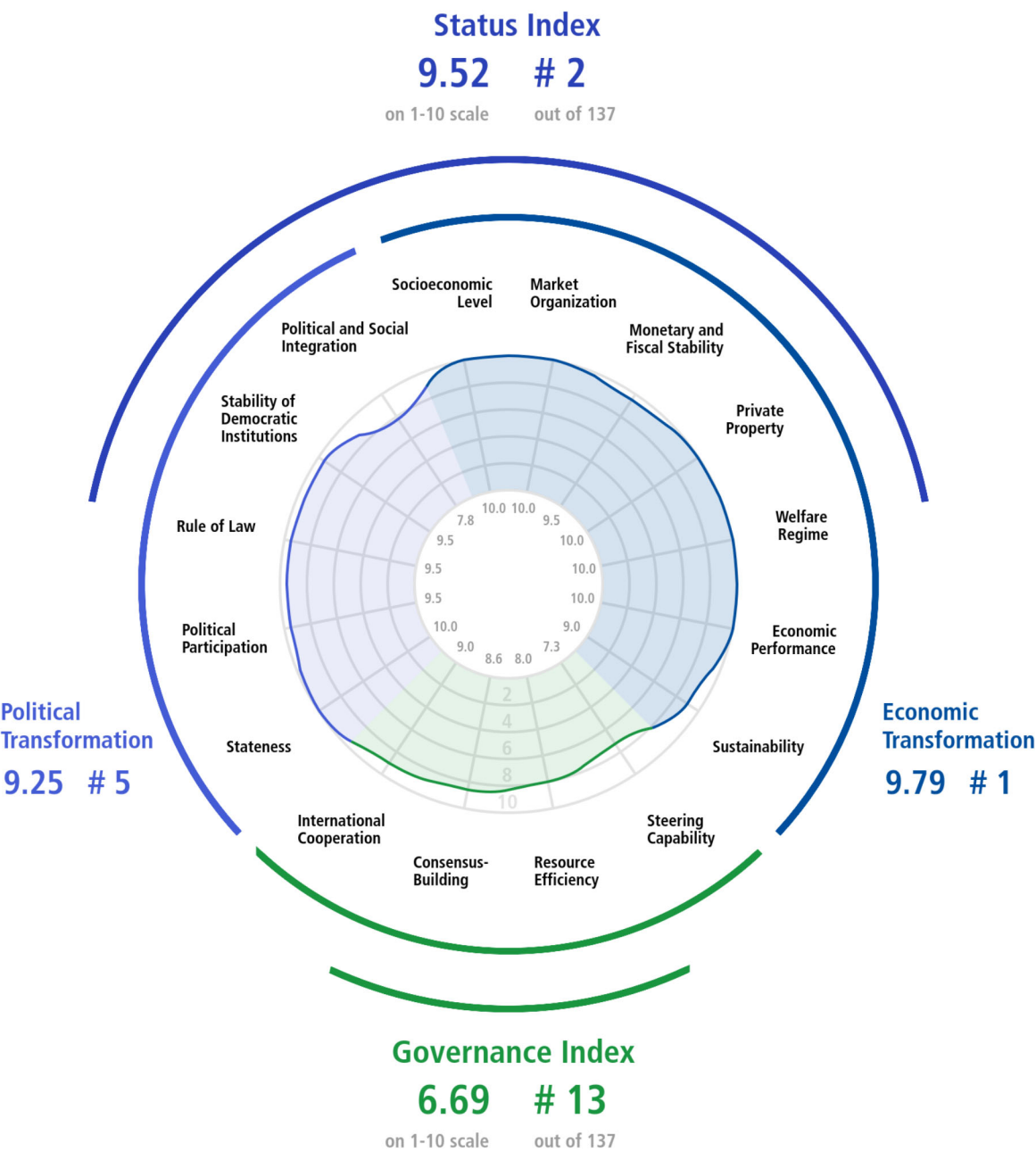


Slovenia



This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2026. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

Please cite as follows: Bertelsmann Stiftung, BTI 2026 Country Report — Slovenia. Gütersloh: Bertelsmann Stiftung, 2026.

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Key Indicators

Population	M	2.1	HDI	0.931	GDP p.c., PPP \$	56531
Pop. growth ¹	% p.a.	0.3	HDI rank of 193	21	Gini Index	24.7
Life expectancy	years	82.0	UN Education Index	0.917	Poverty ³	% 0.0
Urban population	%	56.4	Gender inequality ²	0.042	Aid per capita	\$ -

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Slovenia's political landscape in 2023 proved turbulent for the ruling coalition. The newly restructured government, comprising 20 ministries, was approved only in early 2023. By year's end, Prime Minister Robert Golob proposed reducing the number of ministries to 12, but the measure failed. The ruling Freedom Movement (GS) also struggled with limited political experience among its leadership. In March 2023, the opposition Slovenian Democratic Party (SDS) filed an interpellation against the government, though it did not lead to a no-confidence vote. After initially enjoying high public support, the government's approval rating fell to 18% by November 2023.

Key reform efforts in health care, pensions, real estate, education and public sector wages were hampered by communication shortcomings and delays. Following severe floods in August 2023, the government shifted its priorities and postponed several initiatives, including negotiations with public sector unions, fueling dissatisfaction and protests. Farmer demonstrations in the spring added further pressure, while legal challenges impeded efforts to depoliticize public institutions, including the public broadcaster, RTV.

In foreign policy, Slovenia began its two-year term as a nonpermanent member of the U.N. Security Council and formally recognized the State of Palestine in June 2024, drawing both domestic and international attention. Meanwhile, Anže Logar, a former SDS member and foreign minister, launched a new center-right party, the Democrats, with a platform centered on anti-corruption, regionalization and digitalization, positioning it for success in the 2026 parliamentary elections.

In Slovenia's 2024 European Parliament elections, SDS won four of nine seats, gaining two, while GS secured two seats. The Vesna-Green Party entered the European Parliament for the first time. The Social Democrats lost one seat and retained a single mandate, while New Slovenia (NSi) held its one seat. Voter turnout rose to 41.18%, an increase of 12.29 percentage points from the previous election. Four consultative referendums were also held, all of which passed.

Despite global headwinds, Slovenia demonstrated economic resilience. GDP grew 2.1% in 2023 but slowed to 1.4% in 2024. Inflation declined from 7.4% in 2023 to 2.0% in 2024, though service-sector inflation remained elevated. Exports and imports expanded, but the automotive sector struggled amid weaker demand from key markets, including Germany. A major agreement in 2024 between Renault and the Slovenian government secured production of the Twingo electric vehicle at the Revoz plant, preserving 1,400 jobs. The labor market remained tight, with unemployment at 3.7% in 2023. Employment reached a record high in November 2024, with 948,400 workers, 15.9% of whom were foreign nationals, primarily employed in construction and manufacturing. Net value added per employee in Slovenian business enterprises rose 9% in 2023 to €61,003.

Despite political strains and slowing economic growth, Slovenia remained broadly stable, managing domestic reforms, EU elections and global economic pressures while prioritizing disaster recovery and laying the groundwork for future reforms.

History and Characteristics of Transformation

In December 1990, Slovenia voted for independence from the Socialist Federal Republic of Yugoslavia. In 1992, it joined the United Nations and the Conference on Security and Co-operation in Europe; in 1993, it became a member of the Council of Europe. Slovenia joined the European Union and NATO in 2004 and acceded to both the Schengen Area and the European Monetary Union in 2007. The country completed its integration into major international organizations with its accession to the Organization for Economic Co-operation and Development in 2010.

Slovenia's new constitution established a parliamentary system with a largely ceremonial presidency. The bicameral parliament consists of the National Assembly (Državni zbor) and the National Council (Državni svet). The National Council represents local and functional interests but has limited powers. Constitutional amendments adopted in 2013 removed its ability to exercise suspensive vetoes. Under proportional representation with a 4% electoral threshold, between seven and nine parties typically held seats in the National Assembly until 2022. The 2022 election marked a turning point, as heightened political polarization and strategic voting resulted in only five parties entering parliament.

Slovenia's first government (1990 – 1992) was led by Lojze Peterle of the Slovenian Christian Democracy (SKD) and formed the Democratic Opposition of Slovenia (DEMOS), a coalition of seven noncommunist parties. The subsequent 12 years were dominated by the center-left Liberal Democracy of Slovenia (LDS) under Janez Drnovšek, who served as prime minister from 1992 to 2002 and led a series of ideologically diverse coalitions. From 2004 to 2008, the center-right Slovenian Democratic Party (SDS), led by Prime Minister Janez Janša, marked a shift in political orientation. Following the decline of LDS, the Social Democrats (SD), under Borut Pahor – who later served as president from 2012 to 2022 – returned the country to the left with a center-left government from 2008 to 2012.

The economic crisis of 2008/09, the public financial crisis of 2013, the migration wave of 2014 to 2016 and the COVID-19 pandemic (2020 – 2022) profoundly affected Slovenia's economy and politics. In response to the global financial crisis of 2008, successive governments implemented budgetary measures to improve debt sustainability and achieve fiscal consolidation. These included cuts to public sector wages, pensions and social benefits; tax increases; reductions in public spending; the adoption of a fiscal rule limiting public debt to 60% of GDP; pension reforms; privatization; and infrastructure investments. The COVID-19 pandemic led to Janša's brief return to government and a sharp increase in public debt.

