

SGI Sustainable
Governance
Indicators

2015 Slovenia Report

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Executive Summary

In the 2013 – 2014 period, Slovenia continued to grapple with the double-dip recession that had commenced in 2009, seeking to avert a full-blown debt crisis. While the center-left Alenka Bratušek government was preoccupied with short-term crisis management, failing to adopt many of the structural reforms it promised, it did succeed in maintaining liquidity and did not have to draw on EU bailout funds. Compared to its predecessor, the Bratušek government took a more inclusive approach, seeking to revive the country's corporatist tradition. However, the courts' controversial treatment of conservative former Prime Minister Janez Janša helped sustain the country's strong political polarization.

The disintegration of the ruling coalition and the inner conflicts within Bratušek's Positive Slovenia party eventually resulted in early elections to the National Assembly in July 2014. As in 2011, these elections were won by a newly established political party, in this case the Modern Center Party (SMC) led by Miro Cerar. The ability of a party formed just over a month before the elections to obtain more than a third of the vote, the largest share a party has received since Slovenia's independence in 1991, is an indicator of the population's disenchantment with politics and deep distrust in the political system.

However, the fact that the country's democratic institutions remain intact despite such political turbulence testifies to the quality of democracy in Slovenia. The country's electoral process is free and fair, civil rights and political liberties are largely respected, and the media are largely independent. New rules adopted in January 2014 have made party financing more transparent. However, the contrast between the handling of former Prime Minister Janša's case and the more lenient treatment of some left-wing politicians accused of corruption has raised some concerns about the independence of the judiciary and the government's commitment to fighting corruption. The resignation of the three chairmen of the Commission for the Prevention of Corruption (CPC) in November 2013 raised further questions. One traditional Slovenian peculiarity has been the broad use of popular decision-making mechanisms. However, legal changes in May 2013 limited these previously far-reaching rights, and as a result, only a single referendum was held in 2014. This was unsuccessful due to low voter turnout.

In terms of governance, Slovenia has been characterized by a strong corporatist tradition. The effects of this system on the government's strategic capacity have been ambivalent. Under previous governments, the unions' political influence prevented the adoption of reforms. However, as Slovenia's economic problems became more visible and acute, the unions eventually accepted major reforms, giving the Bratušek government a chance to capitalize on the support of the social partners. Partly as a result of this strong corporatist tradition, policymaking in Slovenia has suffered from a lack of strategic planning, limited reliance on independent academic experts, a weak core executive, an increasingly politicized civil service, and a largely symbolic use of RIA. There has been no regular self-monitoring of institutional arrangements. Unlike its predecessor, the Bratušek government did not undertake substantial institutional reforms.

Key Challenges

At first look, the government formed after the July 2014 elections appears to be in a very strong political position. Prime Minister Cerar and his Modern Center Party (SMC) party enjoy a strong popular mandate, the government rests on stable support in the National Assembly, and the opposition is divided into two right-wing and two left-wing parties. Moreover, the resumption of economic growth after two years of shrinking GDP is likely to boost the popularity of the new government, and will help to reduce the fiscal deficit and limit the public debt.

The new government has raised strong expectations by appealing to the popular dissatisfaction with corruption and the old establishment. If it wants to avoid the fate of the Positive Slovenia party – which won the 2011 elections, but split up and was marginalized in 2014 – and counter the rise in cynicism regarding the Slovenian political class, it has to live up to these expectations. This means the new government has to intensify the fight against corruption and dispel the public doubts regarding the judiciary's independence prompted by the variance in treatment accorded to plaintiffs from different political camps. Moreover, the new government must demonstrate that it really is a government of and by experts, and thus transcends the old left-right schism in Slovenian politics. In order to achieve this goal, a number of changes in the Slovenian policymaking process might be helpful. For instance, the civil service should be depoliticized, with the career civil-service model reestablished. Similarly, the government could make greater use of expert

advice, strengthen strategic planning and improve the RIA system. Such changes would make it easier for the government to take a long-term perspective, overcome resistance by special-interest groups and win public acceptance for reforms.

In terms of policy, the primary challenge facing the new government is to move from a focus on short-term crisis management to structural reforms. The fact that the economy has returned to growth does not mean that the structural problems hampering the Slovenian economy such as a high level of state ownership, weak corporate governance, a fragile banking system and an overleveraged corporate sector have been overcome. The new government should accelerate the privatization measures initiated by the Bratušek government, and pay renewed attention to issues such as R&D and education, which have been neglected for some time. Improving the country's capacity to absorb EU funds will be crucial for fostering innovation. In the field of social policy, a reform of the health care system, an issue that has been on the agenda for some time, appears most urgent.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 5

In the period under review, Slovenia struggled to overcome a protracted economic crisis that was compounded by rising public debt, high unemployment rates and a problematic banking sector. Especially during the first half of 2013, credit ratings assigned to the country by the top rating agencies dropped significantly, pushing Slovenia to the brink of a full-blown debt crisis. While overall reforms remained modest, the Bratušek government ultimately succeeded in averting the crisis, and Slovenia was not forced to draw on EU bailout funds. In the second half of 2014, the economy returned to a condition of positive growth. The recovery appears broad-based, with both external and domestic improvements. Net exports have remained resilient and investment has risen, largely due to EU-funded projects.

Labor Markets

Labor Market
Policy
Score: 5

As a result of the economic recession, unemployment rates in Slovenia rose from 2009 to 2013. In 2013, the employment rate among those aged 20 to 64 fell below the EU average for the first time. In 2014, the labor-market situation began to improve. In August 2014, the unemployment rate was 1.6 percentage points lower than a year previously. The drop in unemployment was caused largely by the economic recovery. While Slovenia has a tradition of labor-market policy that dates back to Yugoslav times, existing programs and policies have not proven very effective. In November 2013, the Bratušek government introduced a new program for first-time job seekers. Financed primarily by the European Social Fund (ESF), this program provided subsidies to employers for hiring new labor-market entrants under the age of 30.

