



# Business environment & FDI opportunities in Slovenia



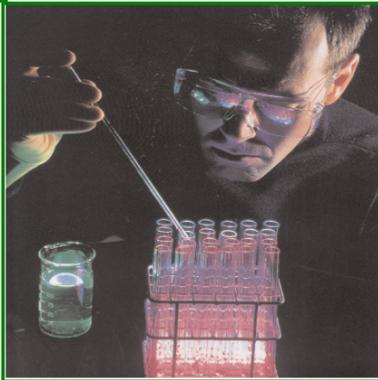
**4Qs4U**  
Four Qs For You



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General Director

Tourism and Internationalisation  
Directorate



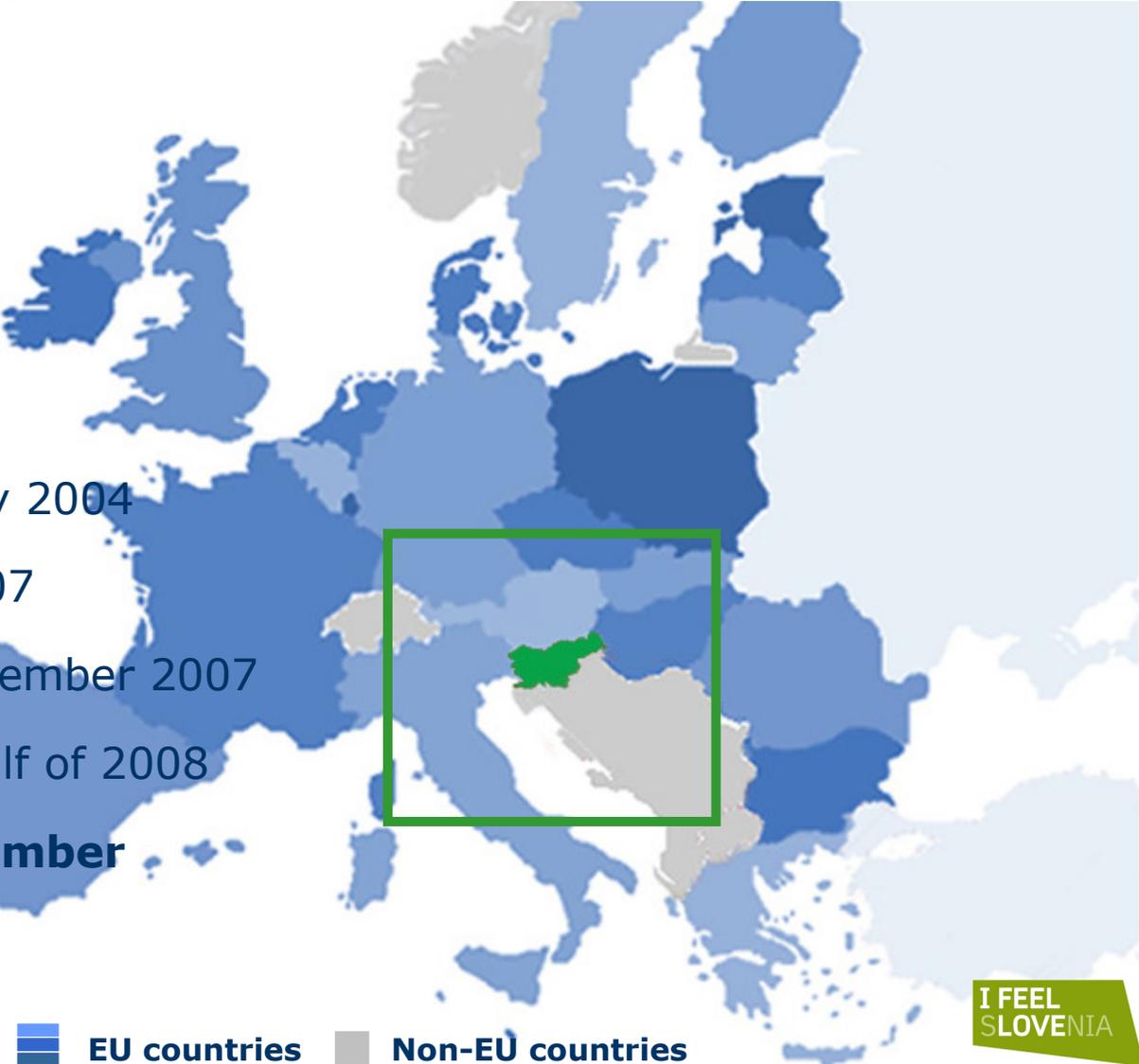
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REPUBLIC OF SLOVENIA  
MINISTRY OF THE ECONOMIC  
DEVELOPMENT AND TECHNOLOGY