The political elite's failure to effectively address these crises – combined with widespread corruption scandals and the economic enrichment of elites – has contributed to a significant erosion of public trust in political institutions. Since 2011, Slovenia has experienced persistent political instability, with three consecutive early elections, each marked by the rise of new parties built around prominent public figures that displaced established political forces. This pattern continued in the May 2022 parliamentary elections, when the newly formed Freedom Movement (GS), led by a prominent businessman and co-founder of an electricity company, won 34.45% of the vote and formed a coalition government that remains in power in early 2025. At the same time, support for GS reflected a rejection of Janša's government and policies.

Deep divisions rooted in Slovenia's World War II history – between collaborationist and anti-occupation narratives – are gradually giving way to a broader confrontation between extremist and populist forces on one side and mainstream politics on the other. Janša and his supporters continue to disseminate borderline hate speech across various platforms. Meanwhile, the current governing coalition – comprising the liberal GS, the Social Democrats and the Left (Levica) – has struggled to deliver on its reform agenda, with the Left exerting significant influence over socioeconomic policies.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

In Slovenia, the police and armed forces are the primary security apparatus, maintaining the state’s monopoly on the legitimate use of force. However, during 2023/24, certain municipalities along the southern border saw the emergence of village militias formed in response to safety concerns, particularly burglaries and thefts, and a perceived inadequacy of police protection. One such group, the “Slovenian Defense Guard” (SOS), gained attention after posting videos threatening migrants. This group received support from Branko Grims, a member of the European Parliament elected in 2024 with the Slovenian Democratic Party (SDS), and from the president of the SDS party’s Youth, Zala Klopčič. Grims asserted that “self-defense is a right above all rights, including the Slovenian law.” The police have successfully identified members of SOS and continue to monitor similar groups, issuing warnings against such formations.

The majority of the population accepts the nation-state as legitimate. Despite sporadic dissatisfaction, no major political movements or parties actively oppose the current state structure.

Two recognized minorities – the Hungarian and Italian communities – enjoy special rights, including access to education and media, the ability to communicate with local public administrations in their own languages and guaranteed representation in the National Assembly, with one seat each. The Roma population holds reserved seats on local councils in areas with an Indigenous Roma presence. Other minority groups, including the German minority and citizens of the former Yugoslav states, do not have special status. Conditions for acquiring citizenship through naturalization are established and nondiscriminatory. In 2022, then-President Borut Pahor issued an apology to individuals who did not apply for Slovenian citizenship after independence and were subsequently removed from key population registers and denied various rights. A comprehensive solution addressing their social security status remains under discussion.

Question
Score

Monopoly on the
use of force



State identity



Slovenia is a secular country where religious dogma has little influence on political institutions. Since 2002, Slovenia has not officially tracked the religious composition of its population as part of the census. In 2002, 57.8% of citizens identified as Catholic, 10% atheist, 2.4% Muslim and 2.3% Orthodox. Subsequent surveys by Eurobarometer (2019) and World Population Review (2021) showed similar figures while indicating a rise in those declaring themselves nonreligious or atheist. In 2025, 59 religious communities, including churches, were registered in Slovenia.

The Catholic Church in Slovenia consistently opposes abortion, a right enshrined in the constitution in 1974 and implemented by law in 1977. One of the key events organized by the church is the March for Life. A minor incident occurred at the end of 2022 when a pro-choice group staged an unregistered counterprotest to a registered pro-life demonstration, reflecting the issue's heightened sensitivity in Slovenia.

Since 2022, same-sex marriage and adoption by same-sex couples have been legal in Slovenia, and in 2024, a consultative referendum on the right to assisted dying was approved with 54.89% support.

Slovenia has a differentiated administrative structure that provides essential public services nationwide. Local government comprises 212 municipalities. Fifty-eight decentralized administrative units carry out certain fundamental administrative functions. There are no regions or provinces in Slovenia.

Staff shortages reduce the effectiveness of the administration, while ongoing digitalization facilitates citizens' use of administrative services.

In 2023, the option to submit applications electronically without a qualified electronic signature was introduced for all administrative matters, and processing deadlines were extended by seven days. Labor shortages and the ongoing need for digitalization remain challenges.

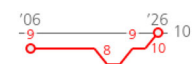
The European Commission's 2024 Rule of Law Report highlighted Slovenia's progress in strengthening the rule of law, noting improvements in judicial independence and anti-corruption measures. However, systemic issues continue to hinder law enforcement agencies, which face staff shortages and budget constraints that limit their ability to combat threats such as cybercrime and organized crime.

Slovenian courts continue to face case backlogs and delays. A shortage of judges and court staff, inadequate salaries, political appointments of Supreme Court judges, prolonged court proceedings, spatial constraints and the urgent need for digitalization remain issues of concern.

Slovenia's rail infrastructure remains underdeveloped. One major project underway – the construction of a second rail track between Divača and Koper – is aimed at improving connectivity with the country's maritime port. Air connectivity is limited. In 2023, the government identified 10 destinations to receive subsidies until 2025 to

No interference of religious dogmas

10



1

Basic administration

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1

improve air links. New energy facilities, including solar and wind power plants, frequently face opposition because of their effects on the environment, the landscape and local communities. A planned referendum on a new nuclear power plant was canceled, while a study concluded that nuclear power is not Slovenia's most cost-effective option.

The primary challenge facing Slovenia's education system is a shortage of staff, which has forced teachers to teach subjects outside their areas of training. Rising bureaucratization has also adversely affected education quality.

As of August 2024, 141,434 people in Slovenia – about 6.8% of all insured individuals – did not have a designated general practitioner. The government introduced temporary measures, including clinics for patients without a chosen general practitioner and new rules governing scheduling and waiting lists.

In 2016, Slovenia amended its constitution to guarantee access to potable water as a fundamental right, preventing its commercialization and ensuring its availability to all citizens.

2 | Political Participation

Elections in Slovenia are free and fair. Parliamentary, presidential and local elections are held regularly, and voters are automatically registered when they turn 18. Voters have convenient, quick access to polling stations throughout the country. Voting is also available in hospitals, prisons and retirement homes. Citizens abroad can vote in person at consulates or by mail. Slovenia ensures fair vote counting through a transparent, controlled system in which every step of the electoral process is documented and monitored to prevent manipulation or errors.

On June 9, 2024, European Parliament elections were held. On the same day, four consultative referendum questions were put to voters. In line with some warnings ahead of Election Day, the results were slightly delayed because of the high number of ballots cast.

The Election Campaign Act requires public television to provide all parties equal opportunity to participate in debates. Private television stations have discretion in deciding which parties to invite. In 2024, representatives of two non-parliamentary parties – None of the Above (NOT) and DeSUS – expressed dissatisfaction at being excluded from certain televised debates.

In 2024, an amendment to the electoral law granted voting rights to individuals under guardianship due to intellectual and psychosocial disabilities and granted them the right to vote with an assistant at the polling station.

Free and fair elections

10

'06 10 '26 10

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In Slovenia, democratically elected political representatives hold effective governing power. No individual or group holds de facto veto power. The upper house of parliament (National Council) may issue a suspensive veto of laws approved by the National Assembly. An absolute majority in the National Assembly can overturn this veto. In 2023/24, the National Assembly overturned all vetoes issued by the National Council.

Effective power to govern

10



In 2024, the government held four consultative referendums alongside the European Parliament elections. All proposals were approved by voters: the introduction of a preferential vote in national elections (70.78% in favor); the legalization of medicinal marijuana production and processing (66.54%); the right to assisted dying (54.73%); and the legalization of recreational marijuana production and processing (51.53%). The narrow margins on some issues, coupled with political divisions, indicate that certain topics may remain under debate.

Slovenia's constitution guarantees citizens' freedom of association and assembly. In 2023 and 2024, several protests took place in Slovenia, organized by political parties and civil society groups. These included protests by farmers highlighting environmental requirements and low crop prices; pensioners demanding higher pensions and improved conditions for the elderly; and, in 2024, the pro-life "March for Life" demonstrations. In general, the situation in Slovenia regarding freedom of association has normalized now that the COVID-19 pandemic is effectively over.

Association / assembly rights

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Slovenia's constitution guarantees freedom of expression and freedom of the press. The 2023 Media Pluralism Monitor found that Slovenia remains at high risk in terms of market plurality, with key issues including the independence of media authorities, risks associated with defamation laws and strategic lawsuits against public participation (SLAPPs), precarious working conditions for journalists, and editorial independence from commercial influence. Concerns about social inclusiveness and protection against disinformation persist. Legal changes regarding hate speech and whistleblower protections were among the notable developments.

Freedom of expression

8



According to the 2024 Civil Liberties Union for Europe Report, the Slovenian government did not introduce measures to address media concentration or protect professional journalism, autonomy and the safety of journalists.

RTV Slovenia implemented a "depoliticized" management model and a 10% increase in the monthly fee for its services to address RTV's poor financial situation.

The European Media Freedom Act took effect in 2024, and at the end of the year, the Slovenian government introduced a new Media Act, the first comprehensive overhaul of media law in more than two decades. Several key stakeholders criticized it as harmful and unnecessary, arguing that it is based on an outdated understanding of media operations and that it fails to address modern digital realities.

The Slovenian Sociological Association warned of the spread of hate speech and called for action to counter it. Slovenia lacks a strategy to counter foreign interference and information manipulation.

Overall, at the time of writing, it is difficult to assess whether the new government has made any real improvements, pending adoption of the Media Act and a new electoral campaign in light of the 2026 elections.

