



Business environment & FDI opportunities in Slovenia



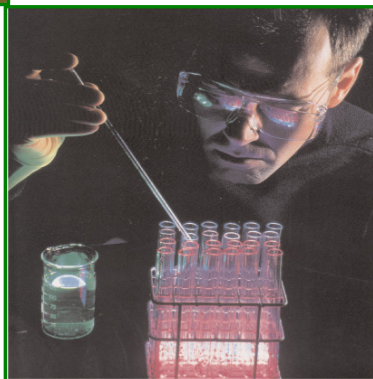
4Qs4U
Four Qs For You



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Directorate



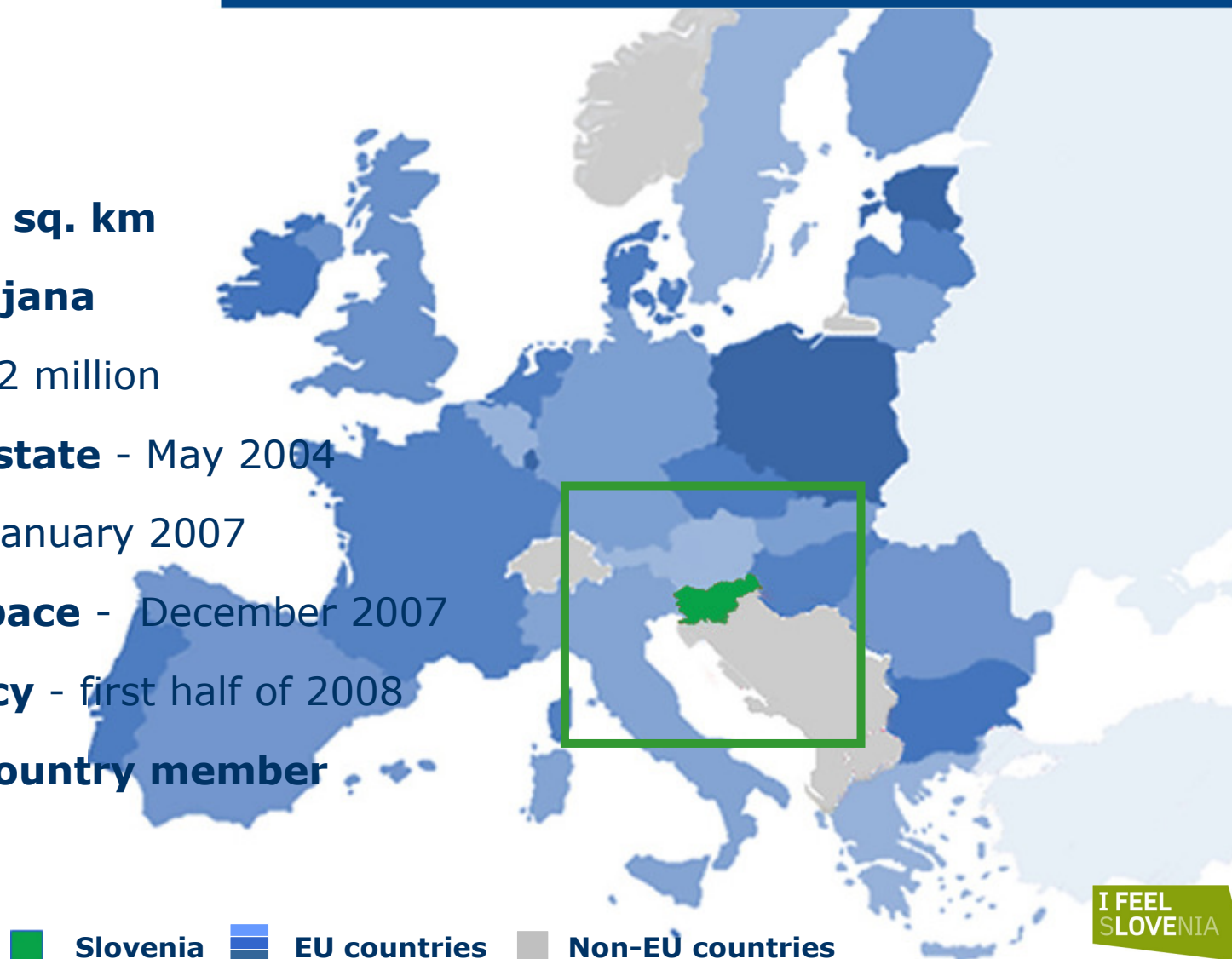
**I FEEL
SLOVENIA**