Citation:

Institute of Macro-Economic Analysis and Development (2014): Development Report 2014. Available at: http://www.umar.gov.si/fileadmin/user_upload/publikacije/pr/2014/Apor_2014.pdf, pp. 57-59

Taxes

Tax Policy
Score: 4

Slovenia's tax system was overhauled in the 2004 – 2008 term, and has changed only gradually since then. Tax revenues have been relatively high in relation to GDP, but have not been sufficient to prevent the emergence of high budget deficits. Tax revenues stem from a broad range of taxes, with a high percentage of about 40% of all tax revenues coming from social insurance contributions. A progressive income tax with tax rates of 16%, 27% and 41% provides for some vertical equity. As the thresholds are set rather low, however, the majority of middle-income class citizens fall into the highest category. The tax burden for enterprises is below the EU average, but higher than in most other East-Central European countries. As part of its effort to limit the budget deficit, the Bratušek government increased the value-added tax, and sought to introduce a new tax on real estate, which forecasts predicted would result in additional annual tax revenues of about €400 million. In late March 2014, however, the Constitutional court unanimously annulled the Real Estate Tax Act, arguing that key parts of the law, including the envisaged method of assessing property values, were unconstitutional.

Budgets

Budgetary Policy
Score: 5

The Bratušek government succeeded in reducing the fiscal deficit through a combination of increases in taxes and cuts in benefits. However, the deficit still amounted to more than 4% of GDP in 2014, and the national public debt reached an all-time high in 2014. In order to stress its commitment to a sustainable budgetary policy, the parliament – in line with the European Union's Fiscal Compact – enshrined a "debt brake" in the constitution in May 2013. The incoming Cerar government committed itself to reducing the fiscal deficit to below 3% of GDP in 2015.

Research and Innovation

R&I Policy
Score: 3

Slovenia's R&D activities have long been of both low quality and quantity. The Bratušek government placed little emphasis on R&D, and failed to increase the share of EU funds devoted to the support of research and development. In some areas of research, EU funds have even declined, as Slovenia has experienced serious administrative difficulties in absorbing funds for R&D.

Global Financial System

Stabilizing
Global Financial
Markets
Score: 4

Compared to most other East-Central European countries, the degree of foreign ownership within the Slovenian financial sector is low. Like its predecessors, the Bratušek government did not contribute actively to improving the regulation and supervision of international financial markets. Instead, it focused on addressing financial problems within the Slovenian banking sector by implementing the bad-bank scheme devised by the Janša government. Established in March 2013, the Bank Assets Management Company (BAMC) has taken over non-performing loans in exchange for bonds backed by state guarantees.

II. Social Policies

Education

Education Policy
Score: 7

Slovenia has moved relatively rapidly from the socialist curriculum tradition towards a more flexible organization of education. With a high share of the population aged 25 to 64 having completed at least upper secondary education as well as high ranks in international educational achievement tests, the education system fares relatively well by international comparison. The most pressing problems remain the small (but slowly growing) share of pupils enlisted in vocational education and in fields such as engineering, as well as a heavily underfunded tertiary-education system with low completion rates. However, the country's oldest and largest public university, the University of Ljubljana, is regularly ranked among the world's 500 best universities. Preoccupied with crisis management, the Bratušek government has paid little attention to education policy.

Citation:

Eris, Mehmet, 2011: Improving Educational Outcomes in Slovenia. OECD, Economics Department, Working Paper No. 915, Paris. Available at:

<http://www.oecdlibrary.org/docserver/download/5kg0prg9b1g8.pdf?expires=1377810034&id=id&accname=guest&checksum=A24D79C1BA7F2F01CFFF744616E3A5F1>.

Štremfel, Urška and Damjan Lajh. 2012. Development of Slovenian education policy in the European context and beyond. *Bulgarian Journal of Science and Education Policy*, vol. 6, no. 1, pp. 130-154.

Social Inclusion

Social Inclusion
Policy
Score: 7

Slovenia has a strong tradition of social inclusion, with its Gini coefficient being among the OECD's lowest. In the past, social policy focused on providing selective benefits to the elderly and to families with children. Since the onset of the economic crisis, however, social disparities have widened. The Fiscal Balance Act, adopted by the Janša government in May 2012, cut several social-benefit programs and reduced the generosity of social benefits for the unemployed. The Bratušek government made few changes to previously adopted policies.

Health

Health Policy
Score: 6

The Slovenian health care system is dominated by a compulsory public-insurance scheme. This scheme guarantees universal access to basic health services, but does not cover all costs and treatments. In order to close this gap, citizens can take out additional insurance offered by Vzajemna, a mutual-health-insurance organization established in 1999, or, since 2006, by two commercial insurance companies. The quality of services, which are partly delivered by private providers and are organized locally, is relatively good, and total health spending is slightly below the OECD average. However, both the compulsory public health-insurance scheme and the supplementary health-insurance providers have suffered from severe financial problems for some time, resulting in rising losses among the majority of health providers. While the need for reforms has been broadly accepted, no major reforms have been adopted. The Bratušek government failed to adopt such a reform despite declaring this to be one of its most important policy goals. Health care reform has featured prominently in the announcements of the Cerar government, which has emphasized an intention to eliminate the need for the supplementary health-insurance schemes.

