



# Slovenia Report

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## Sustainable Governance Indicators 2018

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## Executive Summary

From September 2014 to April 2018, Slovenia was governed by a center-left coalition led by Prime Minister Miro Cerar and his Modern Center Party (SMC). Despite some differences of opinion and infighting, the three-party coalition managed to stay together and bring some much-needed economic stability to a country that had stood at the brink of a financial crisis in 2013/14. The Cerar government benefited from a favorable political position. Divided into two right-wing and two left-wing parties rarely able to reach a consensus on goals and interests, the opposition was not effective in blocking legislation. At times, the government even managed to cooperate effectively with the opposition, which has been relatively rare in recent Slovenian politics. While the Cerar government partially regained the public trust it lost in 2015, when trust in government fell to the lowest levels found among citizens across OECD countries, disenchantment with politics and political institutions has remained high, and the three parties of the governing coalition continued to score poorly in public opinion polls.

In 2017, the recovery from the economic recession of 2008-2013 continued. The country's robust economic growth helped reduce the fiscal deficit and resulted in a strong decline in unemployment. At the same time, however, the favorable short-term economic situation reduced the pressure to move on with policy reforms. Although Slovenia features the largest long-term sustainability gap of all EU members, the announced comprehensive health care reform has been postponed once more. The government presented in March 2016 its "White Book on Pensions" and achieved some consensus with social partners regarding pension reform, but has not committed itself to any concrete measures yet. The tax reform eventually adopted in summer 2016 has been more modest than initially announced, and minor changes announced by the minister of finance for 2017 were canceled. The promised privatization of Telekom Slovenije, the largest communication company in the country, fell victim to political opposition from within and outside the governing coalition. The same happened with the promised privatization of largest bank NLB, which was further postponed in May 2017.

The quality of democracy has continued to suffer from widespread corruption. While the Cerar government continued to implement the Anti-Corruption Action Plan adopted in January 2015, and the Commission for the Prevention

of Corruption managed to upgrade its supervisor web platform and launch its successor Erar in July 2016, doubts about the political elite's commitment to fight corruption were raised by two developments in particular. The first involved the intransparent management of a government project in which a second railway track was constructed between Divača and the port of Koper. The second involved investments by Magna, a Canadian-Austrian company that received large subsidies and unconditional support from the government for a plan to build a new car paint shop close to Maribor but failed manage things transparently and deliver on its promise of bringing several thousand new jobs to the region. The differences in opinions between the government and civil society organizations on the financial construction of the second railway track project resulted in a referendum being called, once again strengthening the power of direct democracy in Slovenia. Nonetheless, the project was not halted as turnout levels for the referendum were too low to render the vote binding and votes in favor of the government's plan slightly outnumbered votes in opposition to the plan.

Governance in Slovenia is marked by a strong corporatist tradition, which has had a mixed impact on the government's strategic capacity. At the beginning of the Cerar government's term, when the country's economic problems were acute and visible, the unions accepted major reforms, which gave the government a chance to capitalize on the support of social partners. However, as economic stability and growth returned, the unions have become less willing to accept further compromise and have once again become more active in organizing strikes and have rejected new pay-related arrangements in the public sector. Slovenia's strong corporatist tradition accounts in part for the lack of strategic planning in policymaking, as well as the government's limited reliance on independent academic experts, a weak core executive, an increasingly politicized civil service and a largely symbolic use of RIA.

Institutional reforms under the Cerar government have largely been confined to a reshuffling of ministerial portfolios at the beginning of the term and a strengthening of the Government Office for Development and European Cohesion Policy, the public body in charge of coordinating the use of EU funds. In addition, the Cerar government adopted a strategy for the development of public administration in April 2015 and a separate strategy for the development of local government in September 2016 but failed to implement any serious reforms. As a result, conflicts between municipalities and the national government have continued.

## Key Challenges

After four years of relative political stability, the upcoming parliamentary elections in 2018 are likely to bring about change to the political scene in Slovenia. The three parties of the governing coalition have scored poorly in the polls and, as has been the case in previous elections, new political forces will likely emerge. Marjan Šarec, a comedian turned mayor who came second in the presidential elections in 2017, has already announced that he will establish a new political party. The strong showing in the polls of the center-right SDP led by Janez Janša, a controversial former prime minister at odds with major parts of the political elites, further strengthens the concerns that building a stable new government after the elections might become difficult.

In order to regain the lost public trust in political institutions and political elites in general, the new government should strengthen the judiciary's quality and take a tougher stance on corruption. In addition, the selection and promotion of civil servants on the basis of their political affiliation, which has continued under the Cerar government, should be brought to an end and the career civil service model should be rebuilt. To counter fears about a weakening of media freedom and independence, the strategy for media regulation presented to the public in summer 2016 should be first amended and then implemented rigorously.

While steady economic growth has reduced short-term reform pressures, the need for structural reforms remains strong. Without major pension and health care reforms, aging demographics in Slovenia are likely to result in substantial fiscal pressures in the medium- and short-term. Adopting substantial health care and pension reforms, particularly in a failing public health sector saddled by corruption, should be a clear policy priority. In order to strengthen the economy, the government should also intervene less – whether formally or informally – in state-owned companies and implement its strategy to privatize remaining state-owned enterprises. The government should also stand firm on

its decision to give much more attention to R&I and higher education, two areas which have been neglected for years.

Achieving these goals could be facilitated by a number of changes in the Slovenian policymaking process. 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 plan and act on a long-term basis, overcome resistance by special interest groups, which often hinder or even disable governmental activity, and win larger share of public acceptance for much-needed reforms.

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 6

The Slovenian economy has been growing robustly since 2014, registering an annual GDP growth rate of about 2.8% for the years from 2014 to 2016 and an expected growth rate of more than 4% in 2017. While Slovenia's export performance has remained strong, as evidenced by a current account surplus of about 5% of GDP, the economic recovery has become broader-based as private consumption growth has accelerated thanks to an improving labor market, rising consumer confidence and low energy prices. In addition, public investment in infrastructure projects co-funded by the EU, mostly on the municipal level, have helped to boost growth, and private investment has shown signs of recovery. In 2017, the government paved the ground for two major investment projects, the construction of a huge paint shop near Maribor by the Austro-Canadian automotive giant Magna and the construction of a second railway track between Divača and the port of Koper. However, both projects were controversial. While Magna received large subsidies and almost unconditional support from the government for its investment, it failed to exercise transparency in managing the project and to honor initial job promises. The railway project was likewise criticized for being miscalculated and prone to corruption. In late September 2017, however, a majority of voters backed the project in a referendum, allowing the government to continue with the project. Concerns about the reliability of economic policy have been raised by the limited implementation of the privatization program presented in 2015. The planned sale of 20 companies has progressed slowly. The privatization of the country's biggest bank Nova Ljubljanska Bank (NLB) was once more postponed in May 2017, prompting Minister of Finance Mateja Vraničar Erman to offer her resignation.