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**



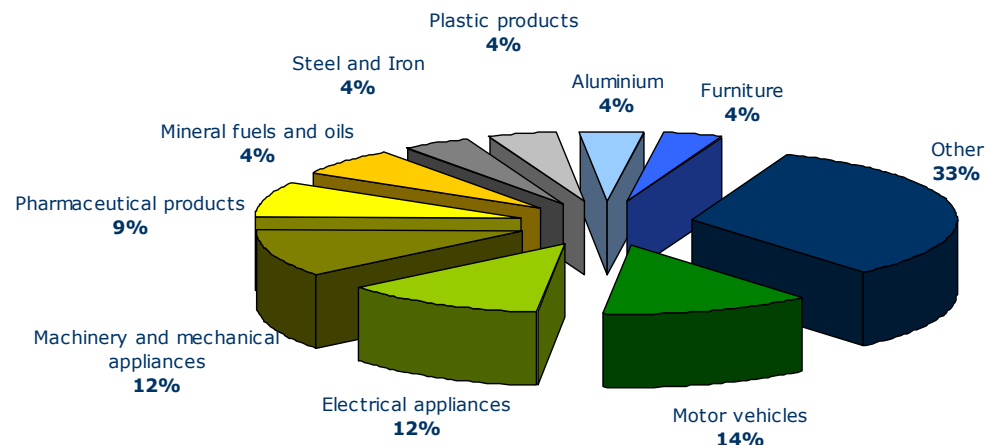
Export driven economy

- EUR 20.5 bn exports of goods and services in 2011; approx. **60% of GDP**

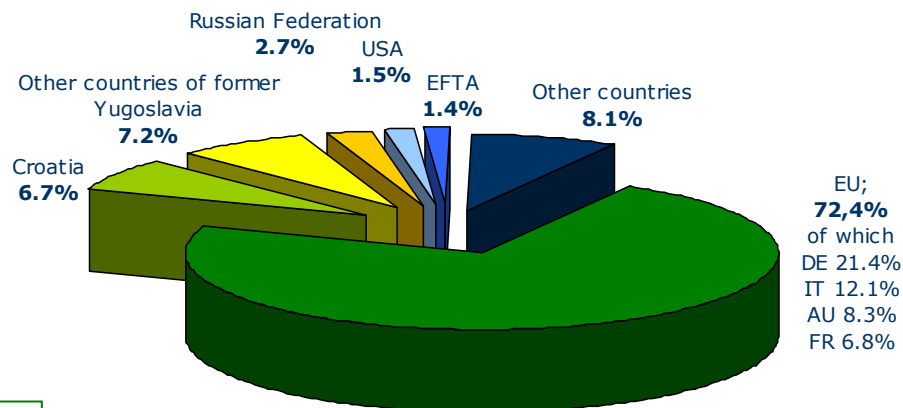
- **72% of exports destined for EU**