Families

Family Policy
Score: 8

In Slovenia, the employment rate among women is high, and above the EU average. Part-time work is rare among women, but its incidence is growing slowly. At 75.5%, the employment rate among mothers with children under six years of age was the highest in the European Union in 2012. Reconciling parenting and employment is facilitated by a provision of child-care facilities that exceeds the EU average, and meets the Barcelona targets both for children under three years of age and between three and five years of age. At 105 working days, the maximum duration of maternity leave is near the European average. Fathers have a right to 90 calendar days of paternity leave, of which

only 15 are paid. New legislation adopted in April 2014 will increase this to 30 days, but only after GDP growth exceeds 2.5%. These paid days must be taken during the first six months of the child's life, while the remaining 75 (60) unpaid days can be taken before the child is three years old. After maternity leave expires, one parent exclusively or both parents alternately have the right to take up to 260 days of unpaid leave for the care and protection of the child.

Pensions

Pension Policy
Score: 7

Slovenia has a traditional pay-as-you-go (PAYG) pension system with modest pensions, whose intergenerational fairness and financial sustainability in face of an aging society has suffered from a low employment rate for the elderly. A substantial pension reform was adopted in December 2012. This instituted a gradual increase in the full-retirement age to 65 for men and woman, or 60 for workers with at least 40 years of pensionable service. In addition, it introduced incentives for people to continue working after qualifying for official retirement, and implemented changes to the pension formula that will slow future pension growth. No further changes were adopted under the Bratušek government.

Integration

Integration Policy
Score: 4

The number of foreign residents in Slovenia has dropped dramatically in recent years due to the effects of economic crisis. In 2008, about 85,000 work permits were issued to foreign workers; by 2012, this figure had fallen to 20,500. In the first half of 2014, the number of workers arriving in Slovenia exceeded the number of outgoing foreign workers for the first time since 2009. Like its predecessors, the Bratušek government paid little attention to migrant integration. Slovenia does not accept jus soli or full dual nationality, and migrants have very limited opportunities for political participation or to reunite with their family. Employers complain that the procedures for recruiting foreign workers are overly bureaucratic and too time consuming.

Safe Living

Safe Living
Conditions
Score: 9

Slovenia's accession to the Schengen group in December 2007 has resulted in a substantial professionalization of the Slovenian police force and border control. While the effectiveness of the police force still suffers from occasional underfunding, actual and perceived security risks are very low. Compared to other East-Central European countries, trust in the police is relatively high.

Citation:

Politbarometer, Faculty of Social Sciences, June 2013. Available at:

http://www.cjm.si/sites/cjm.si/files/file/aktualne_raziskave/PB6_13.pdf.

Global Inequalities

Global Social
Policy
Score: 4

With EU accession in 2004, Slovenia's status changed from donor to recipient of official development assistance. However, Slovenia has not been very active in international efforts to promote equal socioeconomic opportunities in developing countries. The few initiatives that exist are mostly focused on the former Yugoslavia. The prevailing attitude is that Slovenia has its own measure of socioeconomic problems to tackle and that potential Slovenian international influence is negligible. Still, Slovenia's official development assistance comes close to the EU target.

III. Environmental Policies

Environment

Environmental
Policy
Score: 8

Slovenia enjoys extraordinarily rich biodiversity and landscapes due to its location at the junction of several ecological regions. The country's natural endowment has been enhanced by a tradition of close-to-natural forest management and by low-intensity farming. Forests occupy approximately 62% of the total land area, about twice the OECD average. The key mechanism for defining sustainable development goals and targets has been Slovenia's new Development Strategy 2014 – 2020. The adoption of this strategy in late 2013 paved the way for a public debate on the new Environmental Report, with special emphasis on the Natura 2000 areas.

Over the last decade, Slovenia has established a comprehensive environmental legislation. It has transposed most EU environmental directives into the 2004 Environmental Protection Act and other national laws. It has introduced risk-based planning of environmental inspections and improved compliance monitoring and enforcement. In parallel with these developments, Slovenia improved the provision of and access to environmental information. Environmental NGOs fulfill an important watchdog role, participate actively in environmental policymaking, and play a role in environmental management – for example, helping to manage nature reserves. However, as in many countries, the legal basis enabling NGOs to challenge government decisions in the courts could be strengthened. While gross expenditure on R&D for environmental purposes has more than tripled in real terms in the last decade, the country's environmental innovation system has produced relatively little output.

Citation:

OECD, 2012: Environmental Performance Review Slovenia. Paris. Available at:

<http://www.oecd.org/slovenia/slovenia2012.htm>.

Slovenia's Development Strategy 2014-2020. Ljubljana. Available at:

http://www.mgrt.gov.si/en/areas_of_work/eu_cohesion_policy/development_planning_and_programming_of_strategic_and_implementing_documents/slovenias_development_strategy_2014_2020_sds_2014_2020/.

Environmental Performance Index 2014. Available at: <http://epi.yale.edu/epi/country-profile/slovenia>

Global Environmental Protection

Global
Environmental
Policy
Score: 6

More than for most other countries, geography determines the priorities of Slovenia's international environmental relationships, notably with respect to water management and the conservation of biodiversity. Slovenia's commitment to sustainable development on a regional and subregional scale is articulated through various cooperation agreements covering the Alps, the Danube and its tributaries, and the Mediterranean (including the Adriatic). The Dinaric Arc area is an emerging focus of cooperation. Bilateral cooperation between Slovenia and its neighboring countries includes water management agreements with Croatia, Hungary and Italy, and agreements with Austria on spatial planning in border regions. Slovenia has continued to maintain many informal contacts at a professional/technical level with the countries of the western Balkans. Compared to these regional activities, Slovenia's contribution to the strengthening of global environmental protection regimes has been modest.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 10

In Slovenia, the legal provisions on the registration of candidates and parties provide for a fair registration procedure for both national (parliamentary, presidential) and local (mayoral, council) elections. Registration requirements are straightforward and not very demanding. To establish a party, only 200 signatures are needed. The registration requirements for national parliamentary elections favor parties represented in Parliament. Unlike non-parliamentary parties or non-party lists, they are not required to collect voter signatures. Candidates for the presidency must document support from at least three members of parliament or 5,000 voters. At local elections, a candidate for mayor and candidate or list of candidates for a municipal council can be proposed either by political parties or by a specified number of voters, which is dependent on the size of a municipality. Candidate lists both for national parliamentary elections and municipal assembly elections must respect a gender quota. On each list of candidates, neither gender should be represented by less than 35% of the total number of candidates on the list.

