

DOING BUSINESS 2019

Training for Reform

Economy Profile Slovenia



Economy Profile of Slovenia

*Doing Business 2019 Indicators
(in order of appearance in the document)*

| | |
|--|--|
| Starting a business | Procedures, time, cost and paid-in minimum capital to start a limited liability company |
| Dealing with construction permits | Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system |
| Getting electricity | Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs |
| Registering property | Procedures, time and cost to transfer a property and the quality of the land administration system |
| Getting credit | Movable collateral laws and credit information systems |
| Protecting minority investors | Minority shareholders' rights in related-party transactions and in corporate governance |
| Paying taxes | Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes |
| Trading across borders | Time and cost to export the product of comparative advantage and import auto parts |
| Enforcing contracts | Time and cost to resolve a commercial dispute and the quality of judicial processes |
| Resolving insolvency | Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency |
| Labor market regulation | Flexibility in employment regulation and aspects of job quality |

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

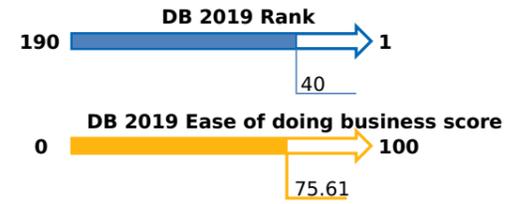
The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

More about [Doing Business](#) (PDF, 5MB)

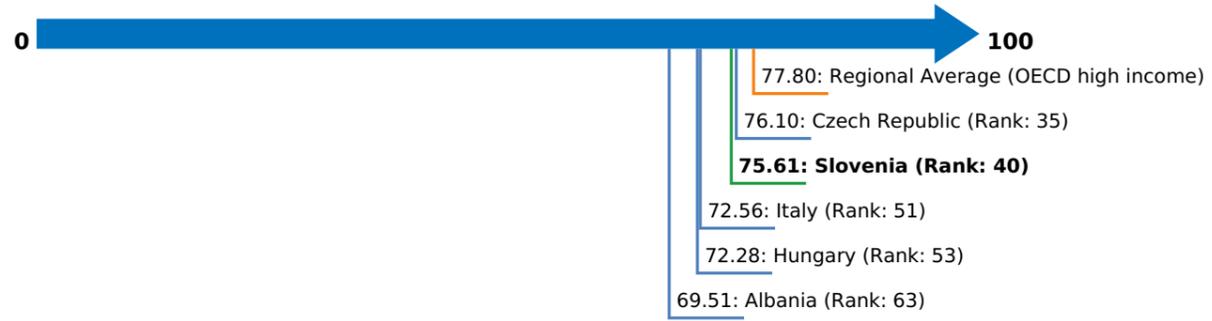
Ease of Doing Business in Slovenia



| | |
|-----------------|------------------|
| Region | OECD high income |
| Income Category | High income |
| Population | 2,066,748 |
| City Covered | Ljubljana |

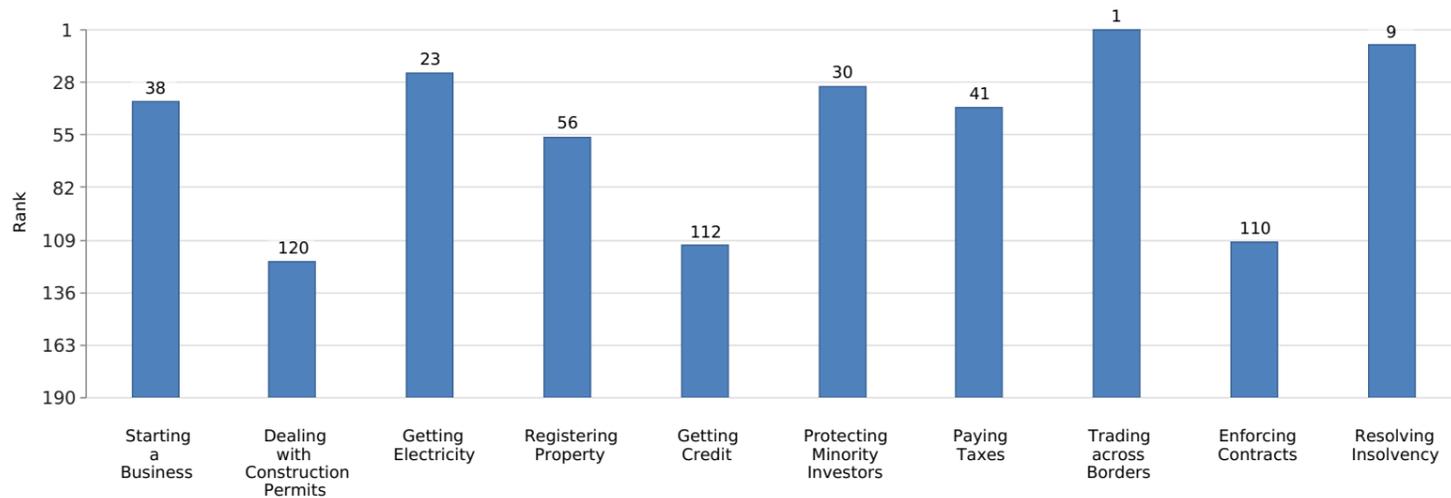


DB 2019 Ease of Doing Business Score

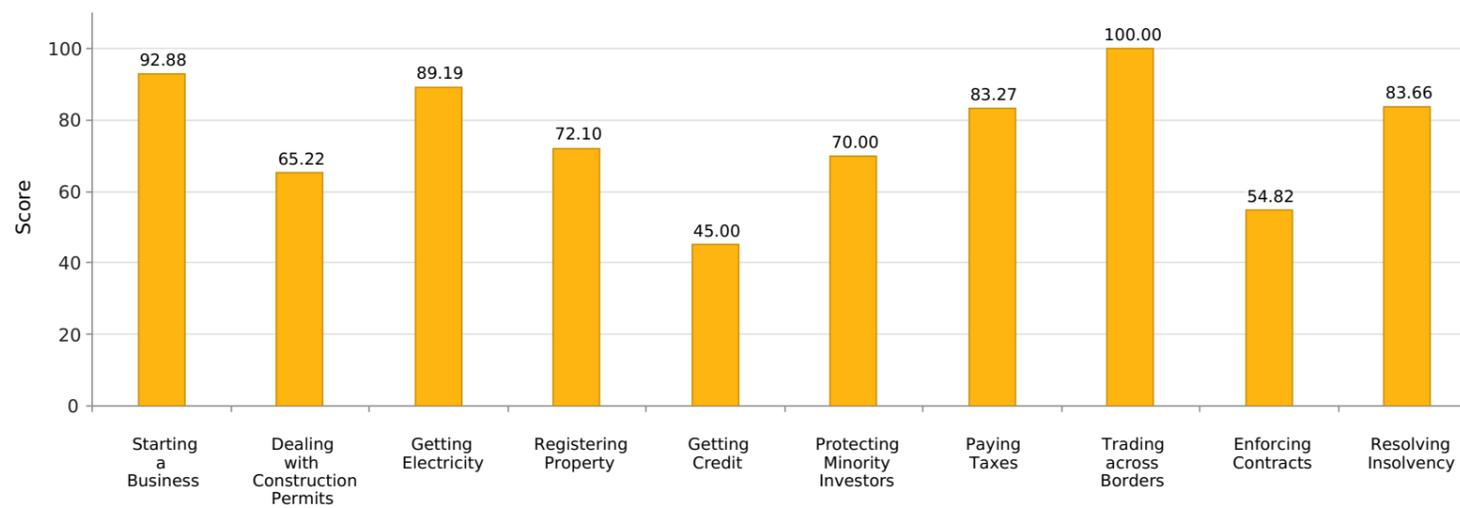


Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Slovenia



Ease of Doing Business Score on Doing Business topics - Slovenia



Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|--|---|
| <p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation | <p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p>The business:</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. - Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The entire office space is approximately 929 square meters (10,000 square feet). - Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita. - Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes. - Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita. - Does not qualify for investment incentives or any special benefits. - Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals. - Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> - Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old. - Are sane, competent, in good health and have no criminal record. - Are married and the marriage is monogamous and registered with the authorities. - Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population. |

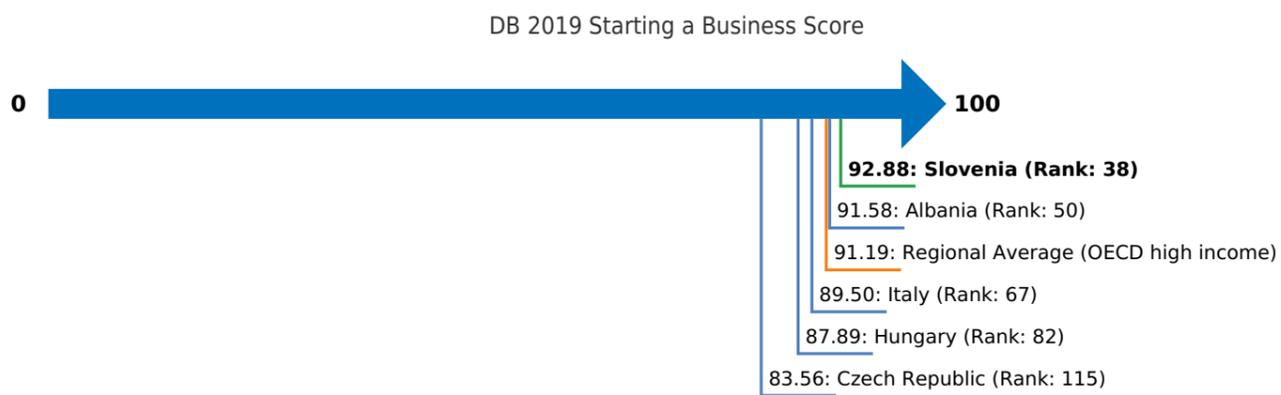
Starting a Business - Slovenia

Standardized Company

| | |
|-------------------------------------|---|
| Legal form | Druzba z omejeno odgovornostjo (d.o.o.) |
| Paid-in minimum capital requirement | EUR 7,500 |
| City Covered | Ljubljana |