- **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

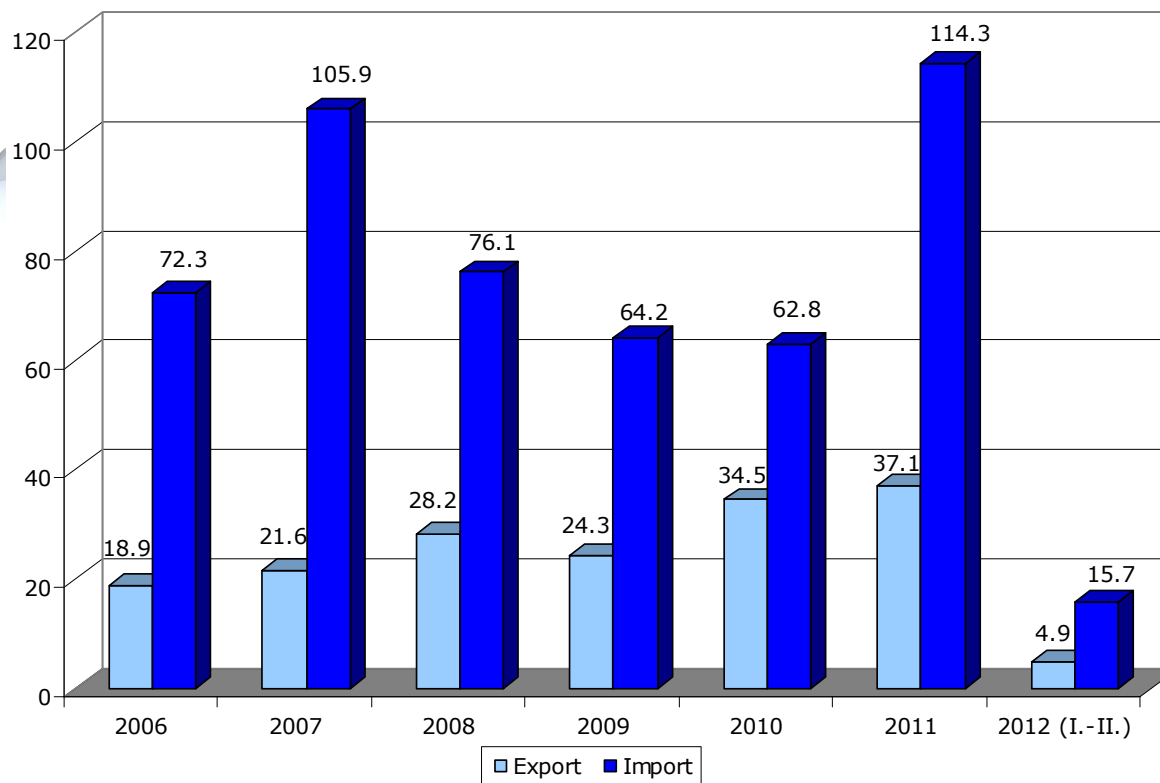
EXPORT

- 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

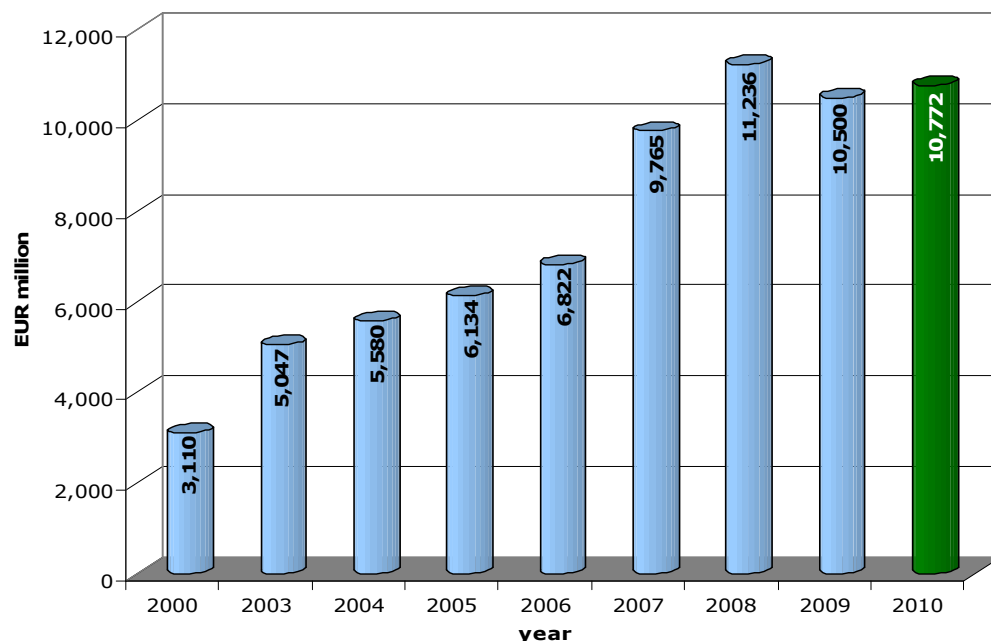
Slovenian export and import from Brasil (in mio EUR)