## SLOVENIA: Dynamic EU member

- Area: **20,273 sq. km**
- Capital: **Ljubljana**
- Population of 2 million
- **EU member state** - May 2004
- **Euro area** - January 2007
- **Schengen Space** - December 2007
- **EU presidency** - first half of 2008
- **New OECD country member**

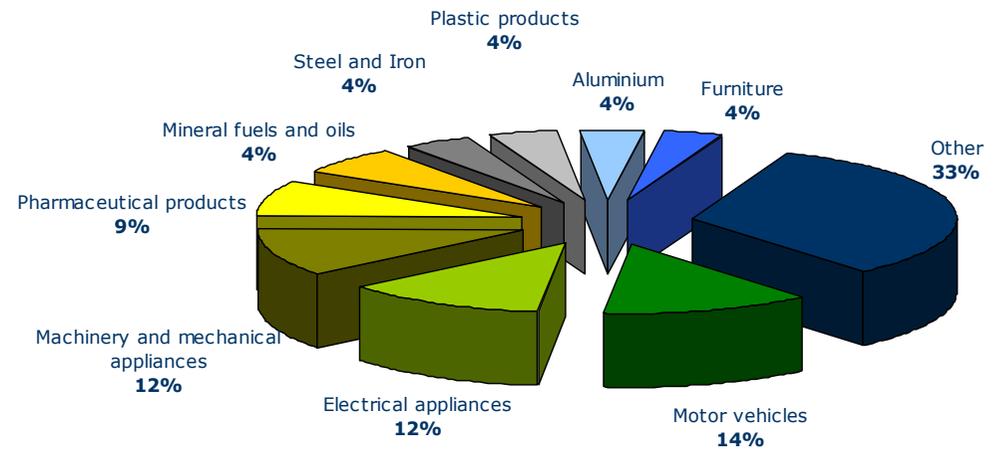


■ Slovenia ■ EU countries ■ Non-EU countries

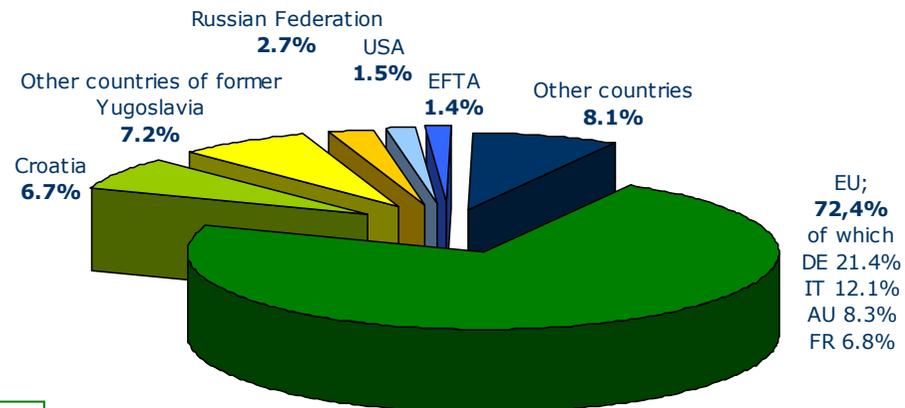
# Export driven economy

- EUR 20.5 bn exports of goods and services in 2011; approx. **60% of GDP**
- **72% of exports destined for EU**
- **High value-added products and services exported**