3 | Rule of Law

Slovenia's parliamentary system divides authority among the legislative, executive and judicial branches, providing checks and balances. Independent courts and the Constitutional Court ensure judicial review of legislation and administrative actions.

The parliament consists of the National Assembly and the National Council. Because the National Council's powers are limited, the system is often described as a "one-and-a-half-chamber" parliament.

Parliament has several tools to oversee the government's work, including parliamentary questions, interpellations and votes of no confidence. Governments are almost always coalition-based, and parliamentary majorities often serve to confirm decisions already taken by the executive. Several ministers faced interpellations in 2023/24, reflecting both the opposition's frequent use of the instrument and the system's democratic vitality.

Slovenia has a functional court system, and the judiciary is generally free from unconstitutional interference by institutions and private interests. Judges are elected by the National Assembly upon nomination by an independent Judicial Council, and they serve without term limits.

The European Commission's 2024 Judicial Scoreboard report found that Slovenia has improved safeguards for judicial independence, enhanced the autonomy of public prosecutors in parliamentary investigations and ensured proper safeguards in the reform of judicial appointments. However, courts continue to face challenges because of a shortage of judicial staff and unresolved wage issues.

One new member of the Constitutional Court, Neža Kogovšek Šalamon, began her term on January 1, 2023. She is known for her long-standing commitment to the protection of human rights.

In 2023/24, supporters of former Prime Minister Janez Janša organized and encouraged some protests targeting court decisions. Demonstrators gathered outside courts to protest alleged "judicial injustice," legal proceedings and decisions in a specific case related to Janša's real estate dealings. Judges and the prosecutor involved received threats. Other incidents affecting judges also occurred, including the arson of a newly built, unoccupied judge's house. While these events constitute an attack on the judiciary, they do not systematically undermine its independence.

Separation of powers

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Independent judiciary

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Elected officials in Slovenia who engage in illegal activities or corruption are generally investigated or placed under suspicion by police for abuse of power. However, oversight institutions remain weak, and political, legal and procedural loopholes persist in the prosecution of abuse of office.

The World Justice Project's 2024 Rule of Law Index ranked Slovenia 27th of 142 countries globally and 20th in the European Union, EFTA and North America region.

The Commission for the Prevention of Corruption (KPK) reported that the most significant breaches in 2023 were in the areas of integrity, conflicts of interest and business restrictions. Challenges remain due to inadequate legal provisions, violations by public officials who fail to take responsibility and actions that, while not explicitly illegal, contradict the spirit of the law.

In 2023, Prime Minister Robert Golob faced allegations that he interfered with police staffing, prompting investigations by the KPK. Golob denied the claims, calling them politically motivated. The police filed a report with the public prosecutor's office regarding the prime minister's actions.

In early 2024, a corruption scandal involving the Ministry of Justice raised concerns about mismanagement of public funds in a property purchase deal. Minister Dominika Švarc Pipan resigned and left the Social Democrats (SD). The National Bureau of Investigation (NBI) launched an inquiry, conducted multiple house searches and identified high-ranking ministry officials as key suspects.

Civil rights in Slovenia are codified in the constitution and in law and are generally upheld by state institutions. The Human Rights Ombudsman enjoys strong public trust. All citizens, regardless of gender, sexual orientation, race, ethnicity, religion or political preference, have equal access to justice and due process under the rule of law.

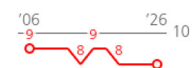
In 2023, the ombudsman addressed 6,225 cases, 250 more than the previous year, and identified 262 violations of human rights and fundamental freedoms. The most common breaches involved the principle of good governance, delays in proceedings and unequal treatment before the law, which particularly affected persons with disabilities.

4 | Stability of Democratic Institutions

National democratic institutions in Slovenia generally function efficiently and effectively. In Slovenia's parliamentary republic, legislative authority rests with parliament, executive power with the government and judicial power with an independent judiciary. The parliament is bicameral, comprising the National Assembly and the National Council. The National Assembly consists of 88 representatives elected from political parties, along with two representatives of the Italian and Hungarian national communities. The National Council is composed of state councilors nominated and elected by various interest groups to represent organized social interests and local communities.

Prosecution of office abuse

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Civil rights

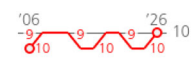
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Performance of democratic institutions

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The prime minister is elected by secret ballot in the National Assembly and nominates ministerial candidates, who require parliamentary approval. The president of the republic, elected by direct popular vote, performs primarily ceremonial functions and serves as commander in chief.

Slovenia's constitution requires all courts to be impartial, independent and established by law. Judges exercise their duties autonomously and are bound only by the constitution and statutory law. Local self-government is organized through municipalities and local communities, with mayors and municipal councils elected every four years.

At times during the period from 2023 to 2024, the government experienced inefficiencies stemming from ideological divisions within the ruling coalition. As the electoral mandate progressed, however, internal disagreements largely subsided, indicating a positive trend in the functioning of democratic institutions and contributing to a faster pace of reform initiatives. The opposition employed delaying tactics on certain issues, notably through interpellation attempts and efforts to delay the recognition of Palestine as an independent state. The government renewed dialogue with the Economic and Social Council. The president of the republic and the prime minister also occasionally expressed disagreements publicly.

Slovenia's democratic institutions are generally recognized as legitimate. The government and its ministers are accountable to the National Assembly, and parties can submit interpellations.

Increasing political polarization along the left-right spectrum has fueled accusations of democratic backsliding and clientelism, particularly from opposition parties regardless of who is in power. This erosion of trust has led to widespread leadership changes in state and public administration, a trend that persisted in 2023/24.

Janez Janša (SDS) repeatedly called for early elections and sought to delegitimize the judiciary. In 2024, SDS organized a protest calling for the current government's resignation.

Commitment to democratic institutions

9



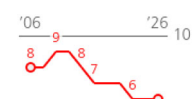
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5 | Political and Social Integration

Slovenia's proportional representation system allows multiple parties to enter parliament, leading to fragmentation of the party system, though this is somewhat tempered by the 4% entry threshold. Since independence, between seven and nine parties have typically won seats in the National Assembly. In the 2022 elections, five parties secured representation. Support for right-leaning parties remains relatively stable, while center and center-left parties experience greater volatility.

Party system

6



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By 2024, some newer parties had merged with the winner of the 2022 election, the newly formed Gibanje Svoboda (Freedom Movement), led by Robert Golob. The Left narrowly entered parliament with 4.46% of the vote. The Slovenian Democratic Party (SDS), the Social Democrats (SD) and New Slovenia-Christian Democrats (NSi) remain the three established parliamentary parties.

Political polarization has intensified, shifting from a traditional left-right divide to a mainstream-extremist (populist) split. This trend has fueled a wave of personnel changes that has resulted in widespread clientelism. A significant issue is political interference in professional appointments in public administration. The installation of political appointees, often lacking expertise, has contributed to the weakening of key political and administrative institutions and may undermine their stability and efficiency.

In 2023, the OECD reported that Slovenians had the lowest level of trust in political parties, at 14.4%. The 2024 Eurobarometer published similar findings.

By mid-2024, new political parties began to emerge in anticipation of the spring 2026 national elections. Former Foreign Minister Anže Logar launched the Democrats (Demokrati); former DeSUS President Karl Erjavec established Trust (Zaupanje); and Pavel Rupar founded the Voice of Pensioners (Glas upokojencev).

In Slovenia, the interest group system evolved from traditional organizations with close ties to the government during the socialist period. It transformed rapidly during the early transition period, receiving less international financial support than in other Central and Eastern European countries but benefiting from a stronger grassroots base. As a result, Slovenia's interest group system is well developed at both the national and local levels.

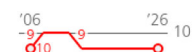
As of January 5, 2025, Slovenia had 27,442 registered non-governmental organizations, including 23,173 associations, 4,003 private institutes and 266 foundations. These organizations cover a wide range of issues, from human rights and democracy to environmental protection, social services and digital rights. Their role in policy advocacy, public awareness and service provision remains important in shaping Slovenia's societal development.

Despite declining membership, trade unions – particularly those in the public sector – continue to wield significant influence. Slovenia also displays neocorporatist characteristics, with trade unions and employers' organizations regularly negotiating with the government through the Economic and Social Council (ESS), a tripartite body that continues to play an important role in the country.

However, the council's operations have not been seamless. In an open letter to Prime Minister Robert Golob, all five key employer associations argued that the ESS's operating rules were repeatedly violated because key ministers rarely attended its meetings. The council's functioning was disrupted from July 2023 through late 2024.

Interest groups

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Negotiations on the government's proposed pension reform began only after prolonged delays caused by interdepartmental coordination problems, contributing to frustration among the social partners.

Trade unions are a central component of Slovenia's civil society, with several umbrella organizations that have direct access to policymaking. Together with employers' organizations, they engage with the government through the Economic and Social Council. The council's work was disrupted twice in recent years: in 2021, trade unions withdrew in protest of the government's failure to respect the council's rules, and in 2023, employers' associations followed suit. By the summer of 2024, all three sides agreed on additional measures to improve cooperation, restoring the council's functioning.

In 2023, public opinion in Slovenia reflected mixed levels of trust in democratic norms and institutions. According to a survey by the Center for Public Opinion and Mass Communication, the average rating of the functioning of democracy in Slovenia was 4.7 out of 10 – a 0.9-point decline compared with a decade earlier.