Source: Statistical Office of the Republic of Slovenia, 2011

FDI in Slovenia

FDI stock end-2010



✓ **FDI in Brasil** (from Slovenia)

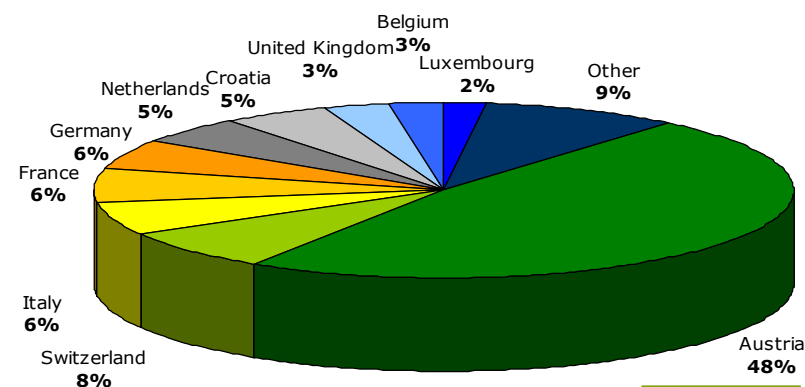
6.6 mio EUR (Prevent Thierry Brasil Ltda, Iskra DO Brasil Autoelectronica Ltda, Quantum International Business Corp. – Metal Ravne)

✓ **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

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

SLOVENIA – The right mix of Qualities



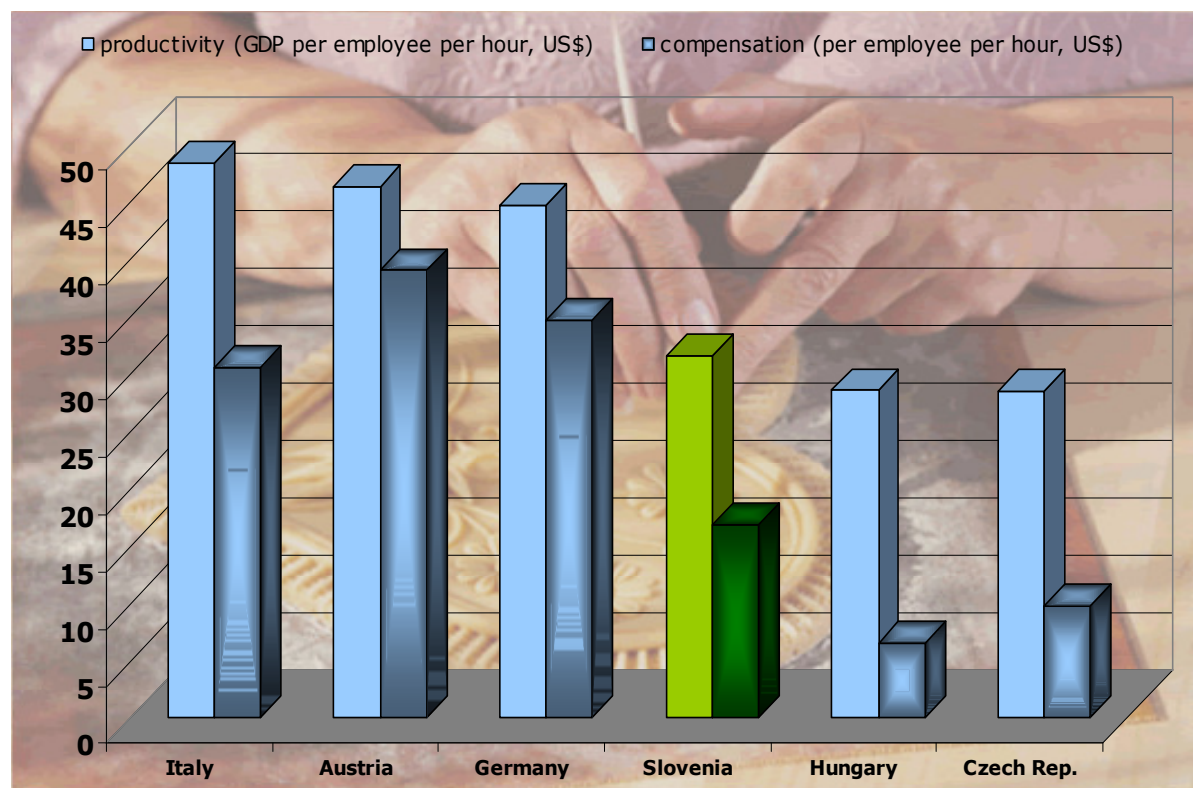
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(Four Qs For You)