**Main export items, 2011**



**Geographic distribution, 2011**



Source: Statistical Office of the Republic of Slovenia, 2012

# Bilateral relations Slovenia – Brasil

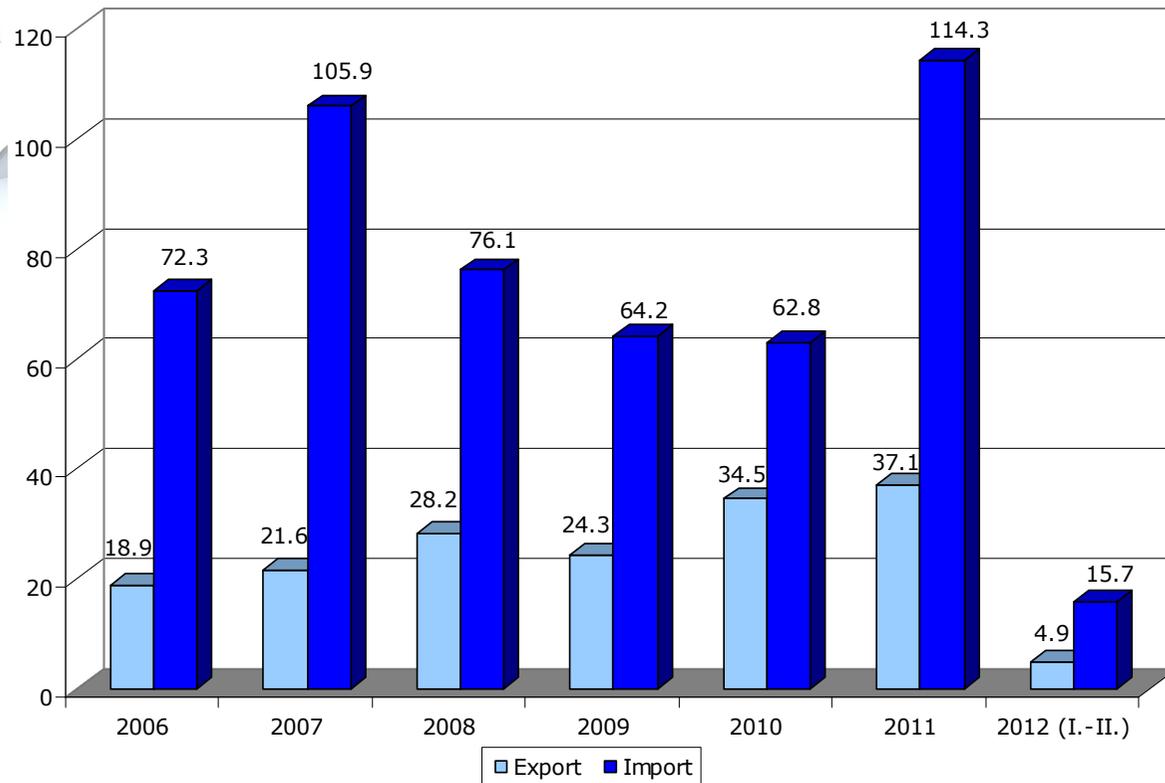
## EXPORT

- Electrical machinery and equipment
- Pharmaceutical products
- Machinery and mechanical appliances
- Iron and steel
- Aluminium
- Motor vehicles

## IMPORT

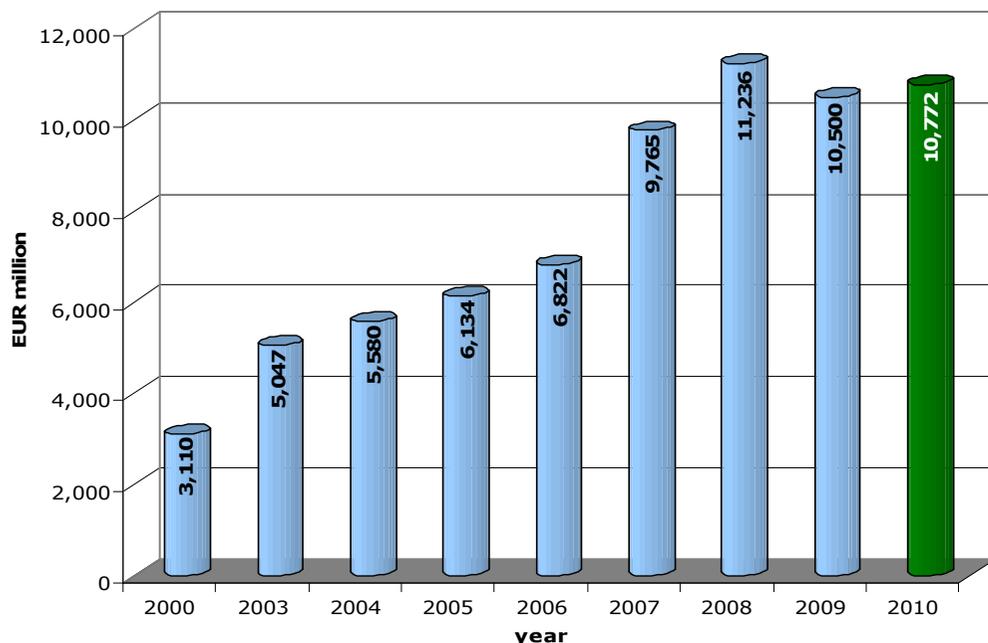
- Animal fodder and waste from food industry
- Oil seeds and oleaginous fruits
- Coffee, tea and spices
- Chemical products
- Pulp and paper
- Salt, sulfur