Public trust in national institutions was notably low. The Standard Eurobarometer 101 (Spring 2024) found that only 19% of Slovenians trusted their national government, placing Slovenia among EU member states with the lowest trust in governance. Slovenians also expressed skepticism toward the European Union. The 2024 Eurobarometer found that 58% of respondents distrusted the European Union, while only 36% expressed trust, placing Slovenia among the more euroskeptical countries in the region.

Firefighters and civil protection services remained the most trusted institutions, with public confidence levels of 9.05 and 8.30 out of 10, respectively. In contrast, the government and the National Assembly received average ratings of 3.76 and 3.89, highlighting widespread dissatisfaction with political leadership.

According to the OECD Trust Survey, Slovenians in 2023 reported the highest level of trust in their fellow citizens at 57.8%, notably higher than trust in the police (52%), the judiciary (41%) and the national parliament (27%). The 2023 Slovenian Public Opinion Survey (SJM) reported a trust score of 4.40 out of 10 for fellow citizens.

In August 2023, severe floods affected nearly two-thirds of Slovenia, causing extensive damage to infrastructure and homes. The disaster prompted a remarkable display of solidarity, with both organized and individual efforts contributing to relief and recovery. The Slovenian government declared a "Day of Solidarity," encouraged citizens to assist those affected and introduced a mandatory solidarity contribution for the period from 2023 to 2024. Numerous individuals and local groups launched independent relief initiatives. To streamline aid efforts, the government developed a mobile app to coordinate volunteer activities and facilitate the collection and distribution of material aid.

Approval of democracy

7



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Social capital

9



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II. Economic Transformation

6 | Level of Socioeconomic Development

As of 2022, Slovenia's Human Development Index (HDI) was 0.926, ranking 22nd in the world.

In 2023, the Gini coefficient stood at 23.4, indicating that income distribution in Slovenia is more equitable than in many EU states. Slovenia's at-risk-of-poverty rate was 12.7% – a 0.6 percentage-point increase from the previous year, according to the Statistical Office (SURs) – while the at-risk-of-poverty-or-social-exclusion rate stood at 13.7%. Social transfers, financed through progressive taxation, remain essential to reducing the at-risk-of-poverty rate and income inequality.

In the 2023 Global Gender Gap Index, Slovenia scored 0.7730, ranking 29th – an improvement from 2022. In the 2023 EU Gender Equality Index, Slovenia achieved a score of 69.4 – an increase of 1.9 points since 2020 – and ranked 12th among EU member states, with notable improvements in the domains of knowledge (+4.7 points) and power (+2.8 points).

According to the Statistical Office of Slovenia, in 2023, the at-risk-of-poverty threshold for a single-person household was set at €903 per month, an increase of €76 from the previous year. The share of individuals at-risk-of-poverty or social exclusion rose to 13.7%, affecting approximately 287,000 people. Among these, the number of the most vulnerable individuals – those exposed to all three forms of social exclusion – increased by 4,000, reaching 10,000.

Economic indicators		2021	2022	2023	2024
GDP	\$ M	61529.3	59927.7	69148.5	72485.0
GDP growth	%	8.4	2.7	2.1	1.6
Inflation (CPI)	%	1.9	8.8	7.4	2.0
Unemployment	%	4.7	4.0	3.7	3.4
Foreign direct investment	% of GDP	3.6	3.6	2.1	2.7
Export growth	%	14.5	6.8	-2.0	3.2
Import growth	%	17.8	9.2	-4.5	3.9
Current account balance	\$ M	2072.6	-617.4	3092.7	3231.1

Question
Score

Socioeconomic
barriers

10



1

Economic indicators		2021	2022	2023	2024
Public debt	% of GDP	74.8	72.8	68.3	66.6
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-
Net lending/borrowing	% of GDP	-4.7	-2.8	-2.7	-
Tax revenue	% of GDP	21.6	21.0	20.3	-
Government consumption	% of GDP	20.9	19.5	19.2	-
Public education spending	% of GDP	5.4	5.3	-	-
Public health spending	% of GDP	6.9	7.1	-	-
R&D expenditure	% of GDP	2.1	2.1	-	-
Military expenditure	% of GDP	1.2	1.3	1.3	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

In general, Slovenia complies with EU regulations regarding the distribution of state subsidies to ensure market-based competition. Prices are largely determined by market forces, with oversight by the Association of Consumers, an influential NGO.

Prices are fully liberalized. However, in response to rising inflation in 2022/23, the government introduced regulations on the prices of certain petroleum products, oil and petroleum derivatives, profit margins for heating oil, and the prices of electricity and natural gas.

In Slovenia, starting a business is relatively easy and involves minimal administrative burdens. A foreigner from an EU country can register as an independent entrepreneur (s.p.) or open a limited liability company (d.o.o.) in Slovenia under the same conditions as Slovenian citizens. A third-country national must have resided in Slovenia for at least 12 months to establish an s.p.; therefore, many third-country nationals choose to register a d.o.o., which requires €7,500 in capital. Cross-border mobility of capital and labor is ensured by the fundamental freedoms of the EU single market.

Market
organization

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The Slovenian Competition Protection Agency (AVK) addresses monopolization and concentration while ensuring nondiscrimination. The Slovenian Competition Act is based on the European Commission's competition rules and applies to all sectors and businesses.

In 2023, the new Competition Restriction Prevention Act took effect, introducing a unified administrative procedure for determining violations of competition law rules and administratively sanctioning companies, a new concept for reducing administrative sanctions based on a settlement request, and a new investigative tool.

In 2023, AVK handled 50 administrative cases, fewer than in the previous year because a new law on the prevention of limitation of competition came into force in 2023 and introduced a unified administrative procedure for competition law breaches and administrative sanctions for businesses, influencing the Agency's procedures and processes.

In 2023, Slovenia allocated a total of €1,038.77 million in state aid, including €706.42 million for general measures and €332.35 million for measures to address serious economic disturbances.

In 2023, the European Commission approved a €100 million Slovenian state aid scheme to support companies affected by the economic consequences of Russia's war against Ukraine. It also approved a €650 million Slovenian scheme to assist companies facing increased energy costs due to the war.

In 2024, the European Commission approved a €52 million Slovenian state-aid measure to support Lek Pharmaceuticals' construction of a new production center for biological drug substances in Lendava.

Slovenia joined the European Union in 2004 and complies with the union's relatively liberal trade regime.

In 2023, Slovenia's simple mean tariff rate was 1.39%; exports of goods and services accounted for 83.3% of GDP, and imports represented 76.8% of GDP. Slovenia's economy is thus highly integrated into international trade, with exports significantly contributing to its economic output.

In 2024, Slovenia imported the most from Switzerland, followed by Germany, China, India and Italy. Its main export markets were Switzerland, Germany, Croatia, Italy and Austria. Slovenia saw significant increases in exports and imports. Exports grew 12% to €61.5 billion, while imports rose 21% to €69.1 billion, resulting in a trade deficit of €7.6 billion and an export-import ratio of 89%. This was primarily driven by growth in trade with Switzerland.

The chemical products sector dominated trade, accounting for 45.6% of total exports and 49.5% of total imports.

Competition policy

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Liberalization of foreign trade

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Slovenia is a member of the European Monetary Union (EMU), and its financial sector operates under EU and international regulations and standards. International banking standards, including the Basel Accords, are enforced, and the European Central Bank (ECB) and the Bank of Slovenia jointly supervise the banking system under the Single Supervisory Mechanism.

At the beginning of 2025, Slovenia had nine commercial banks, three savings banks and two branches of foreign banks in operation.

As of 2023, consolidated banking assets totaled €63.06 billion, reflecting a 5.9% increase from the previous year. Market share in Slovenia's commercial banking sector is concentrated among a few key players. In 2023, OTP Bank completed its acquisition of Nova KBM, and in 2024 it merged with SKB Bank, forming OTP banka d.d. According to Slovenia Business, OTP Bank is projected to hold a 32% market share, making it the largest bank in Slovenia, followed by NLB at 22.7%.

According to the Institute of Macroeconomic Development (UMAR), Slovenian banks maintained strong capital adequacy and liquidity in 2023. Capital adequacy improved due to lower risk-adjusted assets and higher retained earnings, while liquidity remained among the highest in the euro area. Banks strengthened their capital and reserves, and the loan-to-deposit ratio continued to decline, reaching 0.67, less than half its 2008 peak. In addition, the ratio of non-performing loans decreased significantly in the last decade, from 10.0% in 2015 to 1.8% in 2022, according to the World Bank.

Slovenia's primary securities exchange, the Ljubljana Stock Exchange, has operated since 1991 alongside an over-the-counter market managed by the Central Securities Clearing Corporation. Government bonds continue to dominate the capital market, while corporate financing through shares and bonds remains limited. Despite historically low trading volumes, market activity at the Ljubljana Stock Exchange increased 50% in 2024.

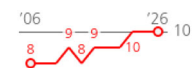
8 | Monetary and fiscal stability

As a member of the EMU, Slovenia's exchange rate policy is determined by the ECB. Slovenia ratified the EU's Fiscal Stability Treaty, integrated a fiscal rule into the constitution in 2013 and adopted an implementing act in 2015.

The independence of the Bank of Slovenia is guaranteed by law. The governor is elected by an absolute majority of the members of the National Assembly upon a proposal by the president of the republic. On January 8, 2025, the term of the governor of the Bank of Slovenia ended. The candidate for the post of governor was proposed by the president two months earlier, but the decision failed to secure the required votes, with the government expressing support for a different candidate. By the end of January 2025, the decision on the next governor was still pending.