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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 **2nd 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



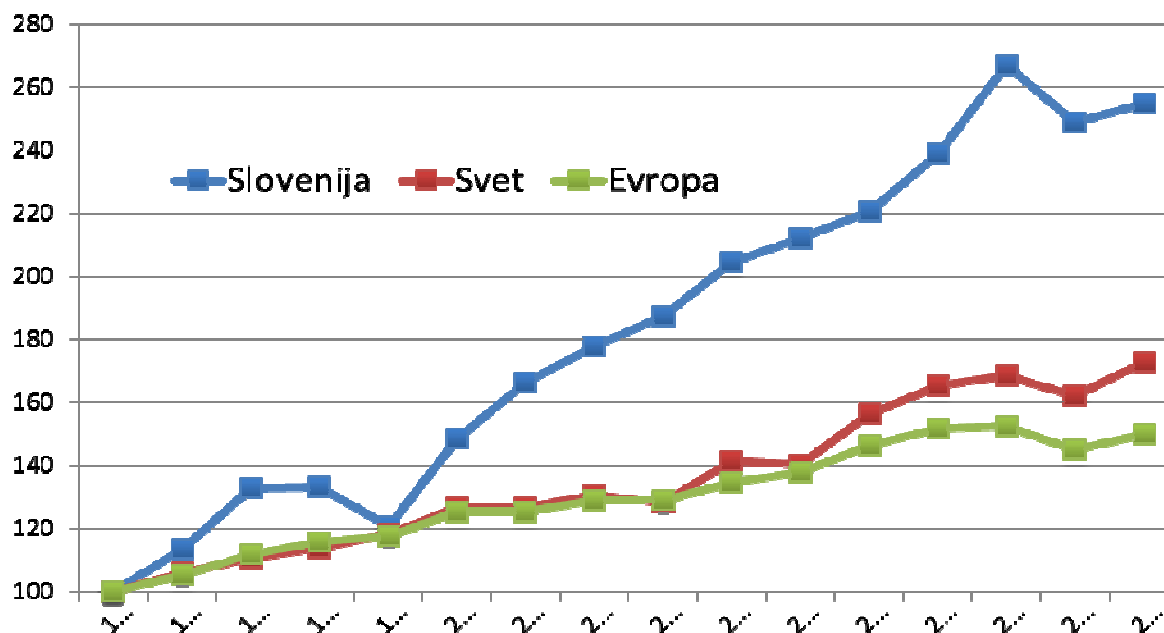
- **High standard of living**
(International Living 2011 Index
– 20th place out of 137
countries)
- **Cultural and geographical
diversity**
- **At the intersection of
Roman, German and Slavic
culture**
- **Mixture of Alpine,
continental and
Mediterranean climates**
- **Huge forest ecosystem – 3rd
in 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
2011	4-5%	2-4%	4%
2012	5 %	4 %	4%