## Slovenian export and import from Brasil (in mio EUR)



Source: Statistical Office of the Republic of Slovenia, 2011

## FDI stock end-2010



✓ **FDI in Brasil** (from Slovenia)

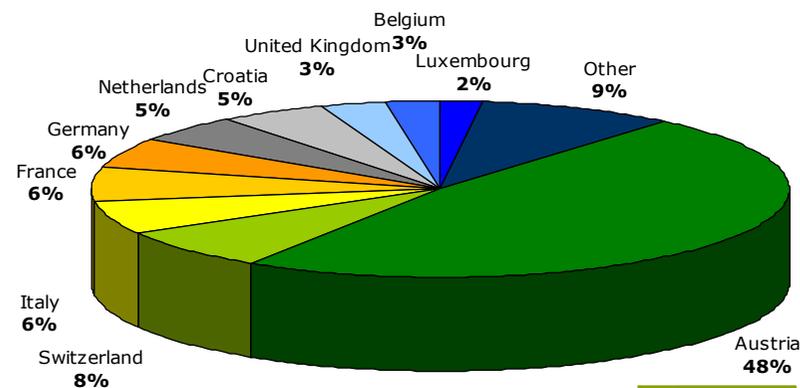
**6.6 mio EUR** (Prevent Thierry Brasil Ltda, Iskra DO Brasil Autoelectronica Ltda, Quantum International Business Corp. – Metal Ravne)

✓ **FDI stock in Slovenia** (from Brasil)  
value n.a.

## Sectoral distribution of FDI

Financial services & insurance	48%
Retail	15%
Pharmaceuticals	6%
Chemicals, pulp & paper	4%
Machinery & electrical equipment	4%
Motor vehicles and rubber products	4%
Utilities	3%
Telecoms & transport	2%
Other	20%

## Main investing countries in Slovenia, 2010



Source: Bank of Slovenia, 2012

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# Taxes

<b>Corporate income tax</b>	<b>18%</b> (down to <b>15%</b> by <b>2010</b> )
<b>Profit repatriation tax</b>	<b>0%</b> on dividends paid abroad for EU members; <b>15%</b> for other countries unless otherwise stated in a bilateral agreement
<b>Capital gains tax</b>	<b>0 – 20%</b> (depending on a holding period)
<b>VAT (Value added tax)</b>	<b>20%</b> - standard rate; <b>8.5%</b> - reduced rate
<b>Property tax</b>	<b>0%</b>
<b>Immovable Property Transfer Tax</b>	<b>2%</b>
<b>Social security contributions</b>	<b>16.1%</b> paid by employer; <b>22.1%</b> paid by employee
<b>Payroll tax</b>	<b>abolished in 2009</b>
<b>Personal income taxes</b>	progressive tax rates: <b>16%, 27%</b> and <b>41%</b>