Banking system

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Monetary stability

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According to the Slovenian Statistical Office (SURS), in August 2024 the country recorded a 0.9% year-over-year inflation rate. On a monthly basis, prices fell 0.2%. Inflation in services rose 4.1%, while goods fell 0.7%. The largest contribution to inflation came from the hospitality sector, with a 6.7% increase in restaurant and hotel prices, adding 0.5 percentage points to inflation. The largest price reductions were in the housing, water, electricity, gas and other fuels category, which decreased 3.3%, and in clothing and footwear, which fell 6.5%.

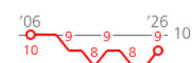
According to the Bank of Slovenia, as of November 2024, Slovenia's current account balance posted a €3.3 billion surplus, up €0.5 billion compared with the same period in 2023. However, primary and secondary income balances recorded a €0.9 billion deficit, €0.2 billion lower than in the same period a year earlier.

According to Eurostat, Slovenia's general government gross debt stood at 69.9% of GDP in Q3 2024, a decrease of 2.6% from 2023, continuing a downward trend in recent years. Slovenia's lower-than-anticipated 2024 budget deficit will improve its public debt trajectory.

In September 2024, the Slovenian government approved draft state budgets for 2025 and 2026. For 2025, planned revenues total €15.2 billion, and expenditures are projected at €17.1 billion, resulting in a budget deficit of €1.9 billion, or 2.6% of GDP. The primary focus is to address the aftermath of the 2023 floods and bolster economic growth and development – supported by EU resources under the Recovery and Resilience Plan. The European Commission has assessed Slovenia's medium-term fiscal-structural plan and found it to be in line with the new EU fiscal rules.

Fiscal stability

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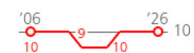
9 | Private Property

Property rights and procedures for acquiring property are well defined in Slovenia and limited solely by the constitutionally defined public interest, albeit rarely.

In 2024, the Slovenian government introduced two proposals that would significantly reshape real estate legislation. One proposal, a new real estate tax law, would impose a 1.45% levy on the market value of properties that are not the owner's registered permanent residence. The measure aims to address housing shortages and rising property prices by discouraging the accumulation of investment properties and encouraging the formalization of rental agreements. In addition, a proposed amendment to the Real Estate Cadastre Act, currently under consultation, seeks to streamline cadastral procedures, improve data accuracy and strengthen the linkage between land registry and cadastre records.

Property rights

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After two waves of privatization in the early 1990s and mid-2000s, the government established Slovenian Sovereign Holding (SDH) in 2014 to manage state property. The portfolio of capital investments managed by SDH has become increasingly concentrated. By the end of 2023, the largest sectors – energy and transport – accounted for about 71% of the capital investment portfolio. Together, the four largest companies within these sectors – the Motorway Company (DARS), GEN energija, Slovenian Railways (SŽ) and Holding Slovenske Elektrarne (HSE) – held a 54% share. The European Commission's 2023 Country Report confirms that no substantial changes occurred in the ownership structure of state-owned enterprises during this period.

According to the Statistical Office (SURS), there were 228,944 active companies in Slovenia in 2023, up 3.4% from 2022. They employed 1,006,687 people, up 1.8% from the previous year, and generated total revenue of €167.559 billion, a 1.5% increase in nominal terms. The biggest increase in the number of companies was in real estate (7.1%). Employment and self-employment grew the most in information and communication activities (6.5%) and real estate (4.4%).

According to the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES), fast-growing companies accounted for 2.7% of all enterprises from 2019 to 2023, an increase of 203 companies, or 6.6%, compared with the previous period. These companies employed 9.2% of all workers and generated €18 billion in net sales revenue, with the most significant sectors being trade, motor vehicle maintenance and repair, and manufacturing.

10 | Welfare Regime

Slovenia has a comprehensive social welfare system that provides safety nets to protect against unemployment and poverty. It also offers additional social welfare benefits, such as social assistance, child allowance, disability benefits and public health care services.

The pension scheme in Slovenia covers all individuals who have paid into the social security system during their working years, as well as certain categories of nonworking individuals – for example, spouses and partners of insured persons. Because of the aging population, the pension system undergoes frequent reforms as it faces ongoing problems with financial sustainability.

According to the Statistical Office, general government expenditure in Slovenia amounted to 46.5% of GDP in 2023, with more than half of this spending allocated to social protection (17.0% of GDP) and health care (7.4% of GDP).

Family benefits, parental allowances and transfers to ensure social security increased. Energy allowances were provided to the most vulnerable, cost-of-living allowances were paid to pensioners and extraordinary social cash assistance was given to those most affected by natural disasters. Due to favorable labor market conditions, transfers to the unemployed declined in 2023.

Private enterprise

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Social safety nets

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In January 2024, Slovenia's minimum wage was increased by €50.54 gross, amounting to €1,253.90 gross, making Slovenia one of the few in the European Union to pass the “double decency” threshold.

A survey by Slovenian Public Opinion indicates consistent support for the core values of the welfare state and overwhelming endorsement of government involvement in health care, pensions and unemployment benefits. But there is ongoing debate over reform of the health care system. In mid-January 2025, the Slovenian government proposed an amendment to the Health Services Act, including incentives for health care workers to remain in public health care institutions, stricter conditions for working outside public institutions and tighter regulations on concessions. Experts have warned that the proposed changes could prompt doctors to leave the public health care system.

Slovenia has a comprehensive legal and institutional framework to safeguard against discrimination. Equality of opportunity has largely been attained in Slovenia. Women and ethnic, religious and other minorities enjoy equal access to education, public office and employment. Despite slight indications of societal retraditionalization, Slovenia guarantees equal opportunity for sexual and religious minorities.

As of 2022, the gross enrollment ratio was 100% in primary education, approximately 110.8% in secondary education and 82.392% in tertiary education, according to CEIC. According to UNESCO, the adult literacy rate is 99.7%, with 99.69% for males and 99.6% for females.

In Slovenia, the share of economically active women has been stable in recent years. In the fourth quarter of 2023, women accounted for 45.3% of the economically active population. Eurostat 2023 data show a gender employment gap of 6.1%, well below the EU average.

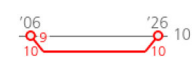
Slovenia is largely ethnically homogeneous, with two officially recognized autochthonous minorities: Hungarian and Italian. A debate occasionally resurfaces about a minority that identifies as originating from one or more territories of former Yugoslavia but is not officially recognized.

A gender quota system was introduced for parliamentary, local and European Parliament elections in the mid-2000s. While this system is not used for parliamentary elections, recent parliaments have had relatively high numbers of women. After the 2022 elections, women won 40% of seats in the National Assembly, the highest proportion in the country's history. The presidency of the National Assembly went to Urška Klakočar Zupančič, the first woman to hold this position. In the same year, Nataša Pirc-Musar was elected the first female president of the republic. In the 2024 EU elections, Slovenians elected three women and six men as members of the European Parliament.

Slovenia's 2023 Gender Equality Index score is 69.4, placing the country 12th among EU countries. The score is up 1.9 points from 2020.

Equal opportunity

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11 | Economic Performance

In the first half of 2024, the economy grew by 1.3% compared with the same period a year earlier. Investment weakened slightly because of lower investment in machinery and nonresidential construction. Consequently, for 2024 as a whole, growth was expected to moderate to 1.4%. The forecasts for 2025/26 are very favorable, as GDP is expected to grow by 2.5% to 2.6%.

Employment growth stagnated in the first half of 2024 after strong growth in 2023. Limited availability of workers remained the dominant factor in the labor market, and wages continued to increase. Employment is expected to expand by 0.3% in 2024 and by 0.7% in both 2025 and 2026, according to the European Commission. The unemployment rate is projected to remain broadly stable at around 3.6%.

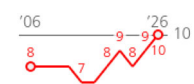
The European Commission's Autumn 2024 Economic Forecast projected that Slovenia's general government deficit would fall to 2.4% of GDP in 2024, primarily because of temporary tax increases to finance reconstruction after the 2023 floods. Preliminary data released in January 2025 indicate that Slovenia's 2024 budget deficit was 1.2% of GDP, the lowest in five years. This improvement is attributed to higher-than-expected revenue and lower expenditures.

According to the Statistical Office, foreign direct investment (FDI) in Slovenia accounted for 34.6% of GDP in 2023 – up 9.1% from the previous year.

In 2023, Slovenia's inflation rate was 7.2%, eroding consumers' purchasing power and making goods and services more expensive over time. By 2024, however, Slovenia's inflation rate moderated to 2%, aligning with typical central bank targets and contributing to economic stability. This stabilization helps preserve purchasing power and fosters a more favorable environment for investment.

Output strength

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12 | Sustainability

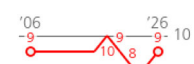
Slovenia's natural environment is relatively well-preserved, with a high proportion of protected areas, extensive forest cover and moderate agricultural intensity. The recent economic slowdowns and reduced energy consumption contributed significantly to meeting the 2020 energy-efficiency and emissions-reduction targets.

In 2024, Slovenia's Environmental Performance Index (EPI) score was 62.4, a slight decline from 2023, placing Slovenia 24th globally. The country performed best in marine protection stringency, terrestrial biome protection and air pollution control.