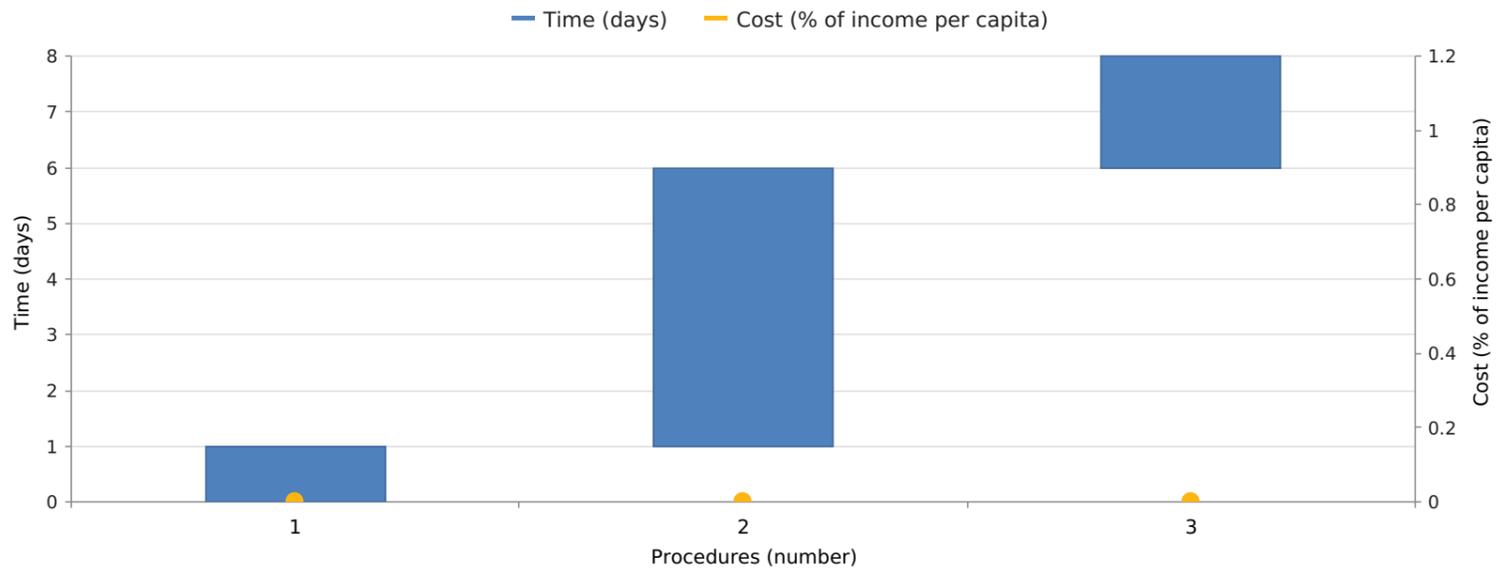
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---|----------|------------------|-----------------------------|
| Procedure - Men (number) | 3 | 4.9 | 1 (New Zealand) |
| Time - Men (days) | 8 | 9.3 | 0.5 (New Zealand) |
| Cost - Men (% of income per capita) | 0.0 | 3.1 | 0.0 (Slovenia) |
| Procedure - Women (number) | 3 | 4.9 | 1 (New Zealand) |
| Time - Women (days) | 8 | 9.3 | 0.5 (New Zealand) |
| Cost - Women (% of income per capita) | 0.0 | 3.1 | 0.0 (Slovenia) |
| Paid-in min. capital (% of income per capita) | 36.8 | 8.6 | 0.0 (117 Economies) |

Figure - Starting a Business in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Slovenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Slovenia - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|---|------------------|------------------|
| 1 | <p>Deposit capital in a bank account and get a receipt from the bank <i>Agency</i> : Commercial Bank The minimum founding capital is EUR 7,500. The founding capital or the base capital contribution can be paid in cash or as a non-cash contribution. Non-cash contribution includes movables, real property, rights or any other non-cash assets. Before filing the application for entry, the partner must provide at least one-quarter of the nominal capital, and the total value of all guaranteed contributions must be at least EUR 7,500. The minimum value of a single share is EUR 50.</p> <p>In order for the entrepreneurs to be able to file the application for registration, they must demonstrate a certificate on the paid-in founding capital.</p> | 1 day | no charge |
| 2 | <p>Register at a VEM entry point or at a Notary Public <i>Agency</i> : AJPES Founders may establish a LLC at the VEM point under two conditions: (1) all the contributions have to be paid in cash and prior to the registration of the company (2) the articles of association have to be drafted in a special form (only mandatory and most common provisions can be incorporated in this form). Registration can be also done online through eVEM, however it is only available for companies with one shareholder.</p> <p>If the above conditions are not met, the company can be registered at the Public Notary.</p> <p>In order to found an LLC, founders have to visit the VEM entry point in person, as an authorized person has to carry out their identification.</p> <ul style="list-style-type: none"> • Limited Liability companies can go directly to the VEM, the deed is sent to point VEM or to the registration body through electronic channels, it must be signed by means of a safe electronic signature with qualified certificate (the qualified certificate is the special digital certificate for identity check and electronic operation at the VEM point services). • Standard Articles of Association: help the founders to draft the articles of association, verify their signatures where necessary and draft the corresponding preposition for registration of the company at the court register. However it is still the common practice to have the statutes and the article of association prepared and certified by the notary. • Publication: Even if this requirement is not mandatory anymore, E-VEM allows for the company information to be available online. • Register with the Statistical Office of Slovenia: the court register automatically forwards all the required information to AJPES. The information is then entered in the Business Register and published online. Court register and business register are technically united in one information base and are now both run by AJPES. • Register with the tax administration - the tax information is transmitted through E-VEM and data is entered automatically when it is received from E-VEM. • Register as VAT payer. • Register with the Health Institute. • Register with the Pension and Disability Insurance Institute of Slovenia (ZPIZ). <p>The founders have to obtain a written permission of the owner of the real estate where the company will operate (address of the company). The signature of the owner has to be certified.</p> <p>The officer at VEM point completes all relevant registration forms, prints them and provides to founders for signing. Once signed, documents are scanned and re-uploaded into the system. VEM sends the data automatically to the Court Register at the District level. Decision from the court is typically obtained on the next business day, while registration confirmation from other authorities (tax authority, statistical office, etc) usually takes longer.</p> | 5 days | no charge |

3 **Register the company in the Register of Actual Owners** 2 days no charge

Agency : AJPES

The Prevention of Money Laundering and Terrorist Financing Act (in Slovenian: Zakon o preprečevanju pranja denarja in financiranja terorizma) requires that all businesses with more than one shareholder or director report the actual owners. This requirement applies to all companies and all types of legal entities.

The registry of actual owners is administered by AJPES. The registry was established on December 11, 2017, and all existing companies were obliged to register by January 19, 2018. Newly established companies are required to register within 8 days from incorporation.

The registration is done online by submitting a specific form containing name and surname of shareholders, the scope of the start up capital, and the tax number of the company.

Confirmation of registration is provided n the next business day.

→ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

| What the indicators measure | Case study assumptions |
|--|---|
| <p>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates • Submitting all required notifications and receiving all necessary inspections • Obtaining utility connections for water and sewerage • Registering and selling the warehouse after its completion | <p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p> |
| <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials | <p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts. - Owns the land on which the warehouse will be built and will sell the warehouse upon its completion. |
| <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes | <p>The warehouse:</p> <ul style="list-style-type: none"> - Will be used for general storage activities, such as storage of books or stationery. - Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita. - Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures. - Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements). |
| <p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> • Quality of building regulations (0-2) • Quality control before construction (0-1) • Quality control during construction (0-3) • Quality control after construction (0-3) • Liability and insurance regimes (0-2) • Professional certifications (0-4) | <p>The water and sewerage connections:</p> <ul style="list-style-type: none"> - Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built. - Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day. - Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection. |

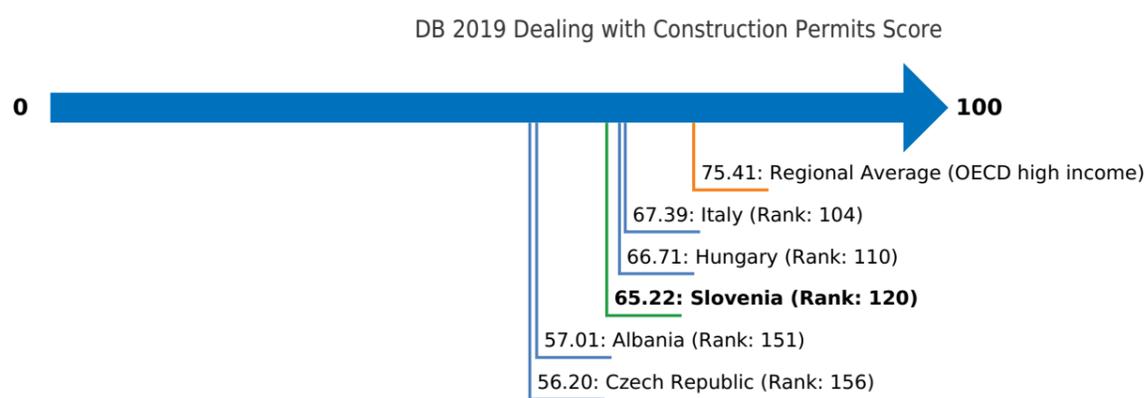
Dealing with Construction Permits - Slovenia

Standardized Warehouse

| | |
|------------------------------|------------------|
| Estimated value of warehouse | EUR 1,020,159.60 |
| City Covered | Ljubljana |

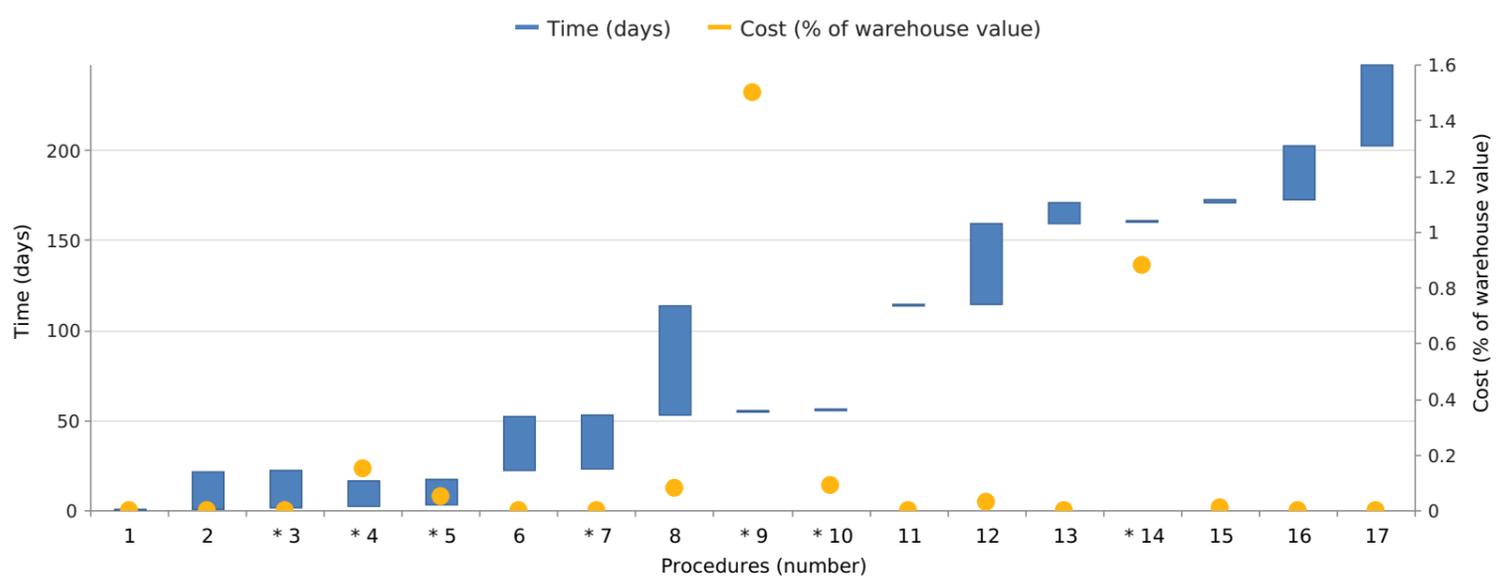
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---------------------------------------|----------|------------------|-----------------------------|
| Procedures (number) | 17 | 12.7 | None in 2017/18 |
| Time (days) | 247.5 | 153.1 | None in 2017/18 |
| Cost (% of warehouse value) | 2.8 | 1.5 | None in 2017/18 |
| Building quality control index (0-15) | 13.0 | 11.5 | 15.0 (3 Economies) |