European Commission (2018): Country Report Slovenia 2018 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances. SWD(2018) 222 final, Brussels (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-slovenia-en.pdf>).

OECD (2017): Economic Survey Slovenia. Paris ([www.oecd.org/eco/surveys/economic-survey-slovenia.htm](http://www.oecd.org/eco/surveys/economic-survey-slovenia.htm)).

## Labor Markets

Labor Market  
Policy  
Score: 6

As a result of the economic recession, unemployment rates in Slovenia rose between 2009 to 2013. In 2013, the employment rate among those aged 20 to 64 fell below the EU average for the first time. Since 2014, the labor market situation has significantly improved. The unemployment rate dropped from 12.3% in September 2015 to 10.4% in September 2016 and to 9.1% (July 2017). In August 2016 the number of registered unemployed persons fell under 100,000 for the first time since 2010. In August 2017, it was further down to 83,843 persons, the lowest value in the past seven years. The improvement in labor market performance has been driven largely by the economic recovery. Despite improvements in recent years, major structural challenges have remained. Long-term unemployment still stands at more than 50% of total unemployment, the employment rates of older and low-skilled workers remain below the EU average and their participation in active labor market policies remains low. While Slovenia has a tradition of labor market policy that dates back to Yugoslav times and participates in a number of EU-funded programs (i.e., EURES), existing programs have suffered from budget cuts introduced in 2009 and continuing through 2014, and are only slowly regaining their effectiveness.

### Citation:

European Commission (2018): Country Report Slovenia 2018 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances. SWD(2018) 222 final, Brussels, 31-35 (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-slovenia-en.pdf>).

IMF (2017): Republic of Slovenia: Selected Issues. IMF Country Report No. 17/126, Washington, D.C., 33-53 (<http://www.imf.org/en/Publications/CR/Issues/2017/05/15/Republic-of-Slovenia-Selected-Issues-44922>).

OECD (2016): Connecting people with jobs. The labor market, activation policies and disadvantaged workers in Slovenia. Paris.

OECD (2017): Economic Survey Slovenia. Paris ([www.oecd.org/eco/surveys/economic-survey-slovenia.htm](http://www.oecd.org/eco/surveys/economic-survey-slovenia.htm)).

## Taxes

Tax Policy  
Score: 5

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 enough to prevent high budget deficits from emerging. Tax revenues stem from a broad range of taxes, with a high percentage of about 40% of all tax revenues stemming from social insurance contributions. A progressive income tax with rates of 16%, 27%, 34%, 39% and, since 2013, 50% provides for some vertical equity. As the thresholds are set rather low,

however, the majority of middle class citizens fall into the second- or third-highest category. The tax burden for enterprises is below the EU average, but higher than in most other East-Central European countries. Moreover, tax procedures for both individuals and companies are complex.

The Cerar government had announced comprehensive tax reform for 2016. However, the coalition partners eventually reached common ground on relatively modest changes only, focusing on tax relief for the middle class. Beginning in 2017, the tax burden on personal income, including performance and Christmas bonuses, was reduced, in part by introducing a new tax bracket and by replacing the previous 41% tax rate with two rates of 34% and 39%. Contrary to the original proposition of the Ministry of Finance, the top income tax rate of 50% was retained. In order to compensate for the decline in personal income tax revenue, the corporate income tax rate increased from 17% to 19% in 2017. Business associations have complained that this increase will add to an already relatively high tax burden on enterprises. The quarrels over tax reform contributed to the resignation of Finance Minister Dušan Mramor in July 2016. His successor, Mateja Vraničar Erman, proposed a minor tax reform in 2017, targeting above all taxes paid by small companies, but couldn't find enough support in the government.

### Budgets

Budgetary Policy  
Score: 5

The Cerar government succeeded in bringing the fiscal deficit down from 3.4% of GDP in 2014 to below 2% in 2016, thus exiting the European Commission's excessive deficit procedure in June 2016. In 2017, the fiscal deficit fell below 1%, and the budgets for 2018 and 2019 envisage small surpluses. However, the improvement in the fiscal stance has largely stemmed from the recovery of the Slovenian economy and a number of one-off measures such as wage and promotion freezes in the public sector. Given the solid economic growth, trade unions were less cooperative in 2016 and 2017 and refused the extension of wage restraint in the public sector, threatening with the wide public-sector strikes and forcing the government into several financial concessions. Slovenia's structural deficit has remained relatively high, the debt-to-GDP ratio, while declining since 2016, still stands at almost 80%, and the fiscal pressure associated with the aging of the population is relatively high. In order to stress its commitment to a sustainable budgetary policy, the National Assembly, in line with the EU's Fiscal Compact, enshrined a "debt brake" in the constitution in May 2013. However, the corresponding legislation was not adopted until July 2015, and the government and opposition proved unable to reach a consensus on selecting the three members of the Fiscal Council (which is tasked with supervising fiscal developments) until late March 2017.



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European Commission (2018): Country Report Slovenia 2018 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances. SWD(2018) 222 final, Brussels, 19-20 (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-slovenia-en.pdf>).

OECD (2017): Economic Survey Slovenia. Paris, 25-27 ([www.oecd.org/eco/surveys/economic-survey-slovenia.htm](http://www.oecd.org/eco/surveys/economic-survey-slovenia.htm)).

Slovenia Times (2016): Slovenia yet to appoint Fiscal Council. December 28, 2016 (<http://www.sloveniatimes.com/slovenia-yet-to-appoint-fiscal-council>).