In line with EU climate policies, Slovenia promotes renewable energy. Households can request subsidies for energy-efficient building renovations, electric vehicle purchases, new heating systems and insulation. However, funding for these programs

Environmental policy

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has been decreasing. While Slovenia did not initially meet its 2020 target for renewable energy adoption, it surpassed the 25% threshold for the first time in 2023. The Slovenia 2030 Development Strategy prioritizes a transition to a low-carbon circular economy and sustainable management of natural resources.

Slovenia's Long-Term Climate Strategy until 2050, adopted in 2021, and the Integrated National Energy and Climate Plan (NECP) from 2020 outline the country's commitment to reducing greenhouse gas emissions and transitioning to a sustainable energy system. The 2050 Climate Strategy aims for carbon neutrality by midcentury through increased energy efficiency, renewable energy expansion and green mobility. The NECP serves as a road map for the period from 2021 to 2030, setting targets for emissions reductions, energy efficiency and the share of renewable energy while ensuring security of supply. Both strategies emphasize the gradual phaseout of coal by 2033, investment in renewables and the role of nuclear energy in long-term stability. However, implementation remains challenging and requires significant investment and political commitment.

Slovenia's education policy maintains a nationwide system of education and training. In 2023, public expenditure on formal education at the national and municipal levels rose 9.4% compared with the previous year. However, its share of GDP fell from 5.3% to 5.1%. According to the Statistical Office (SURS), the largest increase – 15.4% – was in funding for tertiary education. Nominal growth in funding for preschool and primary education was below average, primarily because investment fell – by 41% and 20%, respectively.

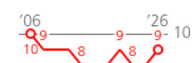
As of 2024, Slovenia's U.N. Education Index was 0.91, reflecting strong educational attainment and accessibility. In the 2022 PISA test, 15-year-olds in Slovenia performed above average in mathematics and science. However, in all three subjects – including reading – average performance declined compared with previous assessments.

The share of people in Slovenia ages 25 to 34 with tertiary education fell to 40.7% in 2023 from 47.3% in 2022. This was below both the EU average (43.1%) and the EU-level target (45%). In 2024, a public debate was held on the proposed new Higher Education Act, whose key features include a gradual increase in higher education funding to 1.5% of GDP and the restructuring of programs to ensure sustainability and inclusivity.

Spending on research, development and innovation accounted for 2.1% of GDP in 2022. In the 2024 Global Innovation Index, Slovenia ranked 21st among the 39 European economies. There is no significant debate over reforming R&D spending in the country.

Education policy /
R&D

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Governance

I. Level of Difficulty

In general, Slovenia faces few structural constraints on governance because of its low rate of extreme poverty and favorable geographic location. There has been only a mild increase in poverty levels in recent years.

Wildfires ravaged the Karst region in 2022, while the coastal area experienced severe drought. In August 2023, Slovenia faced its most devastating natural disaster to date: catastrophic floods caused by heavy rainfall. The well-functioning civil protection mechanism minimized fatalities, but decades of underinvestment in water infrastructure contributed to property damage estimated at €9.9 billion. Such natural disasters are expected to become more frequent in the coming years. In response, Slovenia launched two flood recovery programs in 2024 to repair damage and strengthen infrastructure by 2028, allocating €824.3 million for road and railway infrastructure and additional funds for municipal and water infrastructure, landslide rehabilitation and cultural heritage restoration.

Slovenia faces an aging population and a shrinking workforce. Eurostat projects that Slovenia's population will peak at approximately 2,121,000 in 2026 before beginning a steady decline, reaching 1,951,000 by 2100 – a reduction of about 170,000. Labor shortages are expected to be most pronounced in construction, hospitality, transport, manufacturing, health care and IT, according to 2023 EURES data. The government has introduced several measures to address labor shortages, including facilitating employment and residence permits for third-country nationals.

Since the transition period, Slovenia's civil society has been vibrant and diverse. As of January 5, 2025, 27,442 non-governmental organizations (NGOs) were registered in Slovenia. Most are associations, accounting for about 84.45% of the total, followed by private institutes at 14.59% and foundations at 0.97%.

According to the Centre for Non-Governmental Organizations in Slovenia (CNVOS), the NGO sector consists primarily of small entities with minimal staff. More than 90% of NGOs operate without employees, relying heavily on volunteers. However, the sector has been gradually professionalizing, with support from targeted funding initiatives. Overall, the average number of employees per NGO in Slovenia is 0.48. NGOs receive funding from various sources. Public funding accounts for about 65% – 70% of total NGO financing, including contributions from government ministries

Structural
constraints

2

'06 '26 10



Civil society
traditions

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'06 '26 10



and municipalities. In 2022, ministries allocated about €285 million to NGOs, while municipalities contributed about €127 million. International funding, primarily from EU Structural Funds, programs such as Horizon Europe and Erasmus+, and EEA and Norway Grants, constitutes 5% to 10% of NGO financing. Private donations and membership fees make up 10% to 15% of funding, with individual and corporate donations playing a particularly significant role for associations. Additionally, NGOs generate 10% to 15% of their income through services and activities aligned with their mission, such as training programs, consultancy and publications. This reliance on public funds underscores the need for diversification to ensure the sector's long-term sustainability.

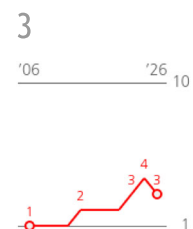
Trade unions are a significant component of Slovenia's civil society, with several umbrella organizations having direct access to policymaking. Alongside employers' organizations, trade unions engage with the government through the Economic and Social Council (ESS). The ESS's operations were disrupted twice in recent years: In 2021, trade unions withdrew in protest of the government's failure to respect the council's rules, and in 2023 employers' associations followed suit. By summer 2024, all three sides agreed on additional measures to improve cooperation, leading to the restoration of the council's operations.

According to data from the European Social Survey (2023 – 2024), Slovenia's mean political trust score is 3.5 on an 11-point scale (0 – 10), indicating that public trust in political institutions is relatively low and reflects a trend consistent with several other Eastern European countries.

Regarding political conflict, Slovenia has seen turbulence in recent years. In the 2022 elections, the divide between left and right and between libertarian and authoritarian evolved into one between the mainstream and the extreme (populist) right, and it played a significant role. The main focus of the winning party, the Freedom Movement (GS), was to prevent the continuation of the Janez Janša (SDS) government. Tactical voting resulted in a decisive victory for GS, which secured 41 of 90 seats, and in a reduction in the number of political parties in the National Assembly to the smallest since Slovenia's independence. The 2022 presidential election was won by Nataša Pirc-Musar, a lawyer and former information commissioner, after a runoff against the SDS candidate, Anže Logar. The race was also marked by a clash of values.

Ethnic tensions in Slovenia are generally low and largely resolved through peaceful means. However, the situation with the Roma minority remains complex because of persistent discrimination and marginalization. In 2024, incidents involving Roma and the police in southern and southeastern Slovenian municipalities led to nationwide media coverage and prompted involvement by the interior minister. Slovenia is predominantly Roman Catholic, and religious tensions are minimal.

Conflict intensity



Social conflicts often relate to income inequality and the treatment of marginalized groups, such as migrants and refugees. A troubling development in 2023 and 2024 is the emergence of village militias in southern Slovenia, along the border with Croatia. These groups cite safety concerns and inadequate police protection. The police warned of security risks from groups such as the “Slovenian Defense Guard” (SOS), which have been linked to attacks on migrants and are reportedly backed by certain SDS politicians. Authorities are investigating SOS and monitoring similar groups.

Societal polarization and division are largely driven by the libertarian-authoritarian divide, which is intertwined with historical tensions between communist and anti-communist factions. Although political discourse has moved away from these traditional labels, a similar dynamic persists – now framed as a division between “pro-Janša” and “anti-Janša” camps that reflects the ideological divides of the past in a new form.

II. Governance Performance

14 | Steering Capability

Slovenia generally has substantial institutional capacity for strategic planning. In 2009, under international pressure, the country committed to a minimum of 30 days of public consultation for any proposed legislation. The Government Office and the ministries have advisory bodies that include experts and civil society representatives. However, regardless of which parties are in power, this requirement is frequently violated, and public consultations remain limited in practice.

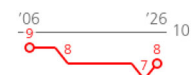
After years without a comprehensive strategic framework for Slovenia’s priorities after EU accession, the Development Strategy of Slovenia 2030 was adopted in December 2017. It outlines five strategic orientations and 12 interconnected development goals. The document establishes a new long-term development foundation for the country and integrates the U.N. Sustainable Development Goals (SDGs), positioning Slovenia among nations that have formally recognized global environmental and social responsibility.

Because of strong political polarization in the past decade, long-term strategic planning has been significantly constrained and is largely dependent on the composition of the ruling coalition. However, external pressures from the European Union and international organizations provide incentives for long-term planning, often through peer review mechanisms.

Question
Score

Prioritization

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After a slow start by the government elected in spring 2022, when several promised reforms were postponed due to inefficiency, 2023 and 2024 saw numerous strategic documents drafted in key areas, including defense (Slovenian Defense and Military Strategies), foreign policy, civil protection, economic growth and employment, energy and climate, media, agriculture and partial tax reform. Some of these have been approved, while others remain subject to debate.

After the 2022 elections, the new government enjoyed a comfortable majority, yet coalition partners frequently struggled to reach agreement. The opposition engaged in obstructionism by proposing referendums and other delaying tactics that forced the government to focus on countering these measures and ultimately hampered its effectiveness.