Citation:

State Election Commission of the Republic of Slovenia 2014. Available at: <http://www.dvks-rs.si/index.php/en>.

Media Access
Score: 9

While both the public and private media tend to focus on the bigger political parties, Slovenia's public-media regulatory system and pluralist media environment ensure that all candidates and parties have fair access to the media. The public TV and radio stations are obliged to set aside some airtime for parties to present their messages and their candidates. The establishment of a third public TV channel has provided additional airtime for political parties and candidate lists to present their views to the public. In the 2014 election campaigns for the European Parliament, the national assembly and local government bodies, newly established political parties were given the opportunity to participate in pre-election debates held by the public broadcaster.

Voting and
Registrations
Rights
Score: 10

The electoral process is largely inclusive at both national and local levels. All adult citizens, including convicted prisoners, can participate in elections, and no cases of voting irregularities occurred in the period under analysis. Voters that will not be in their place of residence on election day can ask for a special voter's pass that allows voting at any polling station in the country. While there is no general postal vote, Slovenian citizens who live abroad as well as disabled persons unable to make it to the polling station can exercise their voting rights by mail. One Slovenian peculiarity are the special voting rights for the Hungarian and Italian minorities and the Roma population. Members of the Hungarian and Italian minorities can cast an additional vote for a member of parliament representing each minority in the national parliament. In the case of local elections, a similar provision exists for the Roma population in all municipalities with a substantial Roma minority.

Party Financing
Score: 7

According to the Act on Political Parties, parties can be financed by membership fees, donations, estate revenues, the profits of their companies' revenues and public subsidies. If a political party wins at least 1% of all votes in the previous parliamentary elections, it is entitled to financial resources from the national budget: 25% of the total budget amount is divided equally between all eligible parties. The remaining 75% is divided among the parties represented in the National Assembly according to their vote share. In addition, parliamentary party groups can obtain additional support from the national budget for their parliamentarians' education purposes, and for organizational and administrative support. All political parties must prepare annual reports and submit them to the National Assembly. The reports, which are submitted to the Agency of the Republic of Slovenia for Public Legal Records and Related Services, must disclose aggregate revenues and expenditures, detail any property owned by the party, and list the origins of all donations that exceed the amount of five times Slovenia's average gross monthly salary. Parties are also required to submit post-electoral reports to the Court of Audit, which holds official responsibility for monitoring party financing. Following many calls to further increase transparency and strengthen the monitoring and sanctioning of party financing, legislation on the issue was finally amended in January 2014, barring donations from private companies and organizations. Partly as a result, expenditures for the July 2014 parliamentary election campaigns were much more modest than for previous ballots.

Citation:

Danica Fink-Hafner/Alenka Krasovic 2013: Party Regulation as an Instrument of Party System Consolidation and of Mending Party Legitimacy in Slovenia. Working Paper Series on the Legal Regulation of Political Parties, No. 36. Available at: <http://www.partylaw.leidenuniv.nl/uploads/wp3613.pdf>

Popular Decision-
Making
Score: 8

Slovenia has a strong tradition of direct democracy. Until a constitutional amendment in May 2013, referenda on all issues could be called by Parliament, the National Council (a body representing major interest groups) as well as by citizens themselves. As a result, many referenda were called, and in a number of cases controversial government initiatives were rejected. A May 2013 constitutional amendment, which was adopted by the legislature with an overwhelming majority, kept the relatively low threshold of signatures required for calling a referendum (40,000), but ruled out the calling of referenda by Parliament and by the National Council. Moreover, the set of eligible issues was reduced so as to exclude the public budget, taxes, human rights and international agreements, the majority requirements for the validity of referenda were tightened and the period for which Parliament is bound to the results of a referendum was reduced. In the period under review, only one national referendum was held. In June 2014, 67% of the voters rejected an amendment to the law on the national archives adopted in January 2014. However, the referendum was in any case invalidated by a voter turnout well below the required 20% quorum.

Access to Information

Media Freedom
Score: 7

Slovenia's constitution and legal system guarantee freedom of the press, and the media for the most part operate without direct political interference. The laws regulating public television and radio broadcasting reflect the strong corporatist element of Slovenian political culture. The Council of Radio-Television of Slovenia (Radiotelevizija Slovenija, RTVS) has 29 members, who are appointed by the National Assembly, but proposed by a broad variety of political and social actors. A 2014 amendment to the Radio-Television Act strengthened the independence of the public media by reducing the scope for discretionary cuts in public funding, and by requiring an absolute rather than relative majority for the election of the director-general of the Council of Radio-Television of Slovenia. However, the Media Watch Project, which had served as an important independent watchdog within the Slovenian media market since 1998, ended its activities in 2014 due to a lack of funding.