## Research and Innovation

R&I Policy  
Score: 4

Slovenia's R&I activities have long been of both low quality and quantity. In the period under review, EU funds have declined in some areas of research, as Slovenia has experienced serious administrative difficulties in absorbing funds for R&I. After years of neglect, however, the Cerar government announced substantial increases in R&I spending when introducing the budgets for 2018 and 2019 to parliament in September 2017. The science budget, for instance, is set to grow by almost 20%.

Citation:

Bučar, M., A. Jaklič, E. G. Verdesoto (2018): RIO Country Report Slovenia 2017. Luxembourg: European Union (<https://rio.jrc.ec.europa.eu/en/country-analysis/Slovenia/country-report>).

## 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 has remained low. Like its predecessors, the Cerar government has not contributed actively to improving the regulation and supervision of international financial markets. Instead, it has 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 toward 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, as well as a heavily underfunded tertiary-education system with high dropout rates and massive fictitious enrollment figures. Compared to previous governments, the Cerar government has devoted more attention to education policy. In September 2016, it announced increases in spending on education in 2017 and 2018, and in November 2016 parliament amended the Higher Education Act to make the higher education system more flexible, close the gender gap and ease bureaucratic burdens connected with internationalization processes. However, the implementation of the legislation through Slovenian Quality Assurance Agency for Higher Education is proceeding rather slowly.

Citation:

European Commission (2018): Country Report Slovenia 2018 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances. SWD(2018) 222 final, Brussels, 35-36 (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-slovenia-en.pdf>).

OECD (2017): Economic Survey Slovenia. Paris, Chap. 1 ([www.oecd.org/economy/surveys/economic-survey-slovenia.htm](http://www.oecd.org/economy/surveys/economic-survey-slovenia.htm)).

## Social Inclusion

Social Inclusion  
Policy  
Score: 8

Slovenia has a strong tradition of social inclusion, with its Gini coefficient being the lowest among EU member countries. In the past, social policy focused on providing benefits to the elderly and to families with children. After the onset of the economic crisis, however, social disparities 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. Since then, however, most of these cuts have been reversed. In autumn 2015, the Cerar government launched a new National Housing Program 2015-2025. In the period under review, improvements have been made on issues regarding poverty and social exclusion.

## Health

Health Policy  
Score: 5

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, additional insurance offered by two other 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 well above the OECD average. However, both the compulsory public health insurance scheme and the supplementary health insurance funds have suffered from severe financial problems for some time, resulting in financial problems among the majority of health providers. Since 2015, several scandals about irregularities and corruption in procurement in hospitals have been reported.

Health care reform has featured prominently in the coalition agreement of the Cerar government, which promised to re-expand public scheme coverage and to delineate more clearly between standard and extra services. Despite many calls for reforms both inside and outside the governing coalition, however, the specification and implementation of the 2015 National Healthcare Plan has progressed slowly. At the beginning of 2017, Minister of Health Milojka Kolar Celarc eventually presented a reform proposal that called for the abolition of voluntary additional health insurance and the imposition of flat rate levies of between €20 and €75 per month. This proposal met strong criticism from various sides, including both social partners. Controversies with the trade unions were also prompted by an agreement between the government and the doctor's trade union in March 2017. After six months of tough negotiations and industrial action by doctors, most demands made by the doctors – relating to working standards and wages – were met. The agreement was criticized by other trade unions, including those representing nurses, for destabilizing the public sector's salary system. In July 2017, in an attempt to close an important gap in the Slovenian health care system, the government submitted to the public an act on long-term care that outlines a system of standardized care assessments and a list of services for the frail to be rolled out as of 2020.

### Families

Family Policy  
Score: 9

The employment rate among women in Slovenia is above the EU average, and the employment rate of mothers with children under six is among the highest in the EU. Reconciling parenting and employment is facilitated by the fact that Slovenia provides childcare facilities that exceed the EU average and meets the Barcelona targets both for children under three years of age and between three and five years of age. Over the past ten years the number of children enrolled at nursery schools has increased by about 50%. While the incidence of part-time work is growing slowly, most women work full time. The New Parental and Family Benefit Act that came into force in 2014 extended the right to part-time work when having two children from six years of age until the end of first grade of primary school. At 105 working days, the maximum duration of maternity leave is near the European average. In addition, parents can take up to 260 days of parental leave, part of which is paid. The 2014 act also included a gradual

reform of the additional, non-transferable paternity leave which was completed in the course of 2017. On the one hand, the overall number of days of paternity leave was reduced from 90 to 30. On the other, the number of days with full salary compensation was doubled from 15 to 30, so as to make taking paternity leave more attractive to men. In March 2017, a new Family Code replaced the old one from 1976. The amendment has aimed at improving legal certainty in decisions on marital and family disputes and at safeguarding the good of the child in standard as well as non-standard families.

Citation:

European Commission (2016): Slovenia: A dynamic family policy to improve work-life balance. Brussels (<http://ec.europa.eu/social/main.jsp?catId=1248&langId=en&intPageId=3656>).

Government of the Republic of Slovenia (2017): The family as an important foundation of education and well-being. Ljubljana, May 12, 2017 ([http://www.vlada.si/en/media\\_room/government\\_press\\_releases/press\\_release/article/the\\_family\\_as\\_an\\_important\\_foundation\\_of\\_education\\_and\\_well\\_being\\_59786/](http://www.vlada.si/en/media_room/government_press_releases/press_release/article/the_family_as_an_important_foundation_of_education_and_well_being_59786/)).

Stropnik, N. (2018): Thirty days of (fully) compensated paternity leave in Slovenia from January 2018. European Social Policy Network, Flash Report 2018/7, Brussels.

## 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 the 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. The Cerar government has acknowledged the need for further changes but has been reluctant to come up with detailed reform proposals. In March 2016, the Ministry of Labor, Family, Social Affairs and Equal Opportunities presented a White Book on Pensions. Featuring a comprehensive analysis of the demographic projections and the long-term sustainability of the pension system as well as an overview of the different options, it was aimed at stimulating the debate and preparing the ground for a new reform consensus. In July 2017, building on the White Book, the government and the social partners, within the framework of the tripartite Economic and Social Council, agreed upon the broad outline of a pension reform to be adopted by 2020 that includes a 70% net replacement rate, raising the actual retirement age and an indexation rule that links the growth of pensions to wage growth and changes in consumer prices. Already in 2017, an amendment of the Pension and Disability Insurance Act, unanimously passed by parliament in April 2017, increased the minimum

old-age and disability pension to €500 per month as from 1 October 2017 for pensioners meeting the full retirement conditions. According to estimates, around 52,000 pensioners will benefit from the amendment and will, on average, receive an additional €6 each month.