Figure - Dealing with Construction Permits in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

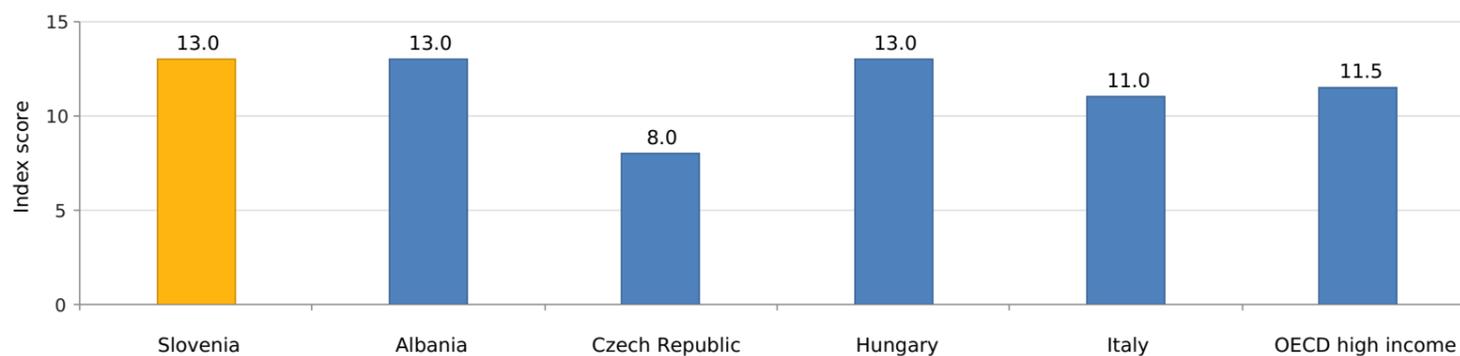
Figure - Dealing with Construction Permits in Slovenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Slovenia and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Slovenia - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|---|------------------|------------------|
| 1 | <p>Obtain the location information <i>Agency</i> : City of Ljubljana Before preparation of the project documentation, either the investor or the project manager acquires location information. The location information includes data on plot conditions, as determined by the municipal Spatial Acts (zoning laws), and data on the intended use of the area.</p> <p>A copy of the cadastral plan of the plot should be attached to the application for the location information.</p> <p>According to the Spatial Planning Act amended in 2008, the applicant is not obliged to obtain the location information any more. Also, according to the Construction Act amended in 2008, the location information is no longer a part of the project documentation for building permit. All data included in the location information must be obtained ex officio by the local administration that issues the building permit. However, in practice obtaining the location information is still done by most applicants to provide an additional guarantee. Furthermore, the location information provides a clear list of project approvals that must be obtained in the process of obtaining the building permit for the area in question. Location documents can be obtained online on http://www.gu.gov.si/en. This has allowed anybody to obtain land maps and geodetic data directly online.</p> | 0.5 days | EUR 18 |
| 2 | <p>Obtain project conditions from water and sewage provider <i>Agency</i> : JP Vodovod-Kanalizacija d.o.o BuildCo must obtain project conditions from the water and sewage provider - JP Vodovod-Kanalizacija d.o.o. before the project design is completed in order to define all special requirements, which should be taken into consideration while preparing the project design with respect to the connecting of the building to the water and sewage network.</p> <p>With the conditions, BuildCo then develops the building project which it submits to the water sewage provider for their approval.</p> | 21 days | no charge |
| ⇒ 3 | <p>Obtain project conditions from electricity provider <i>Agency</i> : Elektro Ljubljana BuildCo must obtain preliminary conditions from electricity providing authority. Such conditions are issued based on the preliminary project design drawings and other documents. They should be obtained to define all special requirements which should be taken into consideration while preparing the project design with respect to the connecting of the building to the electricity network.</p> | 21 days | no charge |
| ⇒ 4 | <p>Obtain geotechnical study of the land plot <i>Agency</i> : Private licensed company The geotechnical study is a part of the application for obtaining a construction permit.</p> | 14 days | EUR 1,500 |
| ⇒ 5 | <p>Obtain topographic survey of the land plot <i>Agency</i> : Private licensed company The topographic survey is a required part of the application for obtaining a construction permit.</p> | 14 days | EUR 500 |
| 6 | <p>Obtain project approval from water and sewage provider <i>Agency</i> : JP Vodovod-Kanalizacija d.o.o The water and sewage provider must issue its approval (or disapproval) to the project solutions in 30 days from submitting the application. If the agency's approval (disapproval) is not issued within the 30 days, it is deemed that the agency has given its approval (i.e. the investor may start with the building permit obtaining procedure without attaching the project approval to the application).</p> | 30 days | no charge |

| | | | |
|------|---|---------|------------|
| ⇒ 7 | Obtain project approval from electricity provider <i>Agency : Elektro Ljubljana</i> An approval from the electricity provider is required to obtain a building permit. The electricity provider must issue its approval (or disapproval) to the project solutions in 30 days from submitting the application. If anything is missing in the project, the electricity authority allows 30 days for the investor to make changes to the plans and then takes another 30 days to approve the project. | 30 days | no charge |
| 8 | Apply for and obtain a building permit from the Administration Unit Ljubljana <i>Agency : Administration Unit Ljubljana</i> According to the amended Construction Act, the required documents that must be submitted along with the application for the building permit are the project design (at least two copies), the certificate of the right to build (i.e. except for the land registry as a proof of ownership of the land) and previously obtained approvals to the project solutions. The project design must be prepared by the licensed architect. The project design includes data on location of the building, schemes, architectural plan, plan of building structures, plan on electrical installations, etc. The Administrative Unit issues the building permit if the following conditions are fulfilled: <ul style="list-style-type: none"> • Project design is completed in accordance with the applicable spatial plans • Project design is prepared by a licensed architect • All required approvals have been obtained • Project design is prepared in accordance with the valid legislation • Contributions prescribed by law have been paid (i.e. administrative tax for the application for the building permit, public utilities charge, compensation for degradation of the environment) The building permit is no longer valid if the investor fails to commence construction of the building in three years (two years in the case of the less complex constructions) from the date the building permit became final. According to the law, the administrative unit shall issue a building permit in 2 months (60 days) from the day the application (including all obligatory attachments) was submitted. This can take longer in practice but the legal time limit of 60 days is generally met. | 60 days | EUR 789 |
| ⇒ 9 | Hire an external supervising engineer to conduct supervision on construction <i>Agency : Private Supervising Engineer</i> According to the Constructions Act (Official Gazette of the Republic of Slovenia, No. 110/2002, as amended, ZGO-1), the investor needs to ensure independent supervision of construction. The supervisor may not be involved in the construction of the building which it supervises. | 1 day | EUR 15,302 |
| ⇒ 10 | Hire a geodesist company to conduct marking out before construction and after construction <i>Agency : Authorized Geodesist Company</i> BuildCo would be using the services of a licensed geodesist company or specialist before the construction and after the new building is completed. Before construction, BuildCo must ensure that the construction is marked out according to the building permit. A written notice stating the date and the place of marking out shall be sent to the municipal administration at least 8 days before commencement of the works. The associated cost depends on the size of the construction and on the number of corners. This procedure is a prerequisite for the Technical Examination by the Administration Unit Ljubljana. After construction, the company needs to undertake a new study and prepare a geodetic plan of the new state of the plot. | 1 day | EUR 960 |
| 11 | File the report of the construction site with the Labor Inspection Agency <i>Agency : Labor Inspection Agency</i> According to the regulations on labor safety at construction sites, BuildCo must prepare a report on the site and send it to the Labor Inspection Agency at least 15 days before starting construction work. | 1 day | no charge |
| 12 | Request license for use and receive technical examination by the Administration Unit Ljubljana <i>Agency : Administration Unit Ljubljana</i> The cost for technical examination depends on the value of the construction, namely 0.05% from the construction value with the maximum fee of EUR 271.83. For the construction worth EUR 2 million, the fee would be EUR 271.83. | 45 days | EUR 272 |

| | | | |
|----|---|---------|-----------|
| 13 | <p>Obtain the license for use</p> <p><i>Agency</i> : Administration Unit Ljubljana</p> <p>The application for a license to use must be filed in 8 days from the conclusion of construction works. The application shall state that the building was constructed in accordance with the building permit (the date and the number of the building permit must be also stated). The required documents that must be submitted along with the application for license for use are:</p> <ul style="list-style-type: none"> • Project design of executed works (prepared by licensed architect) • Geodetic plan of the new state of the plot with the completed construction (prepared by the authorized geodetic company) • Certificate of reliability of the construction, signed by the responsible site manager, if appointed, and by the responsible project leader and the responsible supervisor • Project plan regarding the maintenance and operation of the building, stating the minimal time limits for regular examinations and the scope of maintenance work • Other documents, if required by special regulation <p>If the Administrative Unit establishes that the application has all the necessary documentation, it appoints the Commission for Technical Examination of the building and determines the date of the examination.</p> <p>If the Commission for Technical Examination establishes that the building was constructed in accordance with the issued building permit, the Administrative Unit issues the license for use.</p> <p>The costs of the license for use are EUR 3.88 for the application and EUR 15.49 for the decision on issuance of the license for use. According to the law the Administrative Unit shall issue the license for use in 2 months from the day of submitting the application.</p> | 12 days | EUR 19 |
| ⇒ | <p>Apply for water and sewerage connection</p> <p><i>Agency</i> : JP Vodovod-Kanalizacija d.o.o</p> <p>Once the building permit is obtained, the investor may apply for water and sewerage connection from the Vodovod-Kanalizacija d.o.o. (hereinafter: the "utility"). The required documents are:</p> <ul style="list-style-type: none"> • The building permit • Proof of ownership of the land • Plan of the plot showing the position of the building on the plot • Project of grid connection to the water and sewerage network <p>The connection approval must be issued free of any charge and within 30 days from the day the application was submitted.</p> <p>After the connection approval is obtained from the utility, the building (fitting) of the grid connection (external works) may start. The grid connection to the water network is usually made by the utility. The utility examines the documentation to prepare an estimate of costs and the time needed. Afterwards, it prepares an offer for making a grid connection to the client. However, another company may be engaged to do the external works as well. The cost for connection to the water and sewerage network is EUR 9,000.00.</p> | 1 day | EUR 9,000 |
| 14 | <p>Receive an inspection for water and sewerage connection</p> <p><i>Agency</i> : JP Vodovod-Kanalizacija d.o.o</p> <p>After the grid connection is built, the utility examines the connection (inspection at the site). The costs of such inspection amount to EUR 30.00 for each grid connection.</p> | 1 day | EUR 60 |
| 15 | <p>Obtain water and sewerage connection</p> <p><i>Agency</i> : JP Vodovod-Kanalizacija d.o.o</p> <p>If connection is in accordance with requirements stated in the connection approval, the building is connected to the network.</p> | 30 days | no charge |
| 16 | | | |

| | | | |
|----|--|---------|--------|
| 17 | Register warehouse with the Land Registry and the Regional Surveying and Mapping Authority <i>Agency</i> : Land Registry; Regional Surveying and Mapping Authority According to the Real Estate Recording Act, the investor must file the application for registering the building with the Land Registry within 30 days from conclusion of all construction works or within 30 days from the start of the use of the building. In each case, the application shall be filed before the investor notifies its registered seat in the building (i.e. at the address of the building). If the application for registering the building is not filed in 30 days from beginning of use or conclusion of all construction works, the authority invites the investor to file the application in three months or else a fine will be imposed upon him if the application is not filed on time. The Construction Act defines a legal time limit of 15 days to register the building after the decision on issuance of the license for use becomes final. The geodetic analysis on the building (project of the building) prepared by the authorized geodetic company in the earlier stage must be submitted, along with the application form. An administrative tax of EUR 19.37 must be paid. After the building is registered, the documents are then transferred to the Regional Surveying and Mapping Authority. It takes an additional 2-3 months to register the building with this authority. | 45 days | EUR 19 |
|----|--|---------|--------|

→ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Slovenia - Measure of Quality

| | Answer | Score |
|---|---|-------------|
| Building quality control index (0-15) | | 13.0 |
| Quality of building regulations index (0-2) | | 2.0 |
| How accessible are building laws and regulations in your economy? (0-1) | Available online; Free of charge. | 1.0 |
| Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1) | List of required documents; Fees to be paid; Required preapprovals. | 1.0 |
| Quality control before construction index (0-1) | | 1.0 |
| Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1) | Licensed architect; Licensed engineer. | 1.0 |
| Quality control during construction index (0-3) | | 2.0 |
| What types of inspections (if any) are required by law to be carried out during construction? (0-2) | Inspections by in-house engineer; Inspections by external engineer or firm; Inspections at various phases. | 1.0 |
| Do legally mandated inspections occur in practice during construction? (0-1) | Mandatory inspections are always done in practice. | 1.0 |
| Quality control after construction index (0-3) | | 3.0 |
| Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2) | Yes, final inspection is done by government agency; Yes, in-house engineer submits report for final inspection; Yes, external engineer submits report for final inspection. | 2.0 |
| Do legally mandated final inspections occur in practice? (0-1) | Final inspection always occurs in practice. | 1.0 |
| Liability and insurance regimes index (0-2) | | 1.0 |
| Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1) | Architect or engineer; Construction company. | 1.0 |
| Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1) | No party is required by law to obtain insurance . | 0.0 |
| Professional certifications index (0-4) | | 4.0 |

What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)

Minimum number of years of experience; 2.0
University degree in architecture or engineering;
Being a registered architect or engineer;
Passing a certification exam.

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; 2.0
University degree in engineering, construction or construction management;
Being a registered architect or engineer;
Passing a certification exam.

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

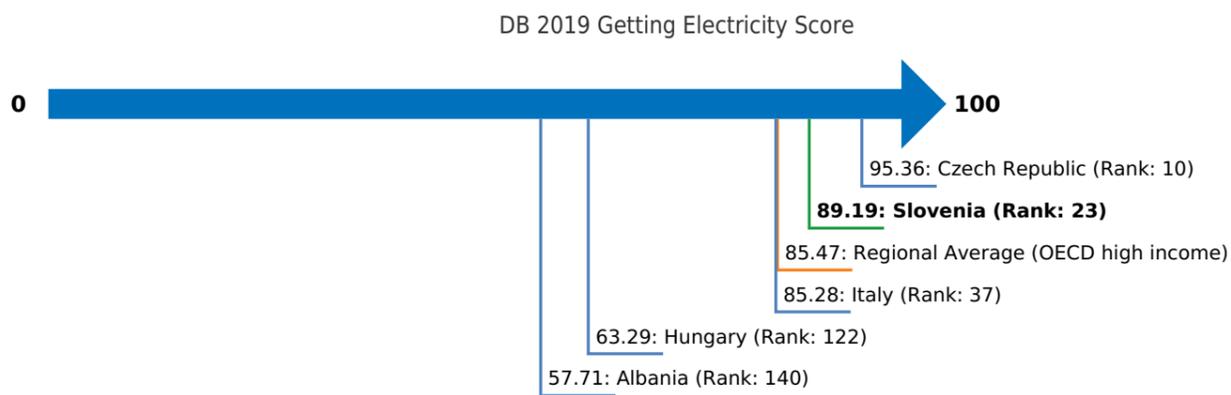
Getting Electricity - Slovenia

Standardized Connection

| | |
|---|-------------------------|
| Price of electricity (US cents per kWh) | 14.6 |
| Name of utility | Elektro Ljubljana, d.d. |
| City Covered | Ljubljana |

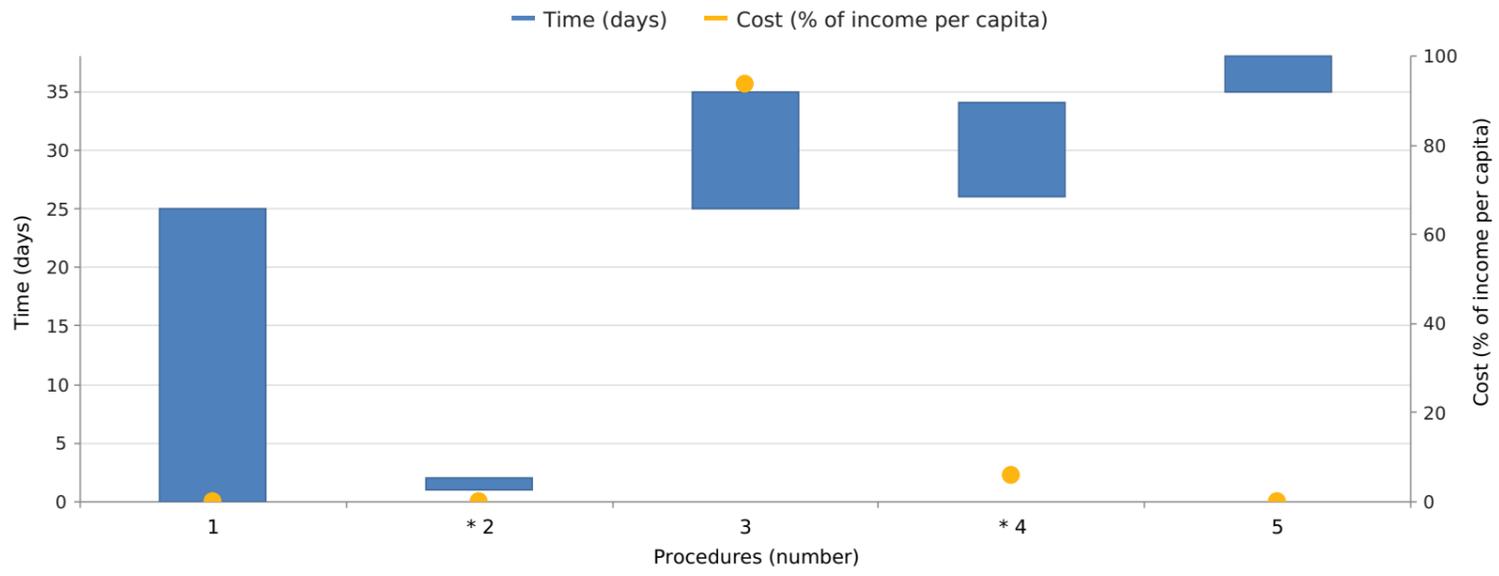
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|--|----------|------------------|-----------------------------|
| Procedures (number) | 5 | 4.5 | 3 (25 Economies) |
| Time (days) | 38 | 77.2 | 18 (3 Economies) |
| Cost (% of income per capita) | 99.5 | 64.2 | 0.0 (3 Economies) |
| Reliability of supply and transparency of tariff index (0-8) | 8 | 7.5 | 8.0 (27 Economies) |

Figure - Getting Electricity in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

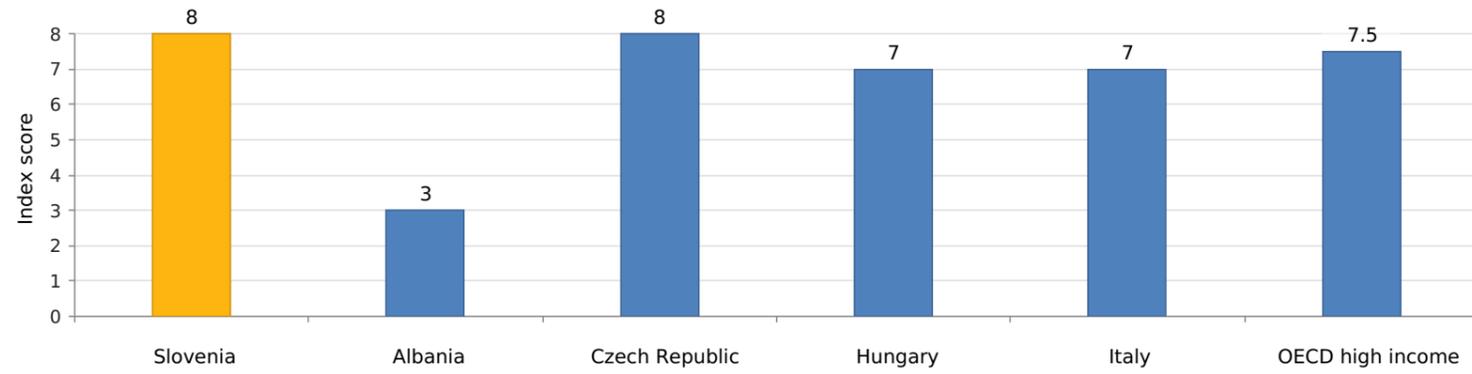
Figure - Getting Electricity in Slovenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Getting Electricity in Slovenia and comparator economies - Measure of Quality



Details - Getting Electricity in Slovenia - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|---|------------------|------------------|
| 1 | <p>Submit application to utility, await connection contract and technical conditions <i>Agency</i> : Elektro Ljubljana An application can be submitted in person, by mail and by e-mail. The following approvals and contracts are needed in the process of connecting a new customer to the power grid:</p> <ul style="list-style-type: none"> • approval of warehouse project (Statement that the warehouse matches requirements of the power connection conditions), • connection approval (Detailed technical specification; metering, rights and obligations of utility and investor-owner), • connection contract. <p>The customer has to send applications for each of those approvals and contract at the same time to the utility and to the same department. In addition, the customer has to request the technical conditions from the utility. The technical conditions are needed to get information about the location, the point of "hook up", the nearest substation, and the distance. This information is necessary to design the connection. Documents to be attached to apply for those approvals and the technical conditions are: Location, electrical power needed, project documents and ownership documents. The documents do not need to be notarized. There are no extra costs associated. The customer gets the approvals by mail or can collect them from the office. There is no external inspection. If the external connection work is done by a private electrical contractor, an inspection by the utility is done during the connection works. The customer can apply for the internal inspection at this stage by submitting an extra form.</p> | 25 calendar days | EUR 0 |
| ⇒ 2 | <p>Conclude supply agreement <i>Agency</i> : Elektro Ljubljana The customer has to submit a separate application for the supply contract. The utility then sends an offer back and the customer signs the contract. The contract for the new connection and the supply contract must be signed before the physical connection works start. The separation of these two functions is regulated in the EC Directive (2003/54/EC and 96/92/EC).</p> | 1 calendar day | EUR 0 |
| 3 | <p>Receive external works and meter installation by utility <i>Agency</i> : Elektro Ljubljana Transformers usually have enough capacity to accommodate an additional load of 140kVA inside and around the motorway ring (the area where warehouses usually locate). Therefore, no extra transformer needs to be built for the new customer and the warehouse is connected via simple hook-up to the next utility distribution transformer (usually 200 meters distance). Either the utility or an outside company is in charge of the external works including designing the details of the external connection works. Both are possible (works carried out by the utility or by an electrical contractor), however it is more common to have the utility carrying out the connection works. The material is provided by the utility or the electrical contractor that would carry out the connection works. The meter gets installed at the same time as when the connection is done. It is installed either by the authorized electrical contractor or the utility that carries out the connection works.</p> | 10 calendar days | EUR 19,105.3 |
| ⇒ 4 | <p>Receive internal inspection by registered company <i>Agency</i> : Registered company An outside company that is registered for supervision confirms with a statement that the internal wiring is done according to regulations and standards. The utility is also authorized to inspect the internal wiring. The customer has to request the internal inspection with the application for connection to the network. Someone from the customer's party has to be present.</p> | 8 calendar days | EUR 1,200 |
| 5 | <p>Apply for final connection by utility <i>Agency</i> : Elektro Ljubljana After all documents are obtained, the connection is made and the meter is installed, the customer has to apply for a final hook up to the power grid. The following documents must be submitted along with application for final connection: supply contract, confirmation of payment of the grid fee (specified in connection agreement), internal inspection report, etc.</p> | 3 calendar days | EUR 0 |