The government announced several structural reforms. Despite high ambitions and public expectations, the rollout has been slow and clumsy. In August 2023, devastating floods caused extensive damage across Slovenia, shifting the government's priorities and affecting its negotiations with public sector trade unions.

Concrete reform proposals in key sectors only began reaching the National Assembly for consideration in late 2024. As a result, 2025 could become a “year of reforms” aimed at addressing critical socioeconomic challenges. Reforms expected in 2025 include public sector wages, tax, health, pensions, housing and media.

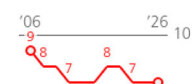
However, government support for these reforms remains uncertain. Concerns about increased tax burdens on self-employed individuals have sparked opposition, while health care and pension reforms have met resistance from trade unions and political opponents. The feasibility of these reforms is further complicated by the approaching 2026 elections, as political considerations may hinder progress.

The Slovenian government has not consistently replaced failed policies with innovative alternatives. In recent years, most policy areas have undergone evaluation aimed at institutionalizing complex learning, but it remains unclear to what extent the information collected is used to draft new policies. Monitoring of governing procedures remains limited and largely ad hoc. Evaluation of public policies in Slovenia has increased, especially since its accession to the European Union. Most evaluations are conducted within the framework of EU policies (for example, policy coordination within the European Semester), and Slovenia participates in monitoring procedures, international comparative analyses and mechanisms for exchanging good practices. Examples include collaboration with the International Labour Organization (ILO) in employment policy and PISA, TIMSS, PIRLS, ICILS, TALIS, ICCS and ESLC in education policy.

Still, the 2023 OECD Trust Survey found that only 29% of Slovenes believed the government used the best available evidence in decision-making, a share significantly below the OECD average of 41%.

Implementation

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Policy learning

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Golob's government has been more open to civil society but lacks political experience, which has slowed legislative processes. Many key officials are new to politics, complicating policymaking and causing past expertise to be overlooked, while some ministries have well-established links with expert communities for analysis and policy advice. While the government is generally active and open to dialogue with civil society in policymaking, opposition to major reforms, including the Media and Healthcare Acts, and nuclear power expansion, suggests key stakeholders were excluded or evidence-based policymaking was overlooked.

15 | Resource Efficiency

The Golob government initiated a reorganization of the executive branch, establishing 19 ministries and one government office for a total of 20 ministers. The number of state secretaries in the prime minister's cabinet has steadily increased, peaking under the Janša and Golob governments. Like Janša, Golob began his term by replacing officials aligned with Janša with individuals loyal to his administration. A number of politically motivated changes in leadership and midlevel management positions within ministries were observed, though they remained within the legal framework for political appointments.

In 2024, Slovenia recorded its lowest budget deficit in five years, at 1.2% of GDP. This achievement reflects improved financial stability and responsible fiscal management. Slovenia uses digital platforms to provide public access to budget proposals and expenditures. The Ministry of Finance regularly publishes updates on budget execution and projections.

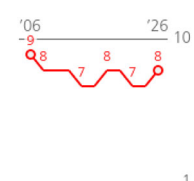
In 2023/24, Slovenia's Ministry of Public Administration launched several initiatives to modernize public administration and enhance efficiency. Two key advisory bodies were established: the Expert Council for Sustainable Public Administration Development and the Coordination Group for Administrative Units Reorganization. In September 2024, the ministry proposed the Sustainable Public Administration Development Strategy 2030 to address declining public trust in institutions, improve operational capacity and strengthen the integrity of public servants.

Since 2014, government regulations have required policy materials to be submitted before debates and to be coordinated with relevant ministries, particularly the Ministry of Finance and the Government Office for Legislation. Policy coordination involves permanent and ad hoc bodies, including civil servants, interest groups and experts. However, its effectiveness varies, with informal coordination and political party leaders often playing a decisive role.

In 2023 and 2024, the government established several interministerial working groups to address key issues, such as improving the legislative and business environment, enhancing competitiveness, combating human trafficking, addressing

Efficient use of assets

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Policy coordination

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housing policy, and implementing the National Intellectual Property Strategy until 2030 and the Resolution on the National Crime Prevention and Suppression Program (2024 – 2028).

The government also established several Strategic Councils during 2023/24 to focus on health, macroeconomic issues, digitalization, immigration and foreign policy.

One of the most important policy coordination bodies is the Economic and Social Council (ESS), where representatives of employers' organizations, trade unions and the government meet regularly to coordinate wide-ranging policies. After a nearly uninterrupted suspension of its work spanning 2021 – mid-2024, the government reached an agreement with the other two sides, restoring the council's operations.

Several entities are tasked with combating corruption, and cases of corruption that suggest systemic problems are occasionally revealed.

The Court of Audit audits state spending. In 2023, it conducted 105 audits, issuing 51 audit reports and 19 post-audit reports, covering 89 entities with expenditures totaling €36.7 billion. Key areas included the state budget, local government, justice, EU funds and healthcare to improve transparency and accountability.

The independent Commission for the Prevention of Corruption (KPK) works to counter corruption. According to its 2023 Annual Report, the KPK received 811 reports of alleged violations, with the majority concerning corruption (617 cases), conflicts of interest (76 cases) and incompatibility of functions (38 cases).

In October 2022, the government enacted the Whistleblower Protection Act, marking a significant step forward in combating corruption.

The information commissioner is responsible for guaranteeing citizens and the media access to information and protecting personal data. In 2023, it handled 1,021 cases, the highest since its establishment. Complaints about authorities' inaction rose 25% from the previous year, with most filed against state authorities.

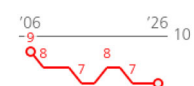
Party finances have been clearly regulated by law since the 1990s, and a 2013 amendment strengthened oversight by banning all corporate donations and enhancing the Court of Audit's role as a monitoring body. Several corruption scandals that have emerged relate to party financing.

Reports from the entities mentioned above are publicly available on their websites for access by citizens and the media.

The 2023 data from the OECD Sustainable Governance Indicators has raised concerns about Slovenia's enforcement of anti-corruption measures, particularly highlighting a lack of prosecutions for foreign bribery since Slovenia's accession to the Anti-Bribery Convention in 1999.

Anti-corruption policy

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In 2023, Prime Minister Robert Golob faced accusations of interfering with police staffing, prompting KPK investigations and a police report. Golob denied the allegations, calling them politically motivated. In 2024, the Ministry of Justice acquired a property at a price significantly higher than market value, sparking suspicions of corruption and mismanagement of public funds. This led to the resignation of Minister of Justice Dominika Švarc Pipan, an inquiry by the National Bureau of Investigation and several high-ranking ministry officials being identified as primary suspects.

16 | Consensus-Building

Despite significant differences in policy preferences, all major actors recognize democracy as a long-term strategic objective. However, interpretations of the rule of law vary. Although both left- and right-leaning political groups support it, they often define and apply it differently.

Political actors differ in their economic policy preferences, particularly between proponents of neoliberalism and proponents of more socially oriented policy solutions. Nonetheless, there is consensus that a market economy remains a strategic long-term goal.

In general, Slovenia has no anti-democratic political actors, so there is no need for their exclusion or co-optation. However, certain attitudes and actions associated with SDS – such as delegitimizing the judiciary or inciting hatred against migrants – contradict democratic values and principles and have been portrayed previously as signs of democratic backsliding.

Ideologically, Slovenia has a notable left–right or progressive-conservative divide. A libertarian-authoritarian cleavage is present and important, with the Slovenian Democratic Party (SDS) – supported by the Catholic Church – as a significant actor on the authoritarian side. In this respect, its leader, Janez Janša, is a polarizing figure. Debates over historical memory – such as interpretations of World War II resistance movements – remain contentious.

An urban-rural cleavage is evident: urban areas, particularly in Ljubljana, tend to support progressive, liberal policies, while rural regions are generally more conservative and traditional. An economic divide has gained prominence since 2004, following SDS's shift to a conservative stance, and especially since the fiscal and economic crisis of 2009. OECD's Economic Outlook 2023 also highlights a generational divide, noting that younger Slovenians often advocate for progressive policies such as LGBTQ+ rights, environmental sustainability and digital innovation,

Consensus on goals

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Anti-democratic actors

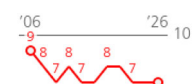
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Cleavage / conflict management

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whereas older generations may prioritize economic security and hold more traditional values. Environmental protection generally enjoys broad support, but infrastructure projects – such as new hydropower plants, wind turbines or highways – often spark tensions between economic development advocates and environmental activists. The influx of migrants and refugees, particularly during the migration wave from 2014 to 2016, has fueled debates on cultural identity and social cohesion. However, there is no significant religious cleavage.

While these divisions do not create major roadblocks or entirely prevent policymaking or consensus-building, political leaders frequently exploit them to advance or slow legislation.

The 2024 referenda illustrate this dynamic, with narrowly passed progressive votes (legalization of medical and personal cannabis use, medically assisted dying and electoral reform).

Interest groups and other civil society organizations play an important role in formulating and implementing policies. Organizations representing employers, trade unions, farmers, crafts and trades, independent professions and noncommercial sectors are considered vital to the state, and their participation is institutionalized in the National Council, the upper house of the national parliament. Employers' organizations and trade unions also engage in institutionalized cooperation with the government through the Economic and Social Council.

Several e-tools have been introduced to facilitate public participation in policymaking. However, their impact remains limited because the government is not obligated to consider input submitted through these channels.

