has become standard.

The dialing code for Slovenia is 386, followed by the appropriate area code: Ljubljana (1), Maribor (2), Celje (3), Kranj (4), Nova Gorica (5), and Novo Mesto (7), followed by a seven-digit telephone number. Codes for GSM mobile phones are 30, 31, 40, 41, 51, and 70. When dialed within Slovenia, the codes are 030, 031, 040, 041, 051, and 070, followed by a six-digit telephone number. To dial internationally from Slovenia, one must dial 00 plus the country code.

Mobile telephone use is widespread. Virtually every businessperson has a mobile phone, and many companies also have a general mobile number for the reception or information desk, because calling from a mobile phone to a stationary line is considerably more expensive than calling mobile-to-mobile phone. Three major service providers offer mobile telephone service in Slovenia: Telekom Slovenije, Simobil, and Telemach. Each company offers a range of services and packages, and consumers are recommended to compare tariffs and conditions carefully before entering into a contract.

Directory assistance is 1188.

**Transportation**

Ljubljana is easily accessible by air. Jože Pučnik Airport is an international airport located 27 kilometers (approximately 17 miles) outside of Ljubljana, the capital city. The airport is serviced by the Slovenia’s national carrier, Adria Airways (a Star Alliance member), as well as other international airlines including Air Serbia, Air France, Finnair, Montenegro Airlines, Lot, Lufthansa Cargo, Turkish Airlines, EasyJet, Transavia, and Wizzair. Additional information on Jože Pučnik Airport is available at [http://www.lju-airport.si/eng/default.asp](http://www.lju-airport.si/eng/default.asp).

Other airports in Slovenia and neighboring countries are listed below, with the distance and travel time by car in parentheses:

- Graz, Austria (186 km; approx. 2.25 hrs)
- Venice, Italy (229 km; approx. 2.5 hrs)
- Vienna, Austria (391 km; approx. 4 hrs)
- Trieste, Italy (121 km; approx. 1.5 hrs)
- Zagreb, Croatia (150 km; approx. 2 hrs)
- Klagenfurt, Austria (88 km; approx. 1.5 hrs)

Slovenia's transportation system is very good. Highways connect most cities and numerous border crossings into neighboring countries are easily accessible. Air travel within Slovenia is not available, but is also not necessary given the country's small size. Major cities in Slovenia have efficient public transportation systems, relying mainly on buses and taxis. In Ljubljana, buses require a prepaid "Urbana" card, which may be purchased easily at newspaper stands or post offices. Taxi service is readily available at designated taxi stands or by telephone. While taxis are metered, taxi companies have the right to set their own rates, which may vary widely. Be sure to check the posted rate before using a taxi. It is usually cheaper to call a taxi by telephone than to take a taxi waiting at a hotel or a stand.

Slovenia joined the Schengen zone in 2007. With Slovenia's accession to the Schengen zone, land border check checkpoints with Austria, Italy, and Hungary were removed. Slovenia implemented Schengen zone rules for air travel in 2008. Since Croatia's accession to the EU in 2013, the Slovenian-Croatian border is no longer an external border of the EU customs territory, although it is still an external Schengen border. This means the
movement of goods across the Slovenian-Croatian border is now free, with no customs formalities required, but movement of people is subject to customs and passport control.

The Schengen Borders Code allows member states to temporarily restore border controls at internal borders in the event of a serious threat to public safety or internal security. For example, as a result of the 2015-16 refugee crisis, Austria reintroduced border controls on some of its land borders with Slovenia and Hungary. Additional information is available at https://ec.europa.eu/home-affairs/what-we-do/policies/borders-and-visas/schengen/reintroduction-border-control_en.

Language
Slovenia’s official language is Slovene, a southern Slavic language with some resemblance to Croatian and Serbian. Slovene is written in the standard Roman alphabet, with several additional letters. Most businesspeople in Slovenia speak at least one foreign language, with English being the most common. German is also useful in some parts of the country, and a number of people in areas bordering Italy speak Italian. When necessary, translators and interpreters may be hired through the Slovenian Association of Conference Interpreters (telephone: +386 (0) 41-648-416, email: zkts@zkts.si).

The EU has 24 official and working languages, including Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, Gaelic, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish, and Swedish.

Health
There are no immunization or special health concerns related to Slovenia.

Local Time, Business Hours and Holidays
Local time is GMT +1. Daylight savings time is between March 25, 2018, and October 28, 2018. To check local time at this moment, click on http://www.export.gov/slovenia/index.asp. Typical business operating hours in Slovenia are Monday through Friday from 8 a.m. to 4 p.m. Business travelers to the European Union seeking appointments with officials in the U.S. Mission to the European Union in Brussels, Belgium, should contact the Commercial Service in advance by telephone at +32-2 811-4817, by fax at +32-2 811-5151, or email at brussels.ec.office.box@trade.gov. A current directory of staff and locations worldwide is accessible on the U.S. Commercial Service website at http://www.export.gov.

Holidays
In 2018, the following holidays will be observed in Slovenia. Most businesses in Slovenia will be closed on these days. In addition, many Slovenians take several weeks of vacation in late summer, and most businesses are lightly staffed in August.

Monday January 1 — New Year’s Day
Tuesday January 2 — Day after New Year’s Day
Thursday February 8 — Prešeren Day
Monday April 2 — Easter Monday
Friday April 27 — Resistance Day
Tuesday May 1 — May Day
Wednesday May 2 — May Day
Monday June 25—Statehood Day
Wednesday August 15—Assumption Day
Wednesday October 31—Reformation Day
Thursday November 1—All Saints Day
Tuesday December 25—Christmas Day
Wednesday December 26—Independence and Unity Day

The U.S. Embassy in Ljubljana observes both American and Slovenian holidays. A full list of all 2018 Slovenian and American holidays is available at https://si.usembassy.gov/holiday-calendar/.

Temporary Entry of Materials or Personal Belongings

Personal or household items temporarily imported by domestic and foreign natural persons entering Slovenia for a temporary sojourn are generally exempt from customs duties. For more information, please consult the Commerce Department’s Market Research Library at http://www.library.doc.gov/home or the Country Commercial Guides on EU member states at https://www.export.gov/article?series=a0pt0000000PAtkAAG&type=Country_Commercial_kav.

Travel Related Web Resources

Market Research Library:
http://www.library.doc.gov/home

EU Member States’ Country Commercial Guides:
https://www.export.gov/article?series=a0pt0000000PAtkAAG&type=Country_Commercial_kav

State Department Visa Website:
https://travel.state.gov/content/visas/en.html

Commercial Service at the U.S. Mission to the European Union General E-mail Address
brussels.ec.office.box@trade.gov

Current directory of Commercial Service staff and locations worldwide
http://www.export.gov/