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Slovenia - Measure of Quality

| | Answer |
|---|---|
| Reliability of supply and transparency of tariff index (0-8) | 8 |
| Total duration and frequency of outages per customer a year (0-3) | 3 |
| System average interruption duration index (SAIDI) | 0.6 |
| System average interruption frequency index (SAIFI) | 0.3 |
| What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI | 3.0 |
| Mechanisms for monitoring outages (0-1) | 1 |
| Does the distribution utility use automated tools to monitor outages? | Yes |
| Mechanisms for restoring service (0-1) | 1 |
| Does the distribution utility use automated tools to restore service? | Yes |
| Regulatory monitoring (0-1) | 1 |
| Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply? | Yes |
| Financial deterrents aimed at limiting outages (0-1) | 1 |
| Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap? | Yes |
| Communication of tariffs and tariff changes (0-1) | 1 |
| Are effective tariffs available online? | Yes |
| Link to the website, if available online | Different web sites (NRA's, supplier's, SO's, etc) http://primerjalnik.ag-en-rs.si/index.php?kalkulator/elektrika/kalkulator/action/PredstavitevRezultatov/ |
| Are customers notified of a change in tariff ahead of the billing cycle? | Yes |

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

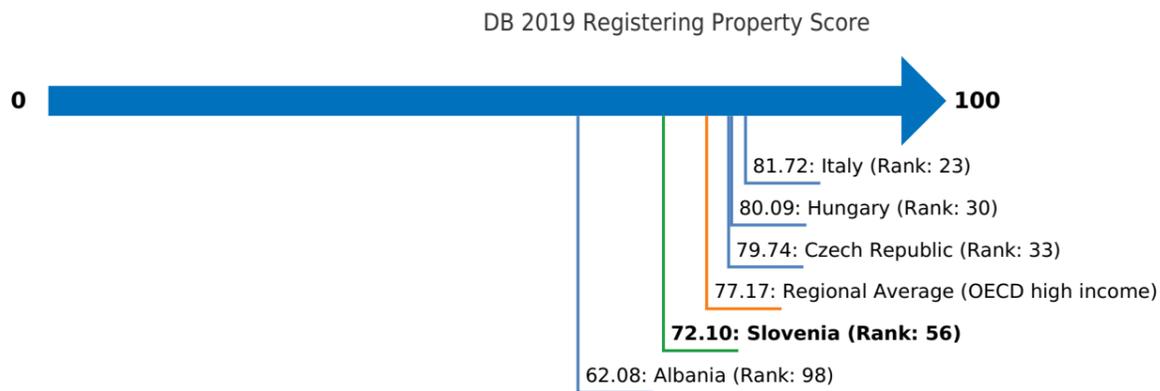
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|--|--|
| <p>Procedures to legally transfer title on immovable property (number)</p> <ul style="list-style-type: none"> • Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes) • Registration procedures in the economy's largest business city. • Postregistration procedures (for example, filling title with municipality) | <p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p> |
| <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials | <p>The parties (buyer and seller):</p> <ul style="list-style-type: none"> - Are limited liability companies (or the legal equivalent). - Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Are 100% domestically and privately owned. - Have 50 employees each, all of whom are nationals. - Perform general commercial activities. |
| <p>Cost required to complete each procedure (% of property value)</p> <ul style="list-style-type: none"> • Official costs only (such as administrative fees, duties and taxes). • Value Added Tax, Capital Gains Tax and illicit payments are excluded | <p>The property (fully owned by the seller):</p> <ul style="list-style-type: none"> - Has a value of 50 times income per capita, which equals the sale price. - Is fully owned by the seller. - Has no mortgages attached and has been under the same ownership for the past 10 years. - Is registered in the land registry or cadastre, or both, and is free of title disputes. - Is located in a periurban commercial zone, and no rezoning is required. - Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety. - Will not be subject to renovations or additional construction following the purchase. - Has no trees, natural water sources, natural reserves or historical monuments of any kind. - Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required. - Has no occupants, and no other party holds a legal interest in it. |
| <p>Quality of land administration index (0-30)</p> <ul style="list-style-type: none"> • Reliability of infrastructure index (0-8) • Transparency of information index (0-6) • Geographic coverage index (0-8) • Land dispute resolution index (0-8) • Equal access to property rights index (-2-0) | |

Registering Property - Slovenia

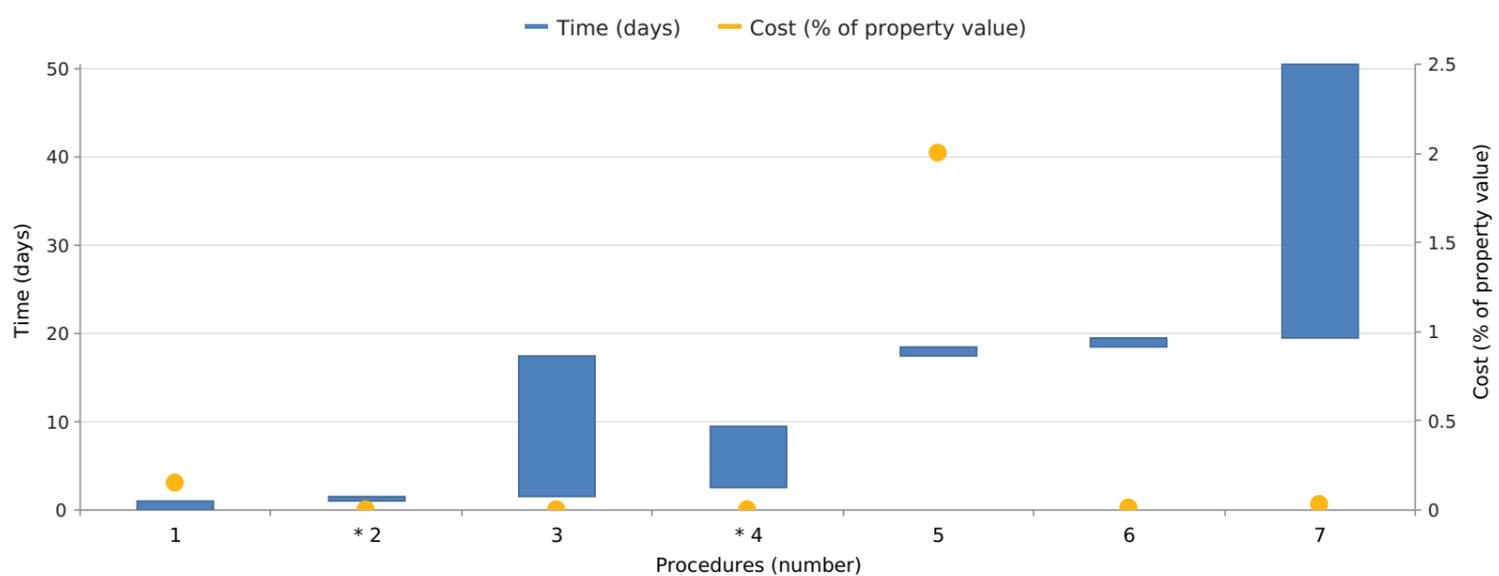
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---|----------|------------------|-----------------------------|
| Procedures (number) | 7 | 4.7 | 1 (4 Economies) |
| Time (days) | 50.5 | 20.1 | 1 (New Zealand) |
| Cost (% of property value) | 2.2 | 4.2 | 0.0 (Saudi Arabia) |
| Quality of the land administration index (0-30) | 23.0 | 23.0 | None in 2017/18 |

Figure - Registering Property in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

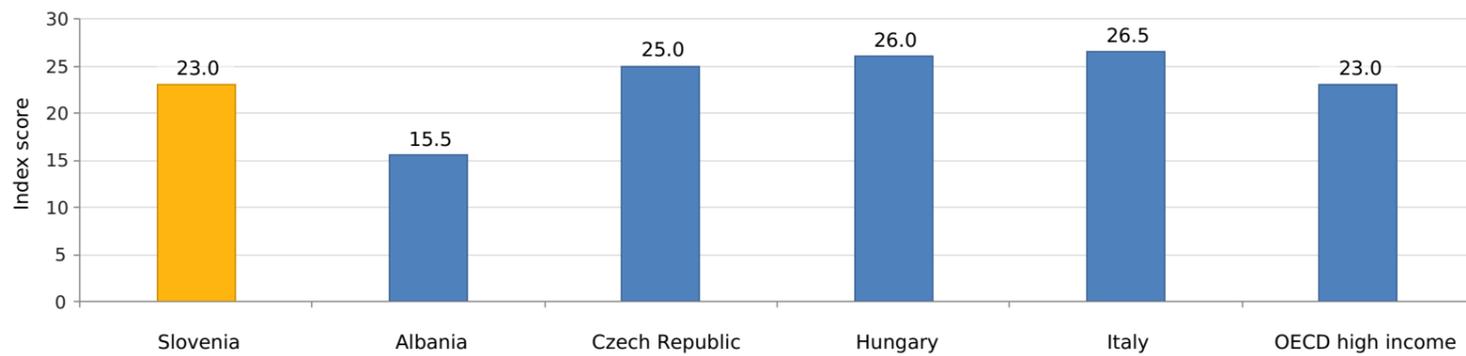
Figure - Registering Property in Slovenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Slovenia and comparator economies - Measure of Quality