Media Pluralism
Score: 6

Slovenia currently has about 1,400 different media outlets, including more than 80 radio and 40 television broadcasters (both local and cable operators). However, the public-media market share is still substantial, with Radio-Television of Slovenia (Radiotelevizija Slovenija, RTVS) running seven out of 10 national TV and radio channels (for TV: SLO1, SLO2, SLO3; for radio: Program A, Program Ars, Val 202 and Radio Slovenia International). The strong role of the public media has raised some concerns about media pluralism. A search for a buyer for Večer, the fourth-largest daily newspaper (primarily serving the northeastern part of the country), failed in 2013. However, Delo, its owner and the county's largest newspaper company,

managed to sell its 79.4% share to the privately held Dober Večer in July 2014 for a sum of just over €1 million. Večer's journalists protested the sale, as Dober Večer was established just few weeks prior to the sale, and there was no known development strategy for Večer. Despite these concerns, Delo won approval for the sale from the Office for the Protection of Competition (AVK) at the end of August 2014. Overall, the media market continues to suffer from a lack of transparency and regulation. Neither the government nor the Electronic Communication Agency, which regulates the sector, have done much to improve the situation.

Access to
Government
Information
Score: 8

Slovenian law guarantees free and quite easy access to official information. Restrictions are few and reasonable (covering mostly national security and secret data issues), and there are effective mechanisms of appeal and oversight enabling citizens to access information. When access to official information is obstructed or denied, the Information Commissioner, an autonomous body that supervises both the protection of personal data as well as access to public information, can be called upon and intervene. In a number of cases, the Information Commissioner has helped citizens to enforce their right of access.

Civil Rights and Political Liberties

Civil Rights
Score: 7

In Slovenia, civil rights are largely respected. Citizens are effectively protected by courts and by independent institutions like the ombudsman against infringements of their rights. However, some problems exist with regard to the integrity of the judiciary and the duration of court proceedings, which are still unreasonably long, despite efforts by the government to reduce waiting and trial times. The European Court of Human Rights (ECHR) has issued numerous verdicts against Slovenia for exceeding the "reasonable time" requirement. In July 2014, the ECHR issued a landmark ruling against Slovenia regarding Yugoslav-era foreign-currency deposits. The court ordered Slovenia to find a solution for compensating deposit-holders with unreturned deposits at the defunct Ljubljanska Banka (LB) bank in Sarajevo within a year.

Political Liberties
Score: 9

In Slovenia, political liberties are constitutionally protected and guaranteed and are respected by government institutions. The rights to assembly and association, for instance, is guaranteed in Article 42 of the Slovenian Constitution and can only be restricted in special cases. The fact that Slovenia has more civil-society organizations per capita than most other countries testifies to the protection of the freedom of association. Infringements on political liberties are rare. In the period under review, however, the police's treatment of protestors during the large demonstrations against the political elites in 2012 – 2013 raised concerns about potential infringements of the right to assembly; all protestors prosecuted and sentenced in 2013 were subsequently found not guilty in September 2014.

Non-discrimination
Score: 7

Slovenian law guarantees equal rights to all citizens and protects against discrimination based on prescribed criteria. There are also various forms of positive discrimination, including a gender quota in electoral law and special voting rights for the officially recognized national minorities as well as for the Roma population. Despite the legal framework, foreign workers and women are paid somewhat less for the same work than Slovenian and male workers, and there have been cases of discrimination against same-sex couples. Amnesty International and others have criticized the government for not doing enough to counter discrimination toward the Roma.

Rule of Law

Legal Certainty
Score: 7

Legal certainty in Slovenia has suffered from contradictory legal provisions and frequent changes in legislation. Many crucial laws are amended on a regular basis, and contradictions in legislation are frequently tested in front of the Constitutional Court. In almost one-third of cases, the procedures of rule-making are misused or side-stepped by making heavy use of the fast-track legislation procedure. In the vast majority of cases, however, government and administration act on the basis of and in accordance with the law, thereby ensuring legal certainty.

Judicial Review
Score: 8

While politicians try to influence court decisions and often publicly comment on the performance of particular courts and justices, Slovenian courts act largely independently. Independence is facilitated by the fact that judges enjoy tenure. The independence of the courts became an issue in the Patria case trial, with many observers criticizing the judgment against opposition leader Janša (sentenced to two year in prison for bribery) as being politically motivated. The Cerar government has preserved the independence of the Prosecutor's Office, and announced it would strengthen the independence of the judiciary by expanding its funding.

Appointment of Justices
Score: 7

In Slovenia, both Supreme and Constitutional Court justices are appointed in a cooperative selection process. The Slovenian Constitutional Court is composed of nine justices who are proposed by the president of the republic, and approved by the parliament on the basis of an absolute majority. The justices are appointed for a term of nine years, and choose the president of the Constitutional Court themselves. Supreme Court justices are appointed by parliament by a relative majority of votes based on proposals put forward by the Judicial Council, a body of 11 justices or other legal experts partly appointed by parliament and partly elected by the justices themselves. The Ministry of Justice can only propose candidates for the president of the Supreme Court. Candidates for both courts must meet stringent merit criteria and show a long and successful career in the judiciary to be eligible for appointment.

Corruption
Prevention
Score: 5

Corruption has been publicly perceived as one of the most serious problems in Slovenia ever since 2011. In the period under review, efforts to conclude a few longstanding, high-profile corruption investigations were intensified, and several business tycoons and their closest associates were convicted. The most high-profile figures were the former heads of Istrabenz and Brewery Laško, Igor Bavčar and Boško Šrot, who were respectively sentenced by the Ljubljana District Court in July 2014 to seven and nearly six years in prison for unlawful trading in Istrabenz stock. However, in November 2013, the three chairmen of the Commission for the Prevention of Corruption (CPC), the main anti-corruption watchdog that had played a major role in putting corruption on the agenda, resigned in protest over the government's inadequate anti-corruption efforts. The contrast between the comparatively strict sentence given to former Prime Minister Janša and the more lenient treatment of some left-wing politicians accused of corruption has also raised some concerns about the political selectivity of anti-corruption measures.