Tourists arrivals JAN-APR 2012

All: + 2.7%
Foreign: + 6.4 %

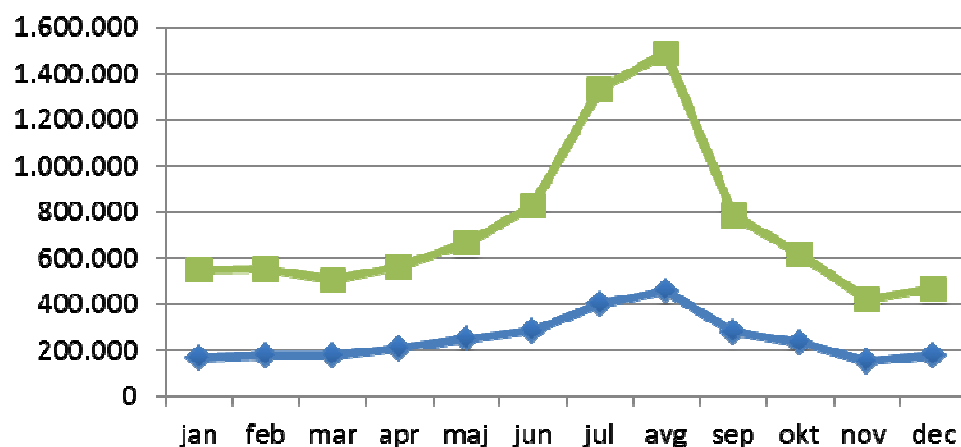
*EU27, vir OE,UMAR, ETC.

*EU27, VIR: UNWTO, 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**



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Tourist workshops in Slovenia

16. Slovenian Incoming Workshop – SIW

(Portorož, April 2013)

the biggest business event in tourism in Slovenia

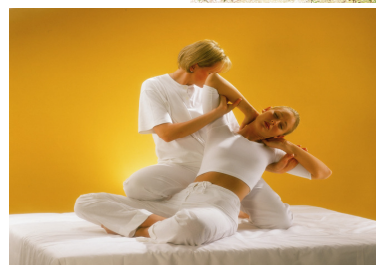
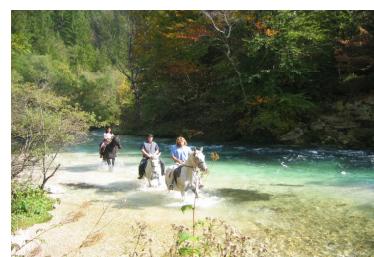
- Over 270 companies
- Over 400 participants



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



Investment opportunities

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

Investment opportunities

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

Investment opportunities

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

Investment opportunities

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)

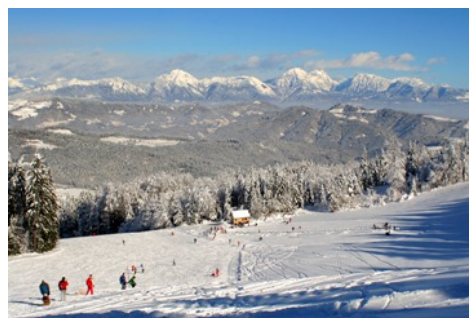
Results of public tenders for projects co-financed by EFRD (2007-2013):

- 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

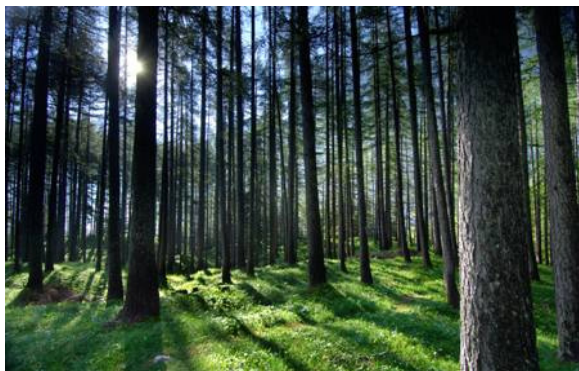


**Thank you for your
attention!**



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