Citation:

European Commission (2018): Country Report Slovenia 2018 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances. SWD(2018) 222 final, Brussels, 21-22 (<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-slovenia-en.pdf>)

Government of the Republic of Slovenia (2017): National Reform Program 2017-18. Ljubljana (<https://ec.europa.eu/info/sites/info/files/2017-european-semester-national-reform-programme-slovenia-en.pdf>).

Macjen, B. (2017): Slovenia increases minimum old-age and disability pension. European Social Policy Network, Flash Report 2017/53, Brussels.

Macjen, B. (2018): Slovenia has made another important step toward a new pension reform. European Social Policy Network, Flash Report 2018/15, Brussels.

## Integration

Integration Policy  
Score: 4

Successive governments have done little to foster the integration of migrants into society by opening up health services and schools, offering anti-discrimination support or encouraging political participation. In June 2015, however, the National Assembly adopted new legislation on foreign employment that improved protections for foreign workers employed in Slovenia, and as of 1 September 2015, foreign workers receive a unified work and residency permit. As a result of the economic crisis, the number of work permits for foreigners dropped from 85,000 in 2008 to a mere 7,033 in 2016 and began to increase once again – albeit slowly – in 2017, when 7,919 permits were issued already in the first eight months of the year. The Cerar government reacted to the inflow of almost 500,000 refugees from October 2015 to March 2016 by pushing for the closure of the Western Balkans route. It has also sought to reduce refugee protection by allowing for the rejection of migrants already at border crossings. The adopted amendments to the Aliens Act have been criticized by organizations such as Amnesty International, the Red Cross and Unicef for denying refugees rights guaranteed under international and EU law.

Citation:

Slovenian Times (2017): National Assembly passes aliens act amendments. January 27, 2017 (<http://www.sloveniatimes.com/national-assembly-passes-aliens-act-amendments>).

## Safe Living

Safe Living  
Conditions  
Score: 9

Actual and perceived security risks in Slovenia are very low. Trust in the police is below the EU average, but higher than in most other East-Central European countries. Slovenia's accession to the Schengen group in December 2007 has resulted in a substantial professionalization of the Slovenian police force and border control. A six-month police strike that ended in June 2016 brought substantial increases in wages as well as a commitment by the government to increase future spending on basic police equipment, and the effects of that commitment were evident in period under review, as the police received new equipment, such as radars and vehicles, to replace older models.

Citation:  
European Commission (2017): Standard Eurobarometer 87. Brussels (<http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2142>).

## Global Inequalities

Global Social  
Policy  
Score: 5

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 and has risen substantially in recent years.

Citation:  
Ministry of Foreign Affairs (2017): International Development Cooperation of Slovenia. Ljubljana ([www.mzz.gov.si/en/foreign\\_policy\\_and\\_international\\_law/international\\_development\\_cooperation\\_and\\_humanitarian\\_assistance/international\\_development\\_cooperation\\_of\\_slovenia/](http://www.mzz.gov.si/en/foreign_policy_and_international_law/international_development_cooperation_and_humanitarian_assistance/international_development_cooperation_of_slovenia/)).

OECD (2017): Development Cooperation Report 2017: Slovenia. OECD: Paris, 126-129 ([http://www.oecd-ilibrary.org/development/development-co-operation-report-2017/slovenia\\_dcr-2017-37-en](http://www.oecd-ilibrary.org/development/development-co-operation-report-2017/slovenia_dcr-2017-37-en)).

### 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 comprise approximately 62% of the total land area, which is about twice the OECD average.

The key mechanism for defining sustainable development goals and targets has been Slovenia's new Development Strategy 2014-2020. In mid-2015, the Ministry of Environment and Spatial Planning initiated a comprehensive public debate about the update of the Spatial Planning Development Strategy (for the period until 2050 with a medium-term action plan until 2020), with a comprehensive third round of consultations taking place in March 2016. 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. Several action plans and programs are in planning, such as plans to reduce GHG emissions, implement risk assessments of natural and other disasters, establish an operational program for drinking water supplies, develop a new biodiversity strategy, and create a national development program to establish an adequate waste management infrastructure. Another instrument providing support to individuals is the ECO Fund, which creates financial incentives for various energy-efficiency measures and renewable energy schemes.

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, by helping manage nature reserves. However, as in many countries, the legal basis enabling NGOs to challenge government decisions in the courts could be strengthened and their independence from public finances 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.

In 2017, Slovenia was also hit by massive fires at two waste processing plants, Kemis and Ekosistemi. The fires left both heavily damaged and devastated the ecological environment surrounding both locations. The fires – and even more so – the authorities' slow response have underscored the substantial deficiencies in environmental legislation and administration, as well as in the government's commitment to protect the environment and the health of citizens.

Citation:

Slovenia Times (2017): Kemis temporarily banned from collecting new waste after fire. May 29, 2017 (<http://www.sloveniatimes.com/kemis-temporarily-banned-from-collecting-new-waste-after-fire>).

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 6

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 strengthening global environmental protection regimes has been modest.



# Quality of Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 10

In Slovenia, the legal provisions for registering 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. Establishing a party requires only 200 signatures. 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 ten members of parliament or 5,000 voters. When they are backed by at least one political party, three members of parliament or 3,000 signatures are sufficient. 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 40% of the total number of candidates on the list. Nine candidates ran for office in the presidential elections in October and November 2017.

Citation:

OSCE/ OHDIR (2017): Republic of Slovenia: Presidential Election, 22 October 2017. Needs Assessment Mission Report. Warsaw (<https://www.osce.org/odihr/elections/slovenia/346866?download=true>).

Media Access  
Score: 8

While both the public and private media tend to focus on the parliamentary political parties, Slovenia's public-media regulatory system and pluralist media environment ensure that all candidates and parties have access to the media. The public TV and radio stations are legally obliged to set aside some airtime for parties to present their messages and their candidates. Since a third public TV channel (mainly covering parliamentary debates) was established in 2014, airtime for political parties and candidate lists has increased. Before the 2017 presidential election, there were various televised debates with all nine candidates. Compared to previous elections, however, the media bias in favor of the three parties of the governing coalition has increased.