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 3

The institutional capacity for strategic planning in Slovenia is rather weak. Capacities for planning in the ministries are limited, and there is no central policy-planning unit in the Government Office. Absorbed by crisis management, the Bratušek government took a primarily short-term approach. The incoming Cerar government announced that would expand planning capacities.

Scholarly Advice
Score: 4

In Slovenia, the Government Office and the ministries have various advisory bodies that include academic experts. The Bratušek government was relatively receptive to external advice. Miro Cerar, the new prime minister, relied on academic and practitioners' advice when establishing his party platform and government program.

Interministerial Coordination

GO Expertise
Score: 4

Slovenia has a strong tradition of departmentalism and collegial cabinets. The Government Office focuses on the legal and technical coherence of draft bills, but lacks the capacity and sectoral expertise to evaluate their policy content. Prime ministers Bratušek and Cerar have done little to change this situation.

GO Gatekeeping
Score: 6

In Slovenia, the Government Office has the formal power to return draft laws on policy reasons or any other grounds. In practice, however, the gatekeeping role of the Government Office is of limited importance, since most legislative projects are initially discussed at coalition meetings, generally between the presidents of the coalition parties, and subsequently undergo a complex process of interministerial coordination.

Line Ministries
Score: 3

The Government Office is not directly and systematically involved in line ministries' preparation of policy proposals. Once the coalition agreement and government program have defined certain projects, full responsibility for

drafting bills rests with the line ministries. The Government Office is seldom briefed about the state of affairs. If it is, consultation is rather formal and focuses mostly on technical and drafting issues.

Cabinet
Committees
Score: 7

Cabinet committees play an important role in the preparation of cabinet proposals in Slovenia and settle issues prior to the cabinet meeting. There are three standing cabinet committees: the Committee of State Matters and Public Issues, the Committee of National Economy and the Commission of Administrative and Personnel Matters. In addition, temporary committees are from time to time established for particular tasks.

Ministerial
Bureaucracy
Score: 6

In Slovenia, a substantial amount of interministerial coordination is performed by civil servants. Senior civil servants and cabinet members are always heavily involved in the coordination of legislation. However, the effectiveness of this coordination has suffered from the deteriorating quality and increasing politicization of the civil service. Under the Bratušek government, several prominent and experienced high-ranking civil servants were replaced by party loyalists with limited experience and knowledge.

Informal
Coordination
Score: 7

Slovenia's tradition of coalition governments has meant that informal coordination procedures have played a significant role in policy coordination. Under the Bratušek government, the leaders of the four coalition parties met frequently, making major decisions at coalition meetings that were sometimes also attended by the leaders of parliamentary majority groups. In press conferences and public statements after these meetings, very little information about the decisions made was provided to the public. The dominant role of the party leaders within their parties has also meant that a considerable amount of policy coordination takes place in party bodies.

Evidence-based Instruments

RIA Application
Score: 5

In Slovenia, RIA guidelines have largely been copy and pasted from the European Union. The guidelines call for a detailed analysis of the need for and the purpose of new regulations. In practice, however, RIA quality is very uneven, and there are no official statistics regarding implemented RIAs. As fast-track legislation is exempt from RIA, RIAs were not performed for at least a third of all new measures passed in the period under review.

Quality of RIA
Process
Score: 2

The RIA process in Slovenia suffers from a number of weaknesses. First, public participation fails to meet the legal standards. Second, the conducted RIAs are only rarely made public. Third, quality control is limited. RIA oversight is divided among several agencies; however, supervising agencies largely check for formal correctness, without addressing substantive quality.

Sustainability
Check
Score: 2

Slovenia's RIA guidelines provide for relatively far-reaching sustainability checks. However, the specification of assessment criteria and the set of indicators to be used suffers from gaps, and the actual quality of RIA is very

uneven. In some cases, there are only vague assessments; in others, comprehensive analytical work is done.

Societal Consultation

Negotiating
Public Support
Score: 5

Slovenia has a strong tradition of corporatism, as well as government consultation with interest groups more generally. While the 2012 – 2013 center-right government broke with this tradition, the Bratušek government sought to revive it, reviving formal consultations with interest groups and unions through the Economic and Social Council, the tripartite body for social and economic dialogue. It managed to reach agreement with the social partners over several cornerstones of its legislative program, including reform of the labor market, the introduction of a property tax, and additional austerity measures in the public sector. In a number of cases, however, these consultations failed to produce any results, and trade unions complained that the government did not take their positions or negotiations seriously.

Policy Communication

Coherent
Communication
Score: 4

The Bratušek government, like its predecessors, failed to achieve coherent communication with the public due to the prime minister's inability or unwillingness to control her various coalition partners. Only six of 14 ministers were affiliated with Prime Minister Bratušek's Positive Slovenia party, and her attempts to impose some discipline on her coalition partners through frequent coalition meetings were only partially successful.

Implementation

Government
Efficiency
Score: 6

The Bratušek government's coalition agreement was relatively vague. It listed a total of 12 priorities, the majority of which were unaccompanied by detailed plans regarding their achievement. While the Bratušek government did succeed in averting a full-blown debt crisis, thus obviating the need to draw on EU bailout funds, the pace of fiscal adjustment lagged behind forecasts. One of the government's major reform projects, the introduction of a real-estate tax, failed when the Constitutional Court declared its design to be unconstitutional in March 2014. With regard to structural reforms, some progress with privatization was evident. The Bratušek government prepared a list of 15 state-owned companies to be sold to the highest bidder; the first of those companies, Airport Ljubljana, was sold to Germany's Fraport in September 2014. However, in other fields mentioned in the coalition agreement, such as health care, little happened.