Details - Registering Property in Slovenia - Procedure, Time and Cost

| No. | Procedures | Time to Complete | Associated Costs |
|-----|--|---------------------------|---|
| 1 | <p>Lawyer prepares the sale and purchase agreement <i>Agency : Lawyer</i> It is a common practice to hire a lawyer to carry out all due diligence and prepare the sale and purchase agreement of a commercial property transfer between two local companies in Slovenia.</p> | 1 day | EUR 1,500; (Between EUR 1,000 and EUR 2,000.) |
| ⇒ 2 | <p>Obtain a land registry extract from the Land Registry <i>Agency : Land Registry</i> A land registry extract is commonly requested by the seller from the Land Registry as proof of ownership. Information regarding potential encumbrances on the property are a vital part thereof. Most real estate information is available online, therefore it is obtained immediately in the form of a .pdf file and free of charge. In rare instances, however, relevant information has to be physically sought out, thereby taking a bit longer as well as being associated with additional (administrative) costs.</p> | Less than one day, online | when obtained online. |
| 3 | <p>Seller presents a tax declaration to the Tax Authority, and the land tax is assessed <i>Agency : Financial Administration of the Republic of Slovenia (FURS)</i> http://www.fu.gov.si/en/ The seller is principally required to make a land tax declaration to the competent department of the Tax Administration of the Republic of Slovenia within 15 days after the day the purchase agreement was concluded. The Tax Administration is required to assess the land tax within 30 days after the tax declaration was made. The documentation shall include: Filled-in tax declaration Proof of ownership (e.g. land registry extract obtained in Procedure 1) Basis for the transfer of real estate (e.g. contract) For companies acting as buyer – copy of the court registry entry.</p> | 16 days | no charge |
| ⇒ 4 | <p>Obtain a certificate of land use at the Municipality <i>Agency : Municipality</i> According to Art. 38 of the Land Registry Act, a certificate of land use must be attached to the sale/purchase agreement for the notary to authenticate the signature. This certificate provides information on the classification of the land per the zoning act, on the restrictions on that land in regard to utilities, and whether the municipality has any restriction on that particular land.</p> | 7 days | EUR 22.7 |

| | | | |
|---|---|-------|--|
| 5 | Payment and procedure of the real estate transfer tax or VAT tax at the Financial Administration Office | 1 day | EUR 20,403.19; (2% of property price as transfer tax) |
| | <i>Agency</i> : Financial Administration of the Republic of Slovenia (FURS) http://www.fu.gov.si/en/ | | |
| | <p>The VAT does not have to be paid if the transaction of real estate is taxed by Real Estate Transfer Tax. VAT is obligatory only for new real estate. The Real Estate Transfer Tax Procedure is as follows: The taxpayer has to insert the tax declaration within 15 days at the Tax Authority, after the deed of sale is signed.</p> | | |
| | <p>The Tax Authority has to assess the real estate transfer tax within 30 days after receiving the declaration. When the real estate transfer tax is assessed on the basis of the selling price, the tax must be paid at the competent Financial Administration Office within 30 days after the receipt of the decision on tax assessment.</p> | | |
| | <p>On 11.12.2015, the National Gazette of Republic Slovenia, no. 96/15 published Act Amending the Implementation of the Republic of Slovenia Budget for 2016 and 2017, according to which, the VAT rate for the transfer of property (obligatory for new real estate) is charged and paid the same as on the basis of Implementation of the Republic of Slovenia's Budget for 2014 and 2015, at the general rate of 22% of the tax base, except the transfer of apartments, residential and other buildings for permanent living and other parts of buildings as part of social policy, renovation and repair, which is 9,5%.</p> | | |
| 6 | Certification of signatures and submit proposal to Land Registry | 1 day | EUR 100; (Notary fees for the land registry case are (in Euros) following the fee schedule: For a contract value under EUR 4,590, the fee is EUR 5 (+ VAT) From EUR 4,590, the fee is EUR 14 (+ VAT) From EUR 20,655, the fee is EUR 23 (+ VAT) From EUR 68,850, the fee is EUR 46 (+ VAT) From EUR 150,000, the fee is EUR 56 (+ VAT) From EUR 200,000, the fee is EUR 66 (+ VAT) From EUR 250,000, the fee is EUR 76 (+ VAT) From EUR 300,000, the fee is EUR 86 (+ VAT) From EUR 350,000, the fee is EUR 96 (+ VAT) From EUR 400,000, the fee is EUR 100 (+ VAT)) |
| | <i>Agency</i> : Notary If the third party wishes to enter his/her right in the land register, the signature on the contract will have to be verified in front of the Notary. The Agency/ Authority in charge of certification of signature is the Notary Public, while the proposal to Land Registry can be submitted by the Notary to the Land Registry. | | |

| | | | |
|---|---|--|---|
| 7 | Entry of the proposal by the Land Registry | 31 days | EUR 287; (EUR 37 + EUR 9,5 VAT (notary fee for inscription in registry) + Registration court fees according to sliding scale (EUR 250 for property between 750,000 EUR and 1,000,000 EUR)) |
| | <p><i>Agency</i> : Land Registry (Local court)</p> <p>The land registry court (Local court) initiates the registration process for the entry of title in the land register, on the basis of the land registry proposal. The amendments to the Land Registry Act adopted on 27 March 2009 and implemented on 1 May 2011 have enacted the mandatory submission of proposal with appendixes in electronic form to the courts. The land registry procedure is completely computerized. The submissions should be entered via a notary public or attorneys and real-estate agencies acting on behalf of the applicant. However, the amended Land Register Act still provides some exceptions that registrations may also be submitted directly by the applicant. Simultaneously, the amendments have transferred the responsibility for depositing original documents (e.g. contracts) that were attached to the submissions from the courts to the notary, whereby the notary's confirmation of authenticity renders the evidence value of the electronic version equal to that of the original. The amendments enable free access via a web-portal to the contents of the land register, including pending notations, and to land register extracts, neither of which were free of cost prior to the reform. The proposal is sent to a central unit of the court which automatically assigns it to the least burdened local court. Once the proposal is filed with the competent land registry court, the registration process is initiated ex officio and the priority of entry is ensured by way of a land registry seal. The seal in the land registry that safeguards the priority order is obtained immediately. The priority order takes effect of the day on which the proposal has been filed.</p> <p>The buyer can theoretically dispose of the property as soon as the purchase agreement is signed and the (direct or indirect) possession of the property is obtained by the buyer. The possibility to dispose with the property at this stage would depend on the other party to the new contract.</p> <p>The buyer whose title is not yet entered into the land register but has already obtained the possession of the property enjoys the position of a proprietary possessor in good faith - the presumed owner. The latter has, among others, the right to claim the return of a property in the event of its dispossession from a proprietary possessor in good faith who has the property with a weaker legal title. In any case the buyer has a possibility to claim the return of the purchase price but has no claims under the law of property until the title is entered into the land register.</p> <p>Since May 1st, 2011 the proposal has to be filled in an electronic form. The Land registration fee had also changed and fees are not in points anymore.</p> <p>The documentation shall include:</p> <ul style="list-style-type: none"> -Land registry proposal -Document including the registration clause with certified signature of the seller (obtained in Procedure 5) -Confirmation of the payment of the tax or taxes (obtained in Procedure 3) -Purchase contract (if not same as document including the registration clause) | <p>-Court Fees - For property between 750,000 EUR and 1,000,000 EUR the fee is 250 EUR. Court fees, reflecting the Act Amending the Judicial Fees Act - ZST-1C (Official Gazette of the Republic of Slovenia, No. 30/16 of 25 April 2016).</p> | <p>-Notary fee for preparation of land register proposal is 37 EUR (Notary Fees including latest Dopolnitev Notarske tarife - Official Gazette of the Republic of Slovenia, No. 15/14 of 28 February 2014))</p> |

→ Takes place simultaneously with previous procedure.

Details - Registering Property in Slovenia - Measure of Quality

| | Answer | Score |
|--|--|------------|
| Reliability of infrastructure index (0-8) | | 6.0 |
| What is the institution in charge of immovable property registration? | Land Registry (Department within the Local Court of Ljubljana) | |
| In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)? | Computer/Scanned | 1.0 |
| Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)? | Yes | 1.0 |
| Institution in charge of the plans showing legal boundaries in the largest business city: | The Surveying and Mapping Authority of the Republic of Slovenia (Geodetska uprava Republike Slovenije, GURS) | |
| In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)? | Computer/Scanned | 1.0 |
| Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)? | Yes | 1.0 |
| Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases? | Different databases but linked | 1.0 |
| Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties? | Yes | 1.0 |
| Transparency of information index (0-6) | | 3.5 |
| Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city? | Freely accessible by anyone | 1.0 |
| Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how? | Yes, online | 0.5 |
| Link for online access: | See Art. 33 - 40 Land Register Act (Zakon o zemljiški knjigi). http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO3603 | |
| Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how? | Yes, online | 0.5 |
| Link for online access: | The applicable fee schedule for property transactions can be found in the Court Fees Act ((Zakon o sodnih taksah (ZST-1)), available online at: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO4729 | |

| | | |
|---|--|------------|
| Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard? | No | 0.0 |
| Link for online access: | | |
| Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration? | No | 0.0 |
| Contact information: | | |
| Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency? | Yes | 0.5 |
| Number of property transfers in the largest business city in 2017: | 10622.0 | |
| Who is able to consult maps of land plots in the largest business city? | Freely accessible by anyone | 0.5 |
| Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how? | No cost | 0.5 |
| Link for online access: | http://www.e-prostor.gov.si/ http://www.e-prostor.gov.si/dostop-dopodatkov/dostop-dopodatkov/#tab3-1029 | |
| Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard? | No | 0.0 |
| Link for online access: | | |
| Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency? | No | 0.0 |
| Contact information: | | |
| Geographic coverage index (0-8) | | 8.0 |
| Are all privately held land plots in the economy formally registered at the immovable property registry? | Yes | 2.0 |
| Are all privately held land plots in the largest business city formally registered at the immovable property registry? | Yes | 2.0 |
| Are all privately held land plots in the economy mapped? | Yes | 2.0 |
| Are all privately held land plots in the largest business city mapped? | Yes | 2.0 |
| Land dispute resolution index (0-8) | | 5.5 |
| Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties? | Yes | 1.5 |
| Is the system of immovable property registration subject to a state or private guarantee? | Yes | 0.5 |
| Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry? | No | 0.0 |
| Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)? | Yes | 0.5 |
| If yes, who is responsible for checking the legality of the documents? | Registrar; Notary; | |
| Does the legal system require verification of the identity of the parties to a property transaction? | Yes | 0.5 |
| If yes, who is responsible for verifying the identity of the parties? | Registrar; Notary; | |
| Is there a national database to verify the accuracy of identity documents? | No | 0.0 |

| | | |
|--|--|------------|
| For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance? | Local court Ljubljana (Okrajno sodišče v Ljubljani), http://www.sodisce.si/okrajj/ | |
| How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)? | Between 1 and 2 years | 2.0 |
| Are there any statistics on the number of land disputes in the first instance? | Yes | 0.5 |
| Number of land disputes in the largest business city in 2017: | 1517.0 | |
| Equal access to property rights index (-2-0) | | 0.0 |
| Do unmarried men and unmarried women have equal ownership rights to property? | Yes | |
| Do married men and married women have equal ownership rights to property? | Yes | 0.0 |

Getting Credit

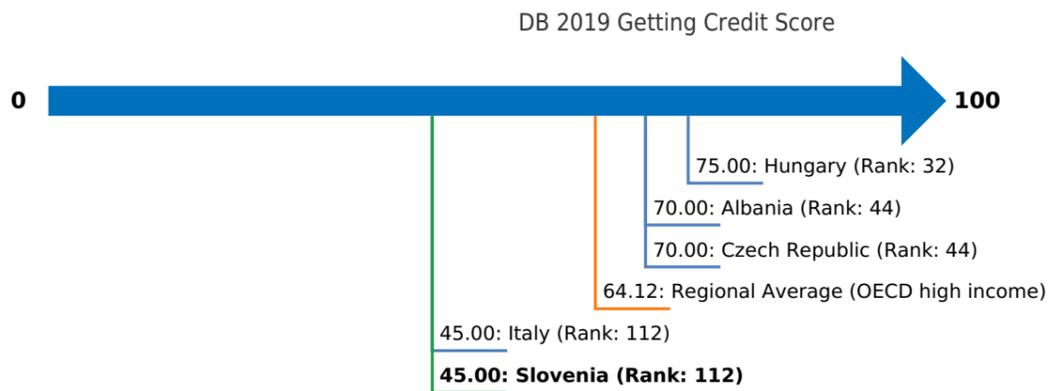
This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|---|--|
| <p>Strength of legal rights index (0-12)</p> <ul style="list-style-type: none"> • Rights of borrowers and lenders through collateral laws (0-10) • Protection of secured creditors' rights through bankruptcy laws (0-2) <p>Depth of credit information index (0-8)</p> <ul style="list-style-type: none"> • Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8) <p>Credit bureau coverage (% of adults)</p> <ul style="list-style-type: none"> • Number of individuals and firms listed in largest credit bureau as a percentage of adult population <p>Credit registry coverage (% of adults)</p> <ul style="list-style-type: none"> • Number of individuals and firms listed in credit registry as a percentage of adult population | <p><i>Doing Business</i> assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.</p> <p>In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.</p> <p>Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:</p> <ul style="list-style-type: none"> - ABC is a domestic limited liability company (or its legal equivalent). - ABC has up to 50 employees. - ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Both ABC and BizBank are 100% domestically owned. <p>The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).</p> <p>In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.</p> |