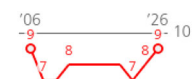
In 2023 and 2024, the Slovenian government sought to strengthen cooperation with NGOs. It introduced the Guidelines for Government-NGO Collaboration, which are currently under public consultation, and established the Council for the Promotion of Volunteering and NGOs as a consultative body to enhance dialogue.

For years, Slovenia's political leadership has pursued reconciliation regarding historical events during and after World War II. One of the main advocates of reconciliation was Borut Pahor, who served as Slovenia's president from 2012 to 2022. Several significant symbolic steps have been taken.

In January 2023, the Golob government halted the Museum of Slovenian Independence project, established by the previous Janša government, by merging it with the Museum of Contemporary History. It also reversed the Janša government's decision to commemorate victims of communist violence on a dedicated day. These actions reflect ongoing disagreements between political factions over the interpretation of the past.

Public consultation

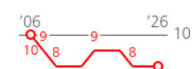
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Reconciliation

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17 | International Cooperation

Slovenia is a member of several international organizations, including the European Union. However, it has often been criticized for lacking clear strategic goals within the European Union and for passivity in its decision-making processes. Although all parliamentary parties support EU membership, the previous Janša government aligned itself more closely with the then-active Visegrad Group. Following the 2022 elections and a rift within the Visegrad alliance, Slovenia shifted its course back toward core liberal Europe.

The Development Strategy of Slovenia 2030 was adopted in December 2017 as an umbrella development framework. It is based on the Vision of Slovenia, which provides an analysis of the country's current situation, global trends and challenges. To achieve its development goals, Slovenia implements a four-year national development policy program and a medium-term fiscal strategy, both of which are updated annually. Using the OECD framework for evaluating different scenarios and policies, Slovenia monitors progress toward its strategic objectives and assesses the trajectory of its development policies. The strategy also aligns with the U.N. Sustainable Development Goals (SDGs) under Agenda 2030. The most recent review, in February 2023, as part of the Sustainable Development Report 2024, ranked Slovenia 11th globally.

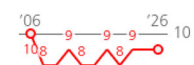
Slovenia's National Recovery and Resilience Plan (NRRP) remains a key policy tool supporting long-term economic and social resilience. The plan includes 50 investment projects and 36 reforms, with 49% allocated to climate goals and 20% to digital transformation. In October 2023, Slovenia incorporated the REPowerEU chapter into the NRRP, reinforcing its commitment to reducing reliance on fossil fuels and enhancing energy security. The total value of the plan is €2.7 billion, comprising €1.62 billion in grants (including €121 million for REPowerEU) and €1.05 billion in loans. By October 2024, Slovenia had received €257.7 million in its third installment, and in December 2024, the Council of the European Union approved amendments to seven measures within the plan. The NRRP focuses on decarbonization, digital education, healthcare system resilience, long-term care and affordable housing to ensure sustainable growth and alignment with EU recovery objectives.

For years, the international community has recognized Slovenia as a reliable partner willing to engage in various forms of collective action. Since the outbreak of the Russia-Ukraine war, Slovenia has consistently supported Ukraine. The Golob government, which took office in June 2022, has maintained and reinforced this support.

On June 6, 2023, Slovenia was elected a nonpermanent member of the United Nations Security Council for the 2024 to 2025 term, securing a strong majority of 153 votes in the first round. This marks Slovenia's second tenure on the council. During its

Effective use of support

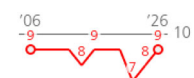
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Credibility

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campaign, Slovenia emphasized its role as a unifying force committed to constructive solutions and to upholding international law as the best guarantee of global peace and security. While this achievement reflects significant trust from international partners and Slovenian diplomats report positive feedback from New York, it remains to be seen how effectively Slovenia will leverage this mandate for continued influence within the United Nations once its term ends.

To fulfill its commitments under international climate agreements – including the U.N. Framework Convention on Climate Change, the Kyoto Protocol and the Paris Agreement – the Slovenian National Assembly adopted a resolution in July 2021 outlining Slovenia's Long-Term Climate Strategy Until 2050. This strategy sets a clear objective of achieving climate neutrality by 2050, which includes cutting net greenhouse gas emissions to zero. In October 2023, the Ministry of Environment, Climate and Energy published a draft Climate Act and opened it for public consultation. The legislation includes measures to reduce greenhouse gas emissions, enhance climate adaptation and develop a national adaptation strategy with regional action plans to improve local resilience to climate change. However, as of January 2025, there has been no significant progress in advancing this legislation.

Throughout 2024, the ministry continued work on the Climate Adaptation Strategy, aligning it with the European Adaptation Strategy and European Commission guidelines. The process remains highly consultative, involving representatives of key stakeholders, the scientific community, the private sector and non-governmental organizations. The strategy is expected to be finalized by September 2026.

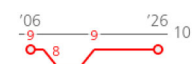
In 2023/24, Slovenia actively engaged with the International Labour Organization (ILO), meeting various reporting obligations and completing evaluations as part of its commitment to decent work and social justice. In 2023, Slovenia contributed to the ILO's General Survey on Labour Administration, detailing its national policies and practices. In 2024, Slovenia participated in the General Survey on Employment Injury Protection, outlining its measures for safeguarding workers against occupational injuries.

Slovenia's political leadership works to build and expand cooperative, neighborly and international relations. Slovenia has sought to maintain good relations and cooperate, especially with the countries of the Western Balkans. In 2013, the presidents of Slovenia and Croatia established the Brdo-Brijuni Process, an annual multilateral meeting of leaders of the countries of the Western Balkans, which the current Slovenian president maintains as a central forum for engagement with the region.

Despite occasional disputes, Slovenia and Croatia maintain positive relations. Slovenia supported Croatia's entry into the Schengen Area and the eurozone. Nataša Pirc-Musar, the current president of Slovenia, chose Croatia for her first official visit abroad. However, Foreign Minister Tanja Fajon expressed her desire to find solutions

Regional cooperation

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to outstanding issues with Croatia in a neighborly spirit, but said Slovenia would continue to push for the implementation of the still-pending arbitration ruling on the border between Slovenia and Croatia. Croatia refuses to implement the ruling because of a procedural dispute in the arbitration process and, at this point, does not recognize it. The arbitration ruling is seen as a precondition for fully stable relations between the two states. Fajon also aims to deepen Slovenia's ties with the United States and enhance cooperation within the regional groupings of Med9, the Central European Five (C5) and the Adriatic-Ionian Initiative. In 2023, the Bled Strategic Forum focused on "Solidarity for Global Security."

In December 2024, the government adopted a new foreign policy strategy. The strategy identifies good relations with neighboring countries – Austria, Croatia, Italy and Hungary – as the foundation and starting point of Slovenia's successful foreign policy. The neighboring region is framed as a key space for economic, cultural, scientific and political cooperation. Active membership in the European Union and NATO remains a core priority, and the presence of national minorities on both sides of the borders is recognized as a significant aspect of collaboration.

Strategic Outlook

As the Golob government enters its third year, it has partially overcome initial hurdles, and Slovenia appears set to begin 2025 with renewed potential for transformative reforms. Addressing urgent systemic challenges – particularly in health care, pensions, education and public sector wages – will be critical, especially given the country’s aging population.

To succeed across these reform areas, the government will need to adopt a consistent and structured approach that ensures the active involvement of civil society, the opposition, businesses and other stakeholders, while also improving public communication. Tax reform and reaching agreement on media legislation will require significant effort to reconcile competing perspectives while maintaining a clear policy focus. Cooperation – or at least the avoidance of public conflict – among coalition partners will be essential, though difficult. As the 2026 elections approach, pressure on the government to deliver tangible results is intensifying, while international security concerns add new challenges, including safeguarding democratic institutions. Against this backdrop, the political landscape is shifting. Most notably, Anže Logar, a prominent former Slovenian Democratic Party member and runner-up in the 2022 presidential election against Nataša Pirc-Musar, has founded a new political party, the Democrats. Although still in its early stages, the party is expected to position itself in the center-right, appealing to disenchanted center-right and liberal voters, potentially with the aim of forming a right-wing government in alliance with SDS.

At the same time, Slovenia’s role on the U.N. Security Council offers an opportunity to enhance its global influence and reputation, during and beyond its term, provided the government articulates a clear strategic vision for its foreign policy objectives. The recognition of Palestine marked a significant step in this direction, while the foreign policy strategy presented at the end of 2024 signals a shift toward a more global orientation, contrasting with the predominantly Europe-focused approach of recent decades.

Economically, Slovenia has shown resilience amid global headwinds, securing key agreements in areas such as automotive electrification. Financial support from the European Union’s Recovery and Resilience Plan has helped cushion the impact of Germany’s economic slowdown. However, as economic momentum weakened in the second half of 2024, the European Commission revised Slovenia’s GDP growth forecast downward from 2.3% in June 2024 to 1.4%, with other institutions making similar adjustments. Outlooks for 2025 and 2026 are more favorable, with the commission projecting GDP growth of 2.5% and 2.6%, respectively, compared with 1.3% and 1.6% for the euro area.

Even so, Slovenia would benefit from a long-term strategic vision built on cross-party and multistakeholder agreement to develop a forward-looking industrial strategy centered on smart specialization in emerging fields such as big data and artificial intelligence. Energy security will also remain a central issue. Slovenia plans to phase out coal-fired electricity generation by 2033, raising concerns about supply stability and price volatility unless investment in renewable energy, nuclear power or both accelerates beyond current projections.