Ministerial
Compliance
Score: 6

As head of a coalition government, Prime Minister Bratušek primarily relied on frequent coalition meetings of narrow (including only the presidents of coalition parties) or broader composition (including ministers and legislators as well) to ensure the implementation of the government's program. Four ministers resigned from the Bratušek government, partially due to controversies over the government's course, but partially because of an inability to explain their personal assets.

Monitoring
Ministries
Score: 5

The weak capacity of the Government Office (GO) and the predominance of coalition governments have limited the GO's role in monitoring line ministries' implementation activities. The GO tends to respect the assignment of ministries in the coalition agreement, and most monitoring takes place in coalition meetings.

Monitoring
Agencies,
Bureaucracies
Score: 4

Following the passage of the 2002 Civil Service Act, which has made it easier for the government to get rid of unwanted personnel, politicization has increased in Slovenia's executive agencies. Despite a rhetorical commitment to depoliticization in the 2013 coalition agreement, the Bratušek government replaced a number of experienced senior civil servants with less qualified staff loyal to the coalition parties, and filled leading positions in executive agencies with politically loyal personnel. Political and personal ties have prevented misconduct and incompetency from being sanctioned.

Task Funding
Score: 4

In the wake of the economic crisis, municipal governments – the sole tier of subnational self-government in Slovenia – have suffered substantial fiscal difficulties. The volume of funds they received from the national budget was reduced during economic crisis, especially after the Janša government's adoption of the Fiscal Balance Act in 2012. At the same time, local governments have only limited ability to levy their own taxes and duties. As a result, some smaller municipalities have had difficulties preserving even the minimum standards of public services, and even more municipalities have had trouble financing investments in municipal infrastructure and public buildings. Municipalities have attempted to raise more funding from EU structural funds, but success has been limited due to a lack of skilled personnel. The Bratušek government's plan to introduce a real-estate tax, the revenues of which would have been divided equally between the central government and municipalities, raised some hopes. However, the Constitutional Court overturned the tax provision in March 2014.

Constitutional
Discretion
Score: 5

The Slovenian Constitution, the European Charter on Local Government (ratified in 1996) and the Local Government Act give municipalities responsibility for all local public affairs and some autonomy in implementing national legislation. In practice, however, financing constraints and a limited administrative capacity in the large number of small municipalities limit local autonomy. Policymakers at the national level tend to neglect local interests.

Rožen Tomaž and Miro Haček. 2014. Merjenje upravljavske sposobnosti lokalnih samoupravnih skupnosti: primer slovenskih občin (Measurement of administrative capacity of local governments: case of Slovenian municipalities). Faculty of Social Sciences, Ljubljana.

National
Standards
Score: 3

In Slovenia, public-service standards are poorly defined, especially with regard to the independent functions of municipal governments. Moreover, the monitoring of standards is often highly fragmented. In the case of health care, for instance, the Public Agency for Drugs and Medical Accessories, the National Institute for Health Protection, the Public Health Inspectorate and the Office for Drugs and Pharmaceutical Control all play oversight roles. Despite its inclination towards centralization, the Bratušek government did not tackle the issue.

Adaptability

Domestic
Adaptability
Score: 5

Upon EU accession, Slovenia developed a complex system for coordinating European affairs, with the Ministry of Foreign Affairs serving as the central coordinator. Like its predecessors, the Bratušek government left this system largely unchanged. In the coalition agreement, it declared the increased absorption of EU funds to be one of its priorities. In fact, however, the absorption rate decreased. Because of shortcomings in public contracting and project oversight, the EU temporarily froze substantial EU funds in 2014. The Cerar government has sought to increase the absorption rate, and to improve the use of EU funds by creating a new ministry without portfolio with responsibility for development, strategic projects and cohesion.

International
Coordination
Score: 5

Slovenia has not been very active on the international scene. Like its predecessors, Prime Minister Bratušek's government was preoccupied with domestic political and economic issues, and paid little attention to improving institutional capacity for shaping and implementing global initiatives. The country's main international focus has been on shaping the European Union's policy toward the western Balkans, where Slovenia sees its strategic interests.

Organizational Reform

Self-monitoring
Score: 4

There is no regular self-monitoring of institutional arrangements in Slovenia. The monitoring that takes place is ad hoc and limited. The annual reports of state organizations are formal and self-congratulatory. Under the Bratušek government, the number of audits performed by private-sector organizations remained low.

Institutional
Reform
Score: 5

Under the Bratušek government, institutional reforms were largely confined to setting up a new Ministry of Culture and shifting the responsibility for public administration from the Ministry of Justice to the Ministry of Interior. The

Cerar government has been more active. By establishing separate ministries for public administration, infrastructure and environment/spatial planning, as well as by creating a ministry without portfolio responsible for development, strategic projects and cohesion, the government increased the number of ministries from 13 to 16. The creation of a separate Ministry for Public Administration underlines Prime Minister Cerar's commitment to institutional reform.

II. Executive Accountability

Citizens' Participatory Competence

Policy
Knowledge
Score: 4

Slovenian citizens' knowledge of government policymaking is rather limited. While both print and electronic media provide adequate information, certain segments of the population lack media literacy, and a majority of citizens is simply not interested in the details of policymaking. The recurring corruption and political scandals have led to frustration and disenchantment for a majority of the population. According to a survey conducted in June 2014, only 1% of respondents trusted political parties, and just 4% trusted the national government.