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 have occurred in the period under review. 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 no general postal vote exists, Slovenian citizens who live abroad as well citizens unable to make it to the polling stations for health reasons or because of disabilities can exercise their voting rights by mail. In the case of the 2017 presidential elections, however, only 13 persons with disabilities made use of the new possibility to register for postal voting. In another attempt at making voting more inclusive, a 2017 amendment to the electoral code called for making all polling stations accessible for persons with disabilities. However, this requirement will only take effect on February 1, 2018 and thus did not apply in the presidential election in October 2017. 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.

Citation:

OSCE/ OHDIR (2017): Republic of Slovenia: Presidential Election, 22 October 2017. Election Expert Team, Final Report. Warsaw (<https://www.osce.org/odihr/elections/slovenia/363561?download=true>).

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 (around €8,000). 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. However, donations from individuals have remained allowed and reached a record high of €171,000 in 2016. Local communities autonomously set compensation for political parties during the electoral campaign at local elections.

Popular Decision-Making  
Score: 8

Slovenia has a strong tradition of direct democracy. Until a constitutional amendment in May 2013, referendums 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 referendums 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 referendums 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 referendums were tightened and the period for which parliament is bound to the results of a referendum was reduced. As a result, the number of referendums has fallen. In the period under review, only one national referendum was held. On September 24, 2017 citizens had the chance to vote on the construction of a second track along the railway line connecting Koper (Slovenia's only sea port) to the Divača logistics hub. The referendum had been initiated by an organization of local citizens, the "Taxpayers Standing Our Ground," claiming that the government's finance model is prone to corruption and inflated payouts. However, voter turnout was very low (21%) and 53% of voters supported the act.

Citation:

Garaca, M. (2017): Slovenian referendum supports construction of 2nd track of Divača-Koper railway. SeeNews, September 25, 2017 (<https://seenews.com/news/slovenian-referendum-supports-construction-of-2nd-track-of-divacakoper-railway-584634>).

### Access to Information

Media Freedom  
Score: 6

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. Changes to the rules and procedures in the previous years 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

Media Pluralism  
Score: 5

Council of Radio-Television of Slovenia. An amendment of Article 260 of the Slovenian Criminal Code, which entered into force on October 2015, strengthened media freedom by making clear that an individual disclosing classified information no longer incurs a criminal liability. During the period under review, however, there have been cases of government-led and other political pressures on journalists when covering politically sensitive issues like the planned investment by Magna or the September referendum on the new rail track, leading to incidents of self-censorship and biased reporting. Another problem is that a lot of local newspapers and publications are owned and funded by the municipalities and exploited by mayors for political purposes.

Slovenia currently has about 1,400 different media outlets, including more than 80 radio and 50 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).

Recent ownership changes have raised concerns about media pluralism. In the print media, the controversial sale in July 2014 of *Večer*, the fourth-largest daily newspaper (primarily serving the northeastern part of the country), was followed by the auctioning of Slovenia's biggest newspaper publisher *Delo* in June 2015. The new owner, the financial management company FMR, has little to no media experience and is run by Stojan Petrič, a business man who is believed to be politically well connected. In early 2016, FMR made the former head of its public relations division, Gregor Knafelec, a man with no journalistic experience, editor-in-chief of *Delo*. Several prominent journalists were fired and some quit, and as a result of these changes, sales of *Delo* newspaper dropped to the lowest level so far in March 2017, 63% lower than in 2014. In the electronic media, the U.S. media conglomerate, United Media received the green light from the Ministry of Culture to take over Pro Plus, the operator of the largest commercial TV channels in Slovenia, POP TV and Kanal A in October 2017. As a result, United Media, which also provides telecommunication services and is a big player in the Balkan countries, will control a huge slice of Slovenian media.

Media pluralism has further suffered from the growing involvement of political parties in the media business. In February 2016, the Slovenian Democratic Party (SDS), which has long complained about an alleged media bias, launched its own private news TV station, Nova24TV. Nova24TV got new owners in early 2017 with three Hungarian companies taking over, reported to be connected to the Hungarian prime minister Viktor Orbán. In September 2017, the SDS also started to publish the new weekly *Scandal24*.

Access to  
Government  
Information  
Score: 9

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 and journalists enforce their right of access. The new online application “Supervisor,” set up by the Commission for the Prevention of Corruption (CPC) as a means of enhancing transparency in the country, has helped the public and the media access some previously restricted financial information. In July 2016 Supervisor was upgraded and integrated into the new web application Erar, also developed by the CPC. The Ministry of Public Administration has developed a publicly available web-based public procurement portal and online statistical tool.

#### Civil Rights and Political Liberties

Civil Rights  
Score: 6

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. Some problems exist with regard to the integrity of the judiciary. By contrast, the duration of court proceedings, which was very long in the past, has been reduced.

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, are 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.

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 still at times 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. Media rights for minorities other than the Hungarian, Italian and Roma are underdeveloped.

### Rule of Law

Legal Certainty  
Score: 7

Legal certainty in Slovenia has suffered from contradictory legal provisions and frequent changes in legislation. The number of newly adopted regulations increased from 1,360 in 1991 to almost 20,000, including 800 laws, in February 2017. Many crucial laws are amended on a regular basis, and contradictions in legislation are frequently tested in front of the Constitutional Court. The procedures of rule-making are misused or side-stepped by making heavy use of the fast-track legislation procedure. In the first years of the Cera government (September 2014 to December 2015), 61.1% of the 131 legislative acts proposed to the National Assembly were subjected to the fast-track or shortened legislation procedure. In 2016, 30 out of 76 legislative acts (39.5%) were adopted using fast-track or shortened 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.