# SLOVENIA – The right mix of Qualities

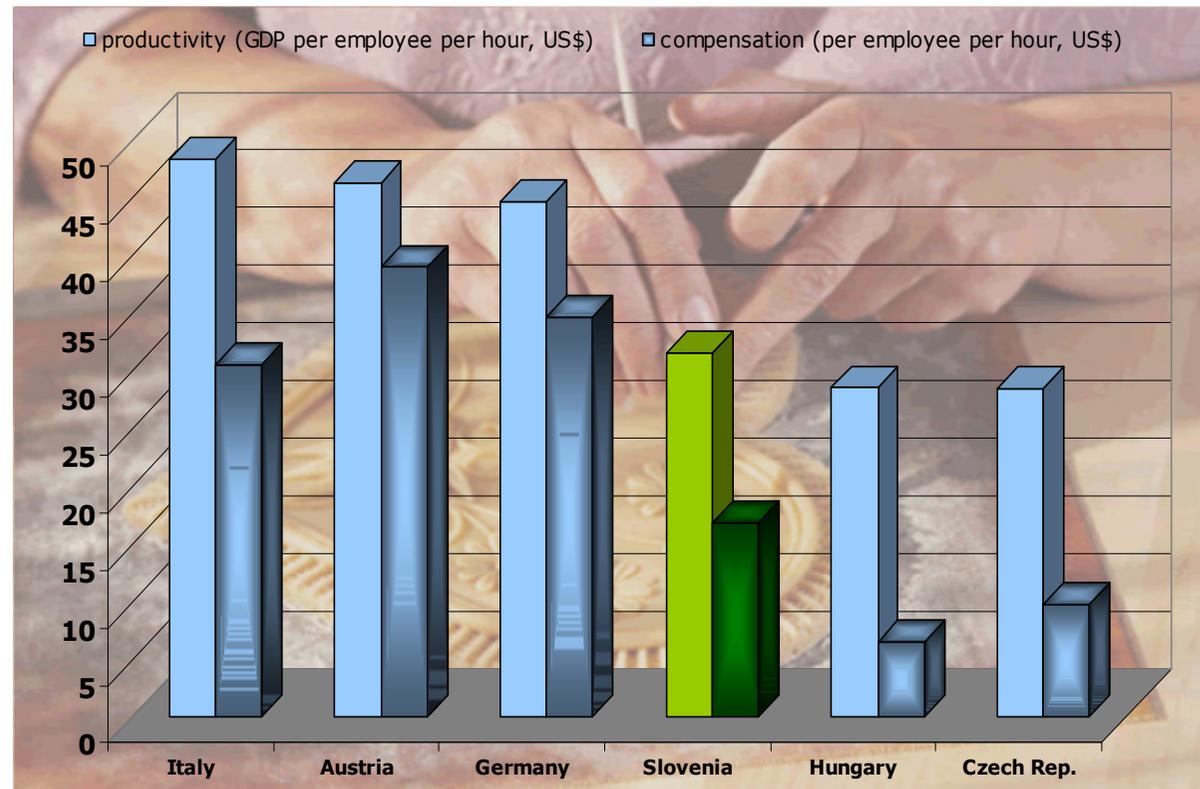


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(Four Qs For You)

# Quality of workforce

## Not cheap but cost-effective

- **Technologically-minded** (long industrial tradition), **innovative spirit**
- **Highly educated: 23% university degree, 57% secondary school**
- **Excellent IT & foreign language skills** (English, German, Italian, Serbo-Croatian ...)



Source: IMD World Competitiveness Yearbook, 2011

## Quality link to regional markets

- Well **established links with neighbouring countries** and countries of former **Yugoslavia**
- **Advantages:**
  - ✓ Economic and political **stability**
  - ✓ Geostrategical **location**
  - ✓ Slovenia is **2<sup>nd</sup> most important investor** in the SE Europe (122 investment projects since 2003)