Getting Credit - Slovenia

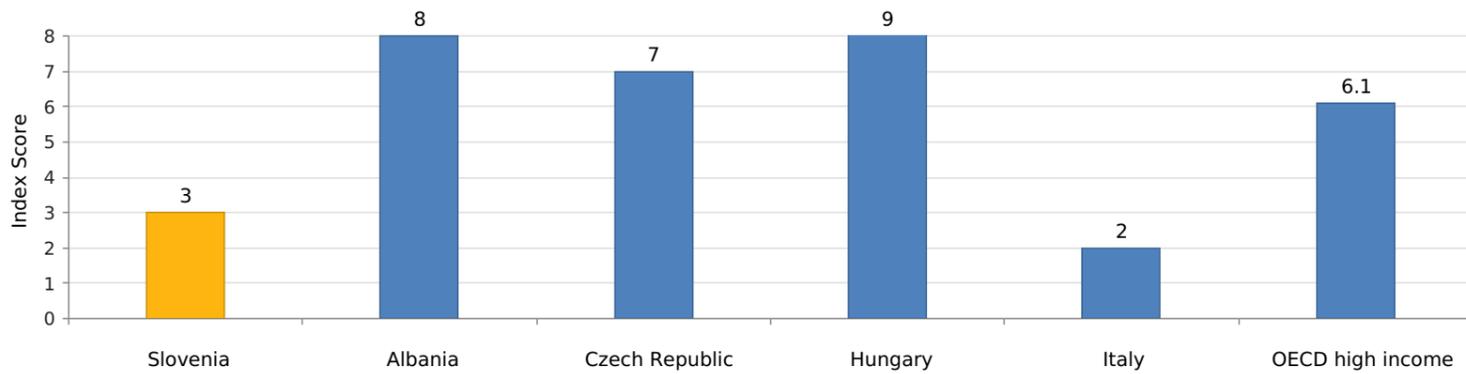
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---|----------|------------------|-----------------------------|
| Strength of legal rights index (0-12) | 3 | 6.1 | 12 (5 Economies) |
| Depth of credit information index (0-8) | 6 | 6.7 | 8 (42 Economies) |
| Credit registry coverage (% of adults) | 100 | 21.8 | 100.0 (4 Economies) |
| Credit bureau coverage (% of adults) | 0 | 65.3 | 100.0 (25 Economies) |

Figure - Getting Credit in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Slovenia and comparator economies

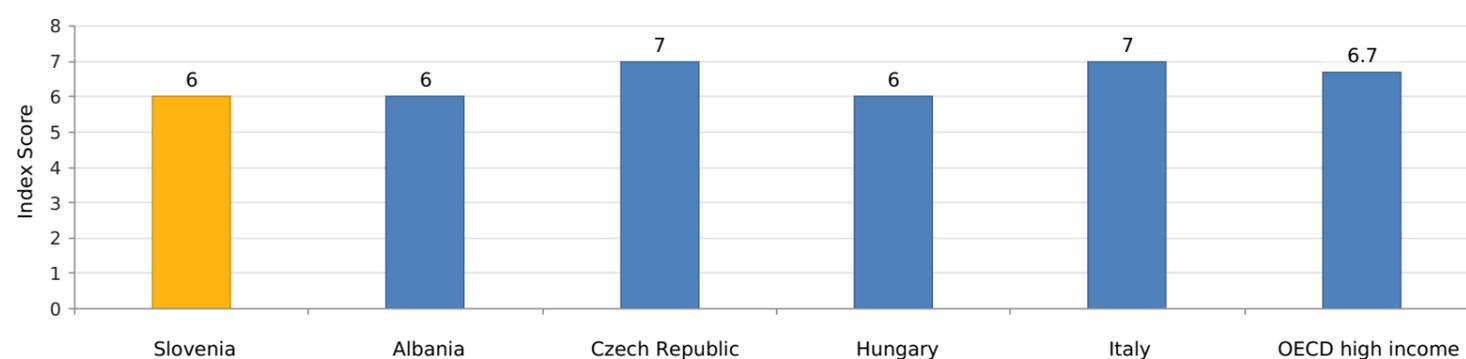


Details - Legal Rights in Slovenia

Strength of legal rights index (0-12) **3**

| | |
|--|-----|
| Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? | No |
| Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? | No |
| Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? | No |
| May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets? | No |
| Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? | No |
| Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? | No |
| Does a notice-based collateral registry exist in which all functional equivalents can be registered? | No |
| Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? | No |
| Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? | Yes |
| Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? | Yes |
| Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it? | No |
| Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? | Yes |

Figure - Credit Information in Slovenia and comparator economies



Details - Credit Information in Slovenia

| Depth of credit information index (0-8) | Credit bureau | Credit registry | Score |
|---|---------------|-----------------|----------|
| Are data on both firms and individuals distributed? | No | Yes | 1 |
| Are both positive and negative credit data distributed? | No | Yes | 1 |
| Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed? | No | No | 0 |
| Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.) | No | Yes | 1 |
| Are data on loan amounts below 1% of income per capita distributed? | No | Yes | 1 |
| By law, do borrowers have the right to access their data in the credit bureau or credit registry? | No | Yes | 1 |
| Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)? | No | Yes | 1 |
| Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers? | No | No | 0 |
| Total Score ("yes" to either public bureau or private registry) | | | 6 |

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

| Coverage | Credit bureau | Credit registry |
|---------------------------------------|---------------|-----------------|
| Number of individuals | 0 | 1,490,683 |
| Number of firms | 0 | 114,221 |
| Total | 0 | 1,604,904 |
| Percentage of adult population | 0 | 100 |

Protecting Minority Investors

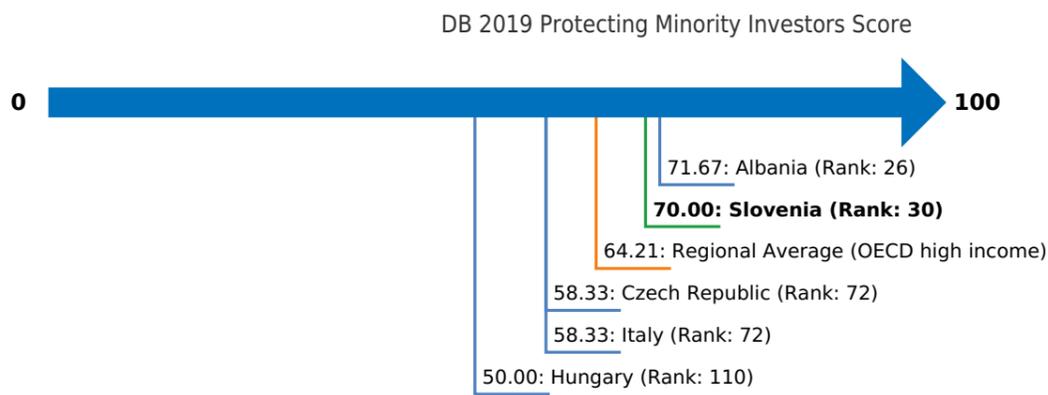
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|---|---|
| <ul style="list-style-type: none"> • Extent of disclosure index (0-10): Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions • Extent of director liability index (0-10): Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction) • Ease of shareholder suits index (0-10): Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses • Extent of conflict of interest regulation index (0-10): Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices • Extent of shareholder rights index (0-10): Shareholders' rights and role in major corporate decisions • Extent of ownership and control index (0-10): Governance safeguards protecting shareholders from undue board control and entrenchment • Extent of corporate transparency index (0-10): Corporate transparency on ownership stakes, compensation, audits and financial prospects • Extent of shareholder governance index (0-10): Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices • Strength of minority investor protection index (0-10): Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices | <p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p>The business (Buyer):</p> <ul style="list-style-type: none"> - Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders. - Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law. - Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members. - Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory. - Is a manufacturing company with its own distribution network. <p>The transaction involves the following details:</p> <ul style="list-style-type: none"> - Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board. - Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores. - Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value. - The proposed transaction is part of the company's principal activity and is not outside the authority of the company. - Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently. - The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction. |

Protecting Minority Investors - Slovenia

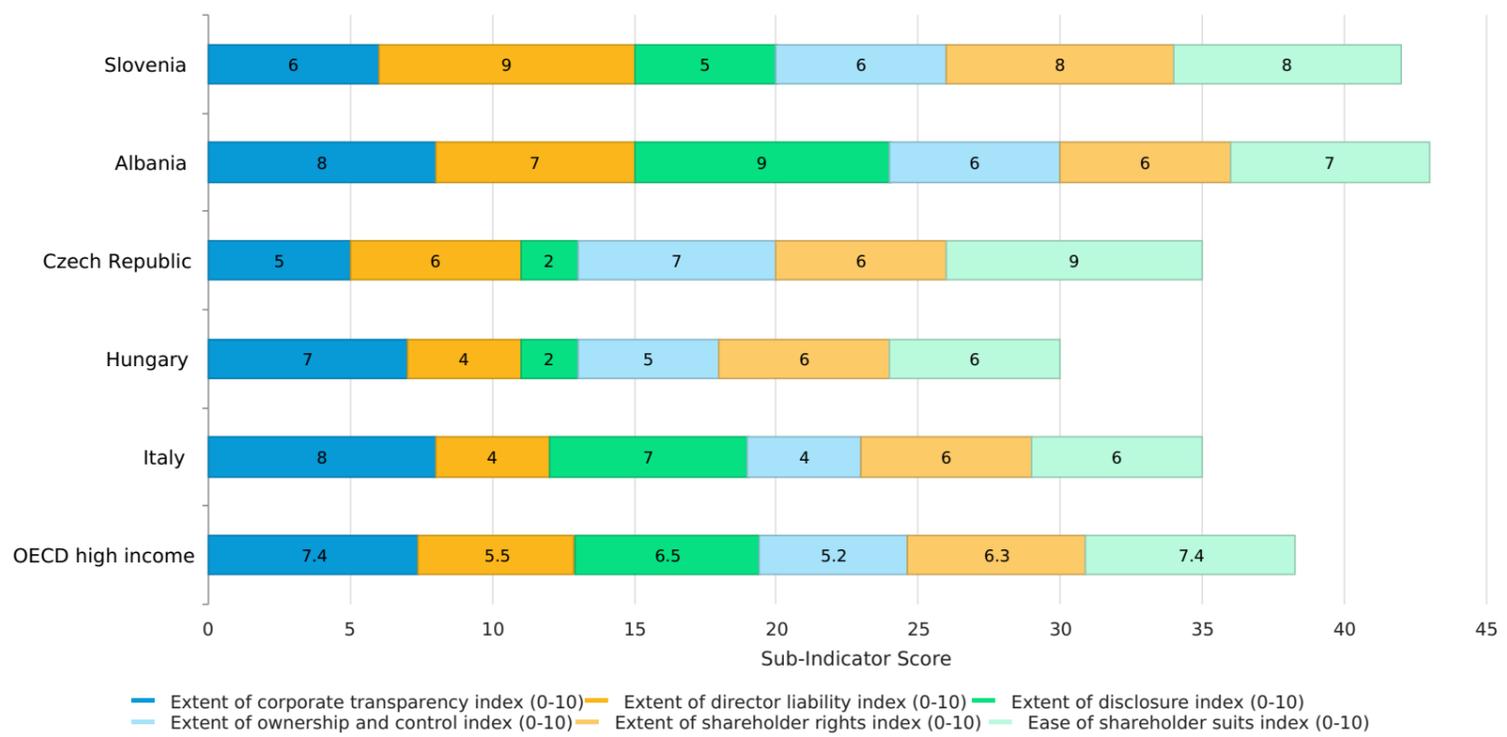
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---|----------|------------------|-----------------------------|
| Extent of disclosure index (0-10) | 5.0 | 6.5 | 10 (13 Economies) |
| Extent of director liability index (0-10) | 9.0 | 5.3 | 10 (Cambodia) |
| Ease of shareholder suits index (0-10) | 8.0 | 7.3 | 10 (Djibouti) |
| Extent of shareholder rights index (0-10) | 8.0 | 6.4 | 10 (Kazakhstan) |
| Extent of ownership and control index (0-10) | 6.0 | 5.4 | None in 2017/18 |
| Extent of corporate transparency index (0-10) | 6.0 | 7.6 | 10 (6 Economies) |