Citation:

National Assembly, Research Department (2016): Report on the parliamentary work between 1 January 2016 and 31 December 2016. Ljubljana ([http://fotogalerija.dz-rs.si/datoteke/Publikacije/Letno\\_porocilo/Porocilo\\_o\\_delu\\_drzavnega\\_zbora\\_v\\_obdobju\\_2014\\_-\\_2018\\_-\\_drugo\\_letno\\_mandata\\_-\\_januar\\_2016\\_-\\_december\\_2016\\_\\_Report\\_on\\_National\\_Assembly%E2%80%99s\\_work\\_in\\_the\\_Parliamentary\\_term\\_2014\\_-\\_2018\\_second\\_year\\_January\\_2016\\_-\\_December\\_2016.pdf](http://fotogalerija.dz-rs.si/datoteke/Publikacije/Letno_porocilo/Porocilo_o_delu_drzavnega_zbora_v_obdobju_2014_-_2018_-_drugo_letno_mandata_-_januar_2016_-_december_2016__Report_on_National_Assembly%E2%80%99s_work_in_the_Parliamentary_term_2014_-_2018_second_year_January_2016_-_December_2016.pdf)).

Haček, M., S. Kukovič, M. Brezovšek (2017): *Slovenian Politics and the State*. Lanham, Boulder, New York, London: Lexington Books.

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 Cerar government has preserved the independence of the Prosecutor's Office and strengthened the independence of the judiciary by expanding its funding. The Constitutional Court has repeatedly demonstrated its independence by annulling controversial decisions by the governing coalition, for instance on the candidacy rights of former Prime Minister Janša and the referendum on same-sex marriages. However, the lower courts have sometimes been criticized for letting influential people off the hook. In a spectacular case, Zoran Janković, the incumbent mayor of Zagreb which has faced a dozen of corruption charges, avoided conviction in 2017.

Appointment of  
Justices  
Score: 8

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 by absolute majority. The justices are appointed for a term of

nine years and select 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. In March 2017, four new Constitutional Court justices were appointed by the National Assembly, all with an overwhelming majority of votes.

Corruption  
Prevention  
Score: 6

Corruption has been publicly perceived as one of the most serious problems in Slovenia since 2011. While the Commission for the Prevention of Corruption (CPC), the central anti-corruption body, managed to upgrade its Supervisor web-platform and launch its successor Erar in July 2016, it has remained under fire for its lack of determination and professionalism, especially after the resignation of Alma Sedlar, one of the three-strong CPC leadership in September 2017. Allegations of corruption have featured prominently in the debates about the investment by Magna, the construction of the second railway track from Divača to the port of Koper and the health system. The continuing failure of parliament to adopt an ethical code for members of parliament and the re-election of Franc Kangler, the corrupt former mayor of Maribor, into the National Council, the second chamber of the Slovenian parliament, have further raised the doubts about the political elite's commitment to fight corruption.

# 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. After assuming office, the Cerar government announced that it would expand planning capacities but little progress has been made. In the period under review, the drafting of the Slovenian Development Strategy 2030, which involved more than 200 experts and government officials, continued. In October 2017, the government adopted the Sustainable Development Strategy for Slovenian Tourism 2017-2021.

Scholarly Advice  
Score: 4

In Slovenia, the Government Office and the ministries have various advisory bodies that include academic experts. Prime Minister Miro Cerar, an academic himself, strongly relied on academic and practitioners' advice when establishing his party platform, coalition and government program. While the Cerar government has regularly sought external advice, it has often failed to implement it.

### 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, especially since the recruitment of expert staff is limited and often subject to political pressures and political compromise. The change in the head of the Government Office in October 2016 – from Darko Krašovec, who had to resign after allegations of corruptions, to Lilijana Kozlovič, a member of parliament belonging to Prime Minister Cera's SMC party – did not change the 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 between the coalition partners 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, interministerial or project teams. The Government Office is seldom briefed about the state of affairs. If it is, consultation is rather formal and focuses mostly on legal and technical issues.

Cabinet  
Committees  
Score: 8

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. In its first three years in office, the Cerar government established eleven of them, including cabinet committees for youth issues, problems of the disabled, integration of migrants and protection against natural disasters.

Ministerial  
Bureaucracy  
Score: 6

The government rules of procedure establish clear mechanisms to ensure effective cooperation between the ministries. They require the consultation of all ministries that are concerned before the submission of bills to the cabinet. While senior civil servants are thus heavily involved in the coordination of legislation, the effectiveness of this coordination has suffered from the deteriorating quality and increasing politicization of the upper echelons of civil service. Under the Cerar government, a number of prominent and experienced high-ranking civil servants have been replaced by party loyalists with limited administrative experience and even less expert 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 Cerar government, the leaders of the three coalition parties meet frequently, making major decisions at coalition meetings that were often also attended by the ministers and from time to time also by the leaders of parliamentary majority groups and coalition members of parliament. In press conferences and public statements after these meetings, very little information about the decisions made is 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 expert bodies.

### Evidence-based Instruments

RIA Application  
Score: 6

In Slovenia, RIA guidelines have largely been copy and pasted from the European Union. The government's Public Administration Development Strategy 2015-2020 acknowledged the need for improving RIA and has brought

some progress. However, oversight has continued to suffer from institutional fragmentation, so that the quality of RIA has been uneven among ministries. When an RIA is applied, it is often limited to a qualitative assessment, and there are no official statistics regarding the implementation of RIA. 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.

Citation:

Government of the Republic of Slovenia (2015): Public Administration 2020: Public Administration Development Strategy 2015-2020. Ljubljana ([http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA\\_UPRAVA/Kakovost/Strategija\\_razvoja\\_JU\\_2015-2020/Strategija\\_razvoja\\_ANG\\_final\\_web.pdf](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA_UPRAVA/Kakovost/Strategija_razvoja_JU_2015-2020/Strategija_razvoja_ANG_final_web.pdf)).

OECD (2018): Regulatory Policy in Slovenia: Oversight Matters. Paris.

Quality of RIA  
Process  
Score: 2

The RIA process in Slovenia suffers from several 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: 3

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 suffer 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. During the period under review, the quality of assessments has somewhat improved.

### Societal Consultation

Negotiating  
Public Support  
Score: 5

Slovenia has a strong tradition of corporatism and of government consultation with interest groups more generally. The Cerar government has stuck to this tradition and has discussed part of its legislative initiatives in the Economic and Social Council, the tripartite body for social and economic dialog. The government managed to reach agreement with the social partners over several cornerstones of its legislative program, including a further round of wage restraint in the public sector and a reform of the pay scale for public servants in 2017. In other cases, however, consultations have failed to produce any results, with trade unions complaining that the government does not take their positions or negotiations seriously.