Citation:
Politbarometer survey, Faculty of Social Sciences, June 2014, available at:
http://www.cjm.si/ul/2014/PB_6_14.pdf.

Legislative Actors' Resources

Parliamentary
Resources
Score: 9

Slovenian members of parliament (MP) command sufficient resources to perform their jobs effectively and to monitor government activity. Each MP has a personal budget for education and literature acquisition as well as access to research and data services provided by the Research and Documentation Section. Additional resources are available to parliamentary party groups for organizational and administrative support, and for hiring expert staff. Parliamentary groups must have a minimum of three MPs.

Obtaining
Documents
Score: 8

In Slovenia, parliamentary committees have the right to ask for almost all government documents, and they can discuss any document in sessions either open or closed to the public. However, the Bratušek government sometimes delivered draft bills and other documents at the last minute or with considerable delay, thereby infringing on the work of the committees and obstructing public debate on the proposals.

Summoning
Ministers
Score: 9

The right of parliamentary committees to summon ministers is enshrined in the Rules of Procedure of the National Assembly of Slovenia. Ministers regularly follow invitations; if they are unable to attend in person, they can also authorize state secretaries to represent them. Ministers are also obliged to answer questions from members of parliament, either in oral or written form, and this obligation is largely respected in practice.

Summoning
Experts
Score: 8

Parliamentary committees in Slovenia may invite experts or form expert groups in charge of helping to draft legislative proposals. Such expert groups are typically established when constitutional changes are proposed. Under the Bratušek government, the number of experts invited declined slightly, as the governing coalition showed little interest in the opinions of experts supporting the opposition's positions and views.

Task Area
Congruence
Score: 8

The Slovenian parliament has two kinds of working bodies – committees, which normally cover the work of ministries, and commissions, some of them standing, which deal with more specific issues such as the rules of procedure, the supervision of intelligence and security services or the national minorities. In the 2012 – 2014 parliamentary term, the task areas of ministries and committees largely matched. Only one committee, the Committee on EU Affairs, lacked a clear ministerial counterpart, and the ministry without portfolio responsible for Slovenes living abroad was covered by a commission. Only two out of about 10 commissions – the Commission for Petitions, Human Rights and Equal Opportunities and the Commission for National Communities – dealt with several ministries. Although the number of government ministries has increased under the Cerar government, the structure of parliamentary working bodies has not changed in the new legislative term. As a result, the Committee for Internal Affairs, Public Administration and Local Government and the Committee for Infrastructure, Environment and Spatial Planning now oversee more than one ministry each.

Audit Office
Score: 9

According to Article 150 of the Slovenian Constitution, the Court of Audit is the supreme auditing authority in all matters of public spending. The Court of Audit is an independent authority accountable exclusively to parliament. The Court of Audit scrutinizes the performance of national and local governments and all legal persons established or owned by them. The chairman and the two vice-chairmen are elected by the parliament for nine years – on the basis of secret ballots – and the office reports regularly and whenever requested to the parliament. The Court of Audit has far-reaching competencies and enjoys a good reputation. However, its position is somewhat limited by a lack of resources. While it can propose its own budget to the legislature, the ultimate decision regarding the Court's resources rests with parliament.

Ombuds Office
Score: 8

In addition to the parliament's Commission for Petitions, Human Rights and Equal Opportunities, there is an independent ombudsman, who is accountable exclusively to parliament. The Ombudsman is elected by the parliament for a

term of six years and reports regularly to the legislature. Zdenka Čebašek Travnik, who served as ombudsman between 2007 and 2013, enjoyed a good reputation and was quite effective in settling issues, but decided not to run for reelection for personal reasons. As with previous ombudspersons, Travnik's role was occasionally constrained by the lack of interest from parliament and the inactivity of the ministries. Travnik's successor, Vlasta Nussdorfer, was elected in February 2013 with the broadest majority yet seen in the country's short parliamentary history (82 out of 90 votes), but has faced problems similar to those of her predecessor.

Media

Media Reporting
Score: 6

In Slovenia, the majority of both electronic and printed mass media fail to provide high-quality information on government decisions and mostly focus on superficial subjects. However, there is a clear distinction to be made between the private and public media here. Whereas the private media, especially private electronic media, tend to focus on non-political information and infotainment, the public media, especially television and radio broadcasters, put much more emphasis on providing high-quality information about government decisions. They even devote some attention to the debates preceding these decisions. This particularly applies when debates are initiated by the government.

Parties and Interest Associations

Intra-party
Democracy
Score: 4

Slovenian party law leaves political parties with some organizational autonomy. Political parties are very heterogeneously organized, with some organized only on the micro level – that is, in each of the 212 municipalities – and others organized only on the macro level. However, most have a presence at both the macro and micro levels. Access to decision-making processes is normally restricted to party members. Whereas party members have the formal right to participate in decisions, the party leadership controls the candidate lists and the policy agendas. The details of internal party decision-making are not widely known to the public, as most decisions are made behind doors that are firmly shut.

Association
Competence
(Business)
Score: 7

In Slovenia, with its strong corporatist tradition, economic-interest associations are very well organized and possess relatively strong analytical capacities. Most economic and social policies are discussed in detail in the Economic and Social Council, a tripartite body. Trade union and employers' associations do not have their own research institutes, but cooperate with universities and think tanks. Trade unions' analytical capacities have suffered from the fragmentation associated with the coexistence of seven separate union confederations.

Association
Competence
(Others)
Score: 8

Slovenia's vibrant third sector has been quite active in monitoring government activities. Most interest associations have considerable policy knowledge, and many can rely on think tanks that involve various experts from the universities and research institutes in their work. Policy proposals developed by interest associations, although not numerous, have been featured prominently in the media.

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