

SLOVENIA

With about 70 per cent of economic activity until now generated by the private sector, significant price liberalisation, an open foreign trade regime and no major constraints to foreign investment, Slovenian economic structures have approached those of more mature market economies. Slovenia was the first transition country to join the eurozone in January 2007.

Following years of uninterrupted growth, Slovenia was one of the worst affected central European countries by the international economic and financial crisis due to the collapse of external trade. It is estimated that Slovenian real GDP contracted by 7.8 per cent in 2009. Growth in previous years had been to a large extent fuelled by a rapid increase in investments and exports.

Although some indicators suggest a turnaround is in sight, the economy continued to be in recession through the first quarter of 2010. Domestic demand will be constrained by the continuing high level of unemployment, by the still restricted availability of credit for investment and by the required fiscal consolidation in the years ahead. The government responded to the crisis with several support packages aimed at providing liquidity to troubled firms, increased investment for infrastructure projects, and subsidies for employment.

Slovenske železnice (SŽ), Slovenian Railways, is the national company in charge with infrastructure, passenger and freight transport and services. Slovenia is crossed by Pan European Corridors 5 and 10, intersecting in Ljubljana.

Cargo 10, the new joint venture between Slovenian, Croatian and Serbian railway companies, will be headquartered in Ljubljana, Slovenia. All documents have been adopted and approved by the three governments and the first train is expected to depart from Ljubljana train station on October 1. Cargo 10 is expected to pace up border crossing procedures, thus significantly cutting the cargo transport from Ljubljana to Istanbul, Turkey. Slovenian, Serbian and Croatian railway operators will each hold a third of the joint company and the profit will also be divided among the three of them. Each operator will provide 5% of its trains for Cargo 10 and no major infrastructure investments are planned at the beginning.

The first confirmed railway project in the programming period 2007-2013, as part of which Slovenia is eligible for EUR 4.2bn of EU funds, is the reconstruction and modernisation of the 26.4 km railway link between the port of Koper and the railway hub Divaca. The project worth around EUR 130m will receive EUR 68m from the cohesion funds. The railway section is part of the sixth priority project of the TEN-T - the railway axis Lyons-Trieste-Divaca/Koper-Divaca-Ljubljana-Budapest-Ukrainian border.

Background figures in railways (2009):

1,228 km length of lines

503 km electrified lines

16,355 x 1 000 passengers carried

840 x 1 000 000 passenger-km

13,097 x 1 000 tonnes carried

2,668 x 1 000 000 tonne-kilometres

Economics	2008	2009
GDP (current billions US\$)	54.39	48.47
GDP growth (annual %)	3	-8
Exports of goods and services (% of GDP)	68	59
Imports of goods and services (% of GDP)	71	57
Industry, value added (% of GDP)	34	-

Ease of Doing Business Rank 2010

World	rank 53
Eastern Europe & Central Asia	rank 11