Citation:

Lužar, B., A. Selan, T. Čelebič (2017): Slovenia: Developments in Working Life 2017. Dublin, 4-14 (<https://www.eurofound.europa.eu/publications/report/2018/annual-review-of-working-life-2017#workingpapers>).

## Policy Communication

Coherent  
Communication  
Score: 5

Ministerial communication with the public has been more coherent under the Cerar government than under its predecessor. Due to the prime minister's inability or unwillingness to control his coalition partners, however, there were instances of contradictory statements given in short periods of time. In particular, the ministers and parliamentarians from the Democratic Party of Pensioners (DeSUS), the second strongest party of the governing coalition, have sometimes publicly opposed policies proposed or adopted by the coalition. In April 2017, the Social Democrats (SD), the smallest coalition partner, opposed the government's proposal for amending the law on the public funding of private school.

Citation:

N.N. (2017): Govt moves to secure full state funding for private primary schools, in: Slovenia Times, April 6, 2017 (<http://www.sloveniatimes.com/govt-moves-to-secure-full-state-funding-for-private-primary-schools>).

## Implementation

Government  
Efficiency  
Score: 6

The Cerar government's coalition agreement has been relatively comprehensive and more detailed than those of previous governments. However, many goals and deadlines stated in the agreement have not been met. The announced health care and education reforms have been postponed several times, and then in the middle of 2017 only limited health care changes were announced, shifting much-needed major reform to the next parliamentary term. The tax reform eventually adopted in summer 2016 has been more modest than initially announced, and some additional minor tax reform was announced also in summer 2017. On pensions, the government has agreed with the social partners only on a broad reform outline. As for privatization, the coalition agreement took a cautious approach and remained relatively vague. Given the lack of consensus among the coalition partners about the remaining role of the state, it did not come as a surprise that some privatization decisions led to cracks in the coalition. The promised privatization of Telekom Slovenije, the largest communication company in the country, fell victim to political opposition from within and outside the governing coalition. The same occurred with the promised privatization of Slovenia's largest bank NLB, which was first postponed until 2017, and then in June 2017 Cerar government finally decided to (again) postpone the privatization, as the current market price was much too low.

Ministerial  
Compliance  
Score: 6

As head of a coalition government, Prime Minister Cerar primarily relied on frequent coalition meetings of narrow (including only the presidents of coalition parties) or broader composition (including ministers and members of parliament

as well) in order to ensure the implementation of the government's program. In the Cerar government's first two years in office, seven ministers resigned or were removed from office. In the period under review, no changes in the leadership of ministries occurred. In May 2017, Minister of Finance Mateja Vraničar Erman offered her resignation because of controversies of the privatization of Nova Ljubljanska Bank (NLB), but her resignation was not accepted by the prime minister.

Citation:

Haček, M., S. Kukovič, M. Brezovšek (2017): *Slovenian Politics and the State*. Lanham, New York, London, Boulder: Lexington Books.

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 at least formally 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 public administration in the 2014 coalition agreement, the Cerar government has replaced a number of experienced high-ranking and even some mid-level civil servants with less qualified staff loyal to the coalition parties and has filled leading positions in executive agencies with politically loyal personnel. Also, ministerial cabinets are largely filled with politically loyal personnel that usually lack the requisite expertise to carry out its functions and aid the minister. Political and personal ties have prevented the prosecution of misconduct and incompetency, resulting in dropping level of civil service quality at the national level.

Task Funding  
Score: 3

Municipal governments – the sole tier of subnational self-government in Slovenia – have suffered substantial fiscal difficulties for some time. The Cerar government has focused on reducing the bureaucratic burdens without reducing the number of municipalities. However, the measures taken have not been effective at all, and municipalities have suffered from the government's decision to postpone the re-introduction of the property tax to the period after the next parliamentary elections. Government proposals to lower central government transfers have met resistance by the Association of Municipalities and Towns of Slovenia (SOS), the Association of Municipalities of Slovenia (ZOS) and the Association of City Municipalities (ZMOS). In 2016 and 2017 alike, the three municipal associations and the Cerar government failed to reach an agreement on the financing of municipalities.

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 larger number of small municipalities limit local autonomy. The Cerar government has started to address this issue through the adoption of the Public Administration Development Strategy in April 2015 and a separate strategy for the development of local government in September 2016. Both strategies aim at fostering closer cooperation between municipalities in the fields of public services and tourism, but implementation of those strategies has so far proven inadequate and central government and municipalities are still far apart on the most issues.

Citation:

Government of the Republic of Slovenia (2015): Public Administration 2020: Public Administration Development Strategy 2015-2020. Ljubljana

([http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA\\_UPRAVA/Kakovost/Strategija\\_razvoja\\_JU\\_2015-2020/Strategija\\_razvoja\\_ANG\\_final\\_web.pdf](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA_UPRAVA/Kakovost/Strategija_razvoja_JU_2015-2020/Strategija_razvoja_ANG_final_web.pdf)).

Ministry for Public Administration (2016): Strategija razvoja lokalne samouprave do 2020 (Strategy of local government development until 2020). Ljubljana

([http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA\\_UPRAVA/svlsrp.gov.si/pageuploads/lok-sam-2015/aktualno-ls/strateg-ls/12\\_SRLS\\_16.9.2016.pdf](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA_UPRAVA/svlsrp.gov.si/pageuploads/lok-sam-2015/aktualno-ls/strateg-ls/12_SRLS_16.9.2016.pdf)).

Rozen, Tomaz and Miro Haček (2014): Merjenje upravljalvske sposobnosti lokalnih samoupravnih skupnosti: primer slovenskih obcin (Measurement of administrative capacity of local governments: case of Slovenian municipalities). Ljubljana: Faculty of Social Sciences.

National  
Standards  
Score: 3

In Slovenia, public-service standards are poorly defined, especially with regard to the independent functions of municipal governments. As every municipality is autonomous in providing such services, their extent and quality differ substantially across the country. Financial controls and inspections are often ineffective due to the lack of resources and staff. 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.

### Adaptability

Domestic  
Adaptability  
Score: 6

Upon EU accession, Slovenia developed a complex system for coordinating European affairs, with the Ministry of Foreign Affairs serving as the central coordinator. The Cerar government left this system largely unchanged. In order to increase the absorption of EU funds, it created a new ministry without portfolio with responsibility for development, strategic projects and cohesion and changed procedures. As a result, the absorption rate has substantially increased.