Source: Financial Times, 2011

# Quality infrastructure



**Well-developed general ICT infrastructure**

**Port of Koper**  
the fastest developing port in the Adriatic basin



## Quality of life



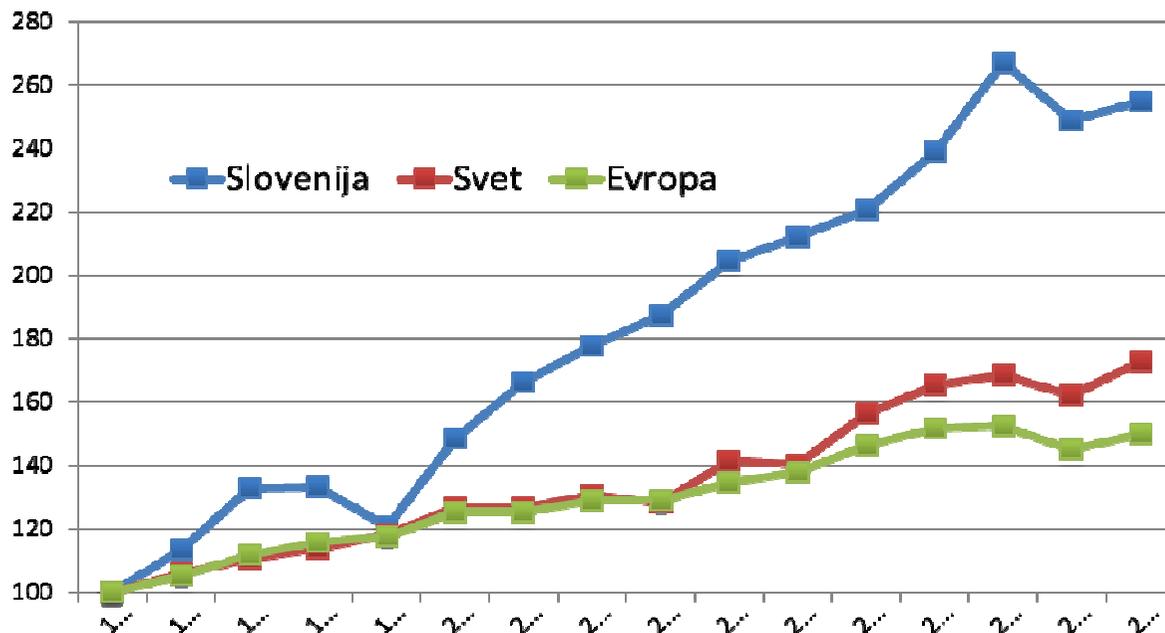
- **High standard of living**  
(International Living 2011 Index  
– 20th place out of 137  
countries)
- **Cultural and geographical  
diversity**
- **At the intersection of  
Roman, German and Slavic  
culture**
  - **Mixture of Alpine,  
continental and  
Mediterranean climates**
- **Huge forest ecosystem – 3rd  
in Europe**

Source: Slovenian Tourist Board & International Living, 2011

# SLOVENIAN TOURISM



# International tourism 1995 - 2011



**2011**  
**All tourist arrivals: + 7%**  
**Foreign: + 9%**  
**Domestic: + 3.9%**

**Share in GDP:**  
**12.3%**  
**(WTTC, 2011)**

	World	Europe	Slovenia
<b>2011</b>	4-5%	2-4%	4%
<b>2012</b>	5 %	4 %	4%

**Tourists arrivals  
JAN-APR 2012**

**All: + 2.7%**  
**Foreign: + 6.4 %**

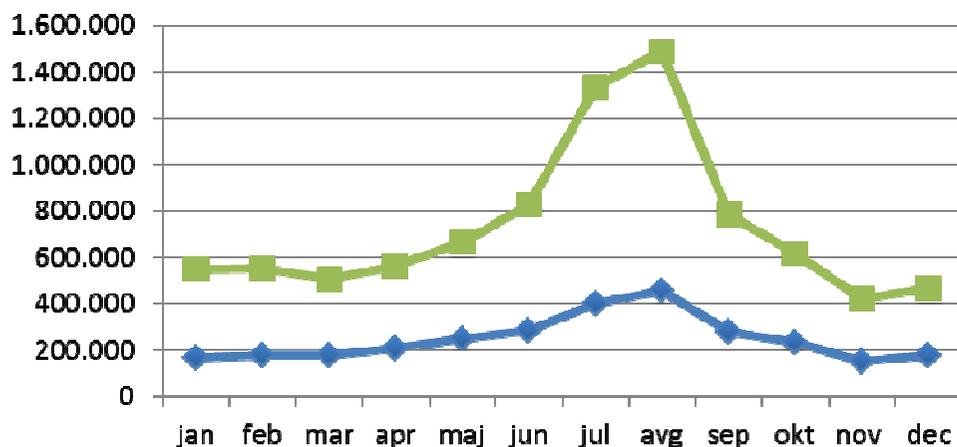
\*EU27, vir OE,UMAR, ETC.