International  
Coordination  
Score: 5

Like its predecessors, Prime Minister Cerar'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. In the period under review, the arbitration case decision on the 25-year long territorial dispute continued between Croatia and Slovenia over the Gulf of Piran and some part of the land border, was finally publicly announced by the Court in June 2017, and awaiting implementation on both sides. It might be significant in the future, not only for Slovenia and Croatia, but also for the broader Western Balkan region, if the decision is respected by both parties.

Citation:

Nielsen, N. (2017): Croatia ignores ruling on Slovenia border dispute, in: EU Observer, June 30, 2017 (<https://euobserver.com/justice/138398>).

### 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 Cerar government the number of audits performed by private sector organizations remained low.

Institutional  
Reform  
Score: 5

At the beginning of its term, the Cerar government increased the number of ministries from 13 to 16 and changed ministerial portfolios. By establishing separate ministries for public administration, infrastructure and environment/spatial planning, as well as by creating a ministry without a portfolio responsible for development, strategic projects and cohesion, the Cerar government improved its strategic capacity. The strengthening of the Government Office for Development and European Cohesion Policy and the changing procedures associated with the creation of a new ministry for development, strategic projects and cohesion have helped to substantially increase the absorption rate. The government's Public Administration Development Strategy 2015-2020 adopted in April 2015 is relatively brief on institutional reform. Same goes for the Strategy for the Development of Local Self-Government until 2020, adopted in October 2016. The main goal of the strategy is to strengthen local self-government and improve the quality of life at the local level. It focuses on strengthening citizen's influence and their participation in decision-making by local self-government bodies in order to ensure the efficient use of public resources and the provision of efficient local services. However, strategy is very vague and loose, and was not positively accepted by all three associations of municipalities.

Citation:

Government of the Republic of Slovenia (2015): Public Administration 2020: Public Administration Development Strategy 2015-2020. Ljubljana  
([http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA\\_UPRAVA/Kakovost/St](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA_UPRAVA/Kakovost/St))

ategija\_razvoja\_JU\_2015-2020/Strategija\_razvoja\_ANG\_final\_web.pdf).

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## II. Executive Accountability

### Citizens' Participatory Competence

Policy  
Knowledge  
Score: 4

According to a Eurobarometer survey in May 2017, around 70% of Slovenian citizens think they are well informed about what is going on in the country – though their knowledge of government policymaking is rather limited. While both print and electronic media provide mostly adequate information, certain segments of the population lack media literacy, and most citizens are simply not interested in the details of policymaking. The recurring corruption and political scandals have fostered frustration and disenchantment among a majority of the population. Trust in the national government (21% as compared to a EU28 average of 37%), in the parliament (18% / 36%) and in political parties (9% / 19%) is still very low.

Citation:

European Commission (2017): Standard Eurobarometer 87. Brussels (<http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDAR/surveyKy/2142>).

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### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 9

Slovenian members of parliament command sufficient resources to perform their jobs effectively and to monitor government activity. Each member of parliament 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 members of parliament. During the period under review, only two members of parliament did not belong to a parliamentary group.

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

	<p>open or closed to the public. However, the Cerar government, similar to previous governments, 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. Compared to previous governments, there have been more public debates on most important legislation.</p>
<p>Summoning Ministers Score: 10</p>	<p>The right of parliamentary committees to summon ministers is enshrined in the Rules of Procedure of the Slovenian Parliament. 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. Moreover, the prime minister must personally answer four questions from members of parliament in every parliamentary session. In 2016, members of parliament submitted a total of 1,770 questions to the government as a whole or to individual ministers. For the first time since independence, all of them were answered within the requested 30-day period.</p> <p>Citation: National Assembly (2017): Report on the Work of the National Assembly in 2016. Ljubljana (<a href="http://fotogalerija.dz-rs.si/datoteke/Publikacije/Letno_porocilo/Porocilo_o_delu_drzavnega_zbora_v_obdobju_2014_-_2018_-_drugo_letno_mandata_-_januar_2016_-_december_2016__Report_on_National_Assembly%E2%80%99s_work_in_the_Parliamentary_term_2014_-_2018_second_year_January_2016_-_December_2016.pdf">http://fotogalerija.dz-rs.si/datoteke/Publikacije/Letno_porocilo/Porocilo_o_delu_drzavnega_zbora_v_obdobju_2014_-_2018_-_drugo_letno_mandata_-_januar_2016_-_december_2016__Report_on_National_Assembly%E2%80%99s_work_in_the_Parliamentary_term_2014_-_2018_second_year_January_2016_-_December_2016.pdf</a>).</p>
<p>Summoning Experts Score: 9</p>	<p>Parliamentary committees in Slovenia may invite experts or form expert groups in charge of helping to draft legislative proposals. Under the Cerar government, the number of experts invited has increased. Parliamentary committees have launched several public expert discussions on important pieces of legislation.</p>
<p>Task Area Congruence Score: 8</p>	<p>The Slovenian parliament has two kinds of working bodies – 13 committees, which normally cover the work of ministries, and eight commissions (plus four commissions of inquiry), 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. Under the Cerar government, the committee structure has remained unchanged, even though the number of ministries has increased. As a result, the number of committees overseeing more than one ministries has grown. However, this has not infringed on the monitoring of ministries.</p>
<p>Audit Office Score: 9</p>	<p>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</p>



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 and high public trust. Its reports have impact on the policymaking process and its criticisms are mostly regarded as positive. However, its position is somewhat limited by a lack of both financial and human 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 parliament for a term of six years and reports regularly to the legislature. The current ombudsman, 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). She enjoys a good reputation and is quite effective in settling issues. Her annual reports focus on a wide variety of problems, above all problems with the judiciary, administrative issues and issues with limitations on personal freedom. As with previous ombudspersons, however, Nussdorfer’s role has been occasionally constrained by the lack of interest among members of parliament and ministerial inactivity. In addition, some members of the political opposition and non-parliamentary groups have criticized her lack of action taken in several publicly renowned cases.

### Media

Media Reporting  
Score: 6

In Slovenia, the majority of both electronic and print 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 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 single or several of the 212 municipalities – and others organized only on the macro level. 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 unions 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. Despite a decline in public funding, 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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