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# STATISTICS 2011

Arrivals and overnight stays of foreign tourists by months



Top 15 countries according overnight stays in 2011:

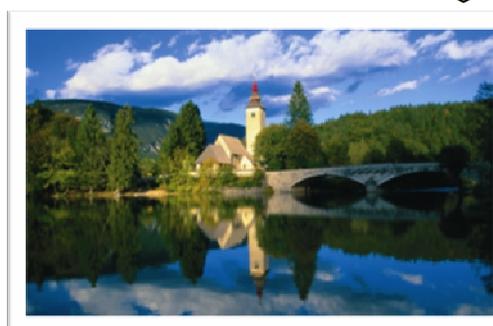
- Italy
- Austria
- Germany
- Croatia
- Russian Federation
- United Kingdom
- Netherlands
- Serbia
- Hungary
- Belgium
- France
- Czech Republic
- USA
- Israel
- Poland

Overnight stays of all tourists according type of destination

32,9 % of tourists visit **SPA centres**



23,6 % of tourist visit **mountaions**



22,4 % of tourists visit the **Slovenian Coast**



# Tourist workshops in Slovenia

## 16. Slovenian Incoming Workshop – SIW

(Portorož, April 2013)

**the biggest business event in tourism in Slovenia**

- Over 270 companies
- Over 400 participants



# FOCUS IN 2012

## Priority products:

- Active holidays (hiking, biking, skiing, golf, etc.)
- Cities and culture (**EPK Maribor in 2012**)
- Nature, ecotourism and tourism in countryside
- Gastronomy
- Health and & wellness (SPA and wellness)
- Business tourism
- Entertainment and gambling etc



## Logistics & distribution

- Slovenia has all the attributes of a **distribution and logistics hub** for Central and South-Eastern Europe
- Investment opportunities: modernization of Slovene railways, Ljubljana international airport expansion in business and logistics center, modernization of national road network ...



### Port of Koper

- ideal as a logistics and distribution centre, serving Balkan countries
- the fastest developing port in the Adriatic basin
- the shortest sea connection between Central Europe and Asia

## Automotive industry

- **Driving force** of Slovenian economy
- 10% of GDP
- 21% of export
- Distributors to the major world brands:

### MAIN ADVANTAGES:

- **established firms in the automotive industry**
- **innovation of Slovenian companies**
- **good local supplier network**
- **internationalization**
- **competitive car manufacturer (Revoz - Renault)**



AKRAPOVIC/Exhaust system



REVOZ/

Renault Wind, assembled exclusively in Slovenia

## Electronics & Electrical Industry

### Key products

- Electro motors and machines
- Household appliances
- Telecommunication equipment
- Electronic measuring systems
- Medical and optical equipment
- Power distribution facilities
- Electrical components
- Electronic manufacturing services



GORENJE/Gorenje Kitchen designed by Karim Rashid



ISKRA AVTOELEKTRIKA/Alternators & starter motors

## Renewable energy

- Export of know-how and knowledge



PIPISTREL/

*Taurus, the World's first side-by-side ultralight powered glider  
European Business Award for the most innovative company in  
European Union*



*BISOL/Photovoltaic power plant Buče/PV modules*



*SEAWAY/Greenline 33 Hybrid yacht in Piran Bay*

# Investment opportunities

## Tourism

- given the potential in a country combining an **Alpine** setting and a **Mediterranean coast** within a short distance
- numerous places of historical and architectural interest and broadly acclaimed **health spas** located in resort towns along the coast



## Spa tourism



- **rich history** of thermal baths in Slovenia (since 1147)
  - healing qualities of **Slovene mineral water**
- over the last few years Slovene health resorts gained **high reputation among European tourists**

## Investments in tourism infrastructure (ESRR 2007-2013)

### Results of public tenders for projects co-financed by EFRD (2007-2013):

- Co-financed **99 projects** in total value of **€ 385,295,619.38** and share of co-financing € 106,351,799.13
- **Result:** 4,638 beds and 1,117 new jobs created in tourism



# Investment opportunities in Slovenia tourism

Potential tourist project looking for investors are presented in The Map „**Invest in Slovene Tourism**“



**For investment projects please follow the link:**

- <http://www.btps.si/Default.aspx?lng=en&DpID=1353&mainView.tagid=438&mainView.pi=1>
- [www.investslovenia.org](http://www.investslovenia.org)



**Thank you for your attention!**



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