Figure - Protecting Minority Investors in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Slovenia and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Slovenia - Measure of Quality

| | Answer | Score |
|--|---|------------|
| Extent of conflict of interest regulation index (0-10) | | 7.3 |
| Extent of disclosure index (0-10) | | 5.0 |
| Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3) | Board of directors excluding interested members | 2.0 |
| Must an external body review the terms of the transaction before it takes place? (0-1) | No | 0.0 |
| Must Mr. James disclose his conflict of interest to the board of directors? (0-2) | Existence of a conflict without any specifics | 1.0 |
| Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2) | Disclosure on the transaction and on the conflict of interest | 2.0 |
| Must Buyer immediately disclose the transaction to the public? (0-2) | No disclosure obligation | 0.0 |
| Extent of director liability index (0-10) | | 9.0 |
| Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1) | Yes | 1.0 |
| Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2) | Liable if unfair or prejudicial | 2.0 |
| Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2) | Liable if unfair or prejudicial | 2.0 |
| Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1) | Yes | 1.0 |
| Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1) | Yes | 1.0 |
| Is Mr. James disqualified upon a successful claim by shareholders? (0-1) | Yes | 1.0 |
| Can a court void the transaction upon a successful claim by shareholders? (0-2) | Voidable if negligently concluded | 1.0 |
| Ease of shareholder suits index (0-10) | | 8.0 |
| Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1) | Yes | 1.0 |
| Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3) | Any relevant document | 3.0 |
| Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1) | No | 0.0 |
| Can the plaintiff directly question the defendant and witnesses at trial? (0-2) | Yes | 2.0 |
| Is the level of proof required for civil suits lower than that of criminal cases? (0-1) | Yes | 1.0 |
| Can shareholder plaintiffs recover their legal expenses from the company? (0-2) | Yes if successful | 1.0 |
| Extent of shareholder governance index (0-10) | | 6.7 |
| Extent of shareholder rights index (0-10) | | 8.0 |
| Does the sale of 51% of Buyer's assets require shareholder approval? | Yes | 1.0 |
| Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders? | Yes | 1.0 |
| Must Buyer obtain its shareholders' approval every time it issues new shares? | Yes | 1.0 |

| | | |
|---|-----|------------|
| Do shareholders automatically receive preemption rights every time Buyer issues new shares? | Yes | 1.0 |
| Must shareholders approve the election and dismissal of the external auditor? | Yes | 1.0 |
| Are changes to the rights of a class of shares only possible if the holders of the affected shares approve? | Yes | 1.0 |
| Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval? | No | 0.0 |
| Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must all or almost all members consent to add a new member? | No | 0.0 |
| Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members? | Yes | 1.0 |
| Extent of ownership and control index (0-10) | | 6.0 |
| Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors? | Yes | 1.0 |
| Must the board of directors include independent and nonexecutive board members? | Yes | 1.0 |
| Can shareholders remove members of the board of directors without cause before the end of their term? | Yes | 1.0 |
| Must the board of directors include a separate audit committee exclusively comprising board members? | Yes | 1.0 |
| Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer? | Yes | 1.0 |
| Must Buyer pay declared dividends within a maximum period set by law? | Yes | 1.0 |
| Is a subsidiary prohibited from acquiring shares issued by its parent company? | No | 0.0 |
| Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members? | No | 0.0 |
| Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer? | No | 0.0 |
| Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law? | No | 0.0 |
| Extent of corporate transparency index (0-10) | | 6.0 |
| Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%? | Yes | 1.0 |
| Must Buyer disclose information about board members' primary employment and directorships in other companies? | No | 0.0 |
| Must Buyer disclose the compensation of individual managers? | No | 0.0 |
| Must a detailed notice of general meeting be sent 21 days before the meeting? | Yes | 1.0 |
| Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda? | Yes | 1.0 |
| Must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |
| Must Buyer disclose its audit reports to the public? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must members meet at least once a year? | No | 0.0 |
| Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda? | No | 0.0 |
| Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). [See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

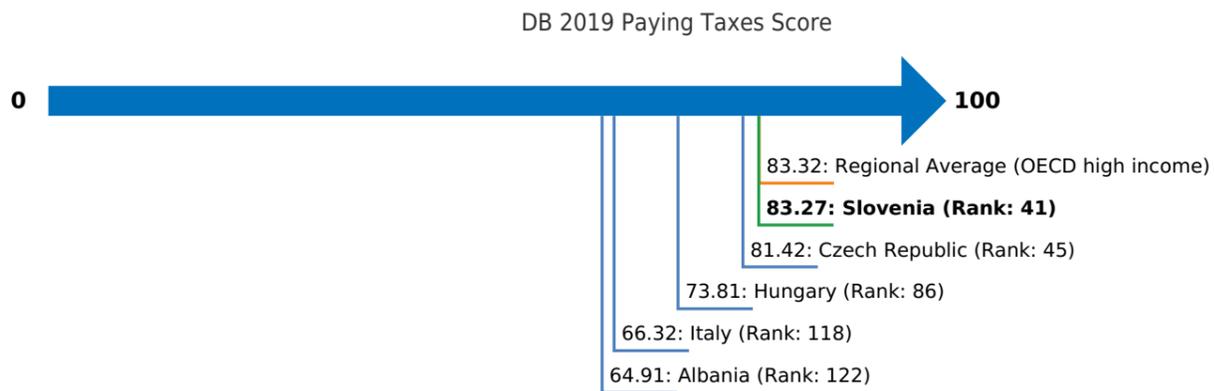
The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - Slovenia

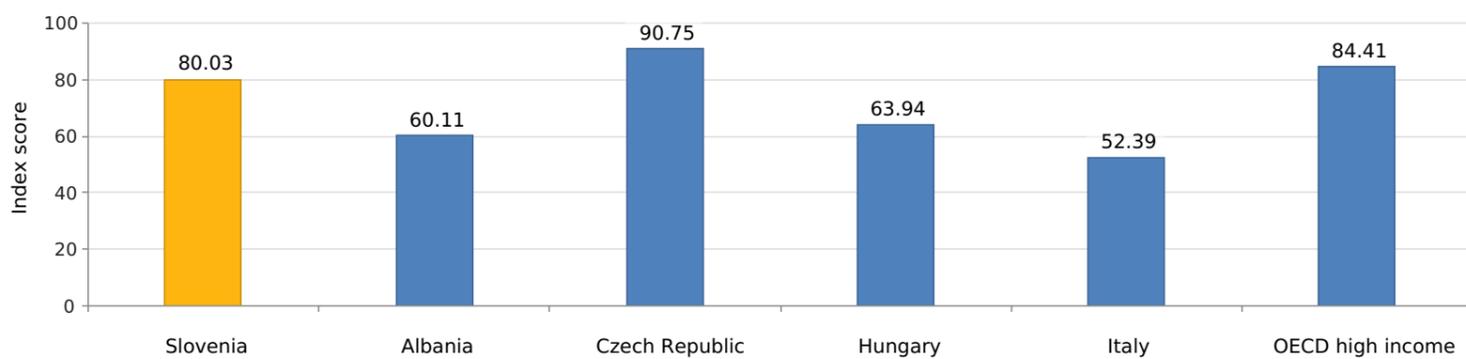
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|---|----------|------------------|-----------------------------|
| Payments (number per year) | 10 | 11.2 | 3 (Hong Kong SAR, China) |
| Time (hours per year) | 233 | 159.4 | 49 (Singapore) |
| Total tax and contribution rate (% of profit) | 31.0 | 39.8 | 26.1% (32 Economies) |
| Postfiling index (0-100) | 80.03 | 84.41 | None in 2017/18 |

Figure - Paying Taxes in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Slovenia and comparator economies - Measure of Quality



Details - Paying Taxes in Slovenia

| Tax or mandatory contribution | Payments (number) | Notes on Payments | Time (hours) | Statutory tax rate | Tax base | Total tax and contribution rate (% of profit) | Notes on TCR |
|-------------------------------|-------------------|-------------------|--------------|--------------------|--------------------------------|---|--------------|
| Social security contributions | 1.0 | online | 90.0 | 16.1% | gross salaries | 18.16 | |
| Corporate income tax | 1.0 | online | 74.0 | 17% | taxable profit | 12.68 | |
| Tax on insurance | 1.0 | online | | 8.5% | insurance premium | 0.08 | |
| Property tax (local duties) | 4.0 | | | various rates | type and value of construction | 0.06 | |
| Road tax | 1.0 | | | various rates | type and weight of vehicle | 0.04 | |
| Employee paid - Labor tax | 0.0 | jointly | | 22.1% | gross salaries | 0.00 | withheld |
| Fuel tax | 1.0 | | | | included in fuel price | 0.00 | small amount |
| Value added tax (VAT) | 1.0 | online | 69.0 | 22% | value added | 0.00 | not included |
| Totals | 10 | | 233 | | | 31.0 | |

Details - Paying Taxes in Slovenia - Tax by Type

| Taxes by type | Answer |
|---|--------|
| Profit tax (% of profit) | 12.7 |
| Labor tax and contributions (% of profit) | 18.2 |
| Other taxes (% of profit) | 0.2 |

Details - Paying Taxes in Slovenia - Measure of Quality

| | Answer | Score |
|---|-----------|--------------|
| Postfiling index (0-100) | | 80.03 |
| VAT refunds | | |
| Does VAT exist? | Yes | |
| Does a VAT refund process exist per the case study? | Yes | |
| Restrictions on VAT refund process | None | |
| Percentage of cases exposed to a VAT audit (%) | 0% - 24% | |
| Is there a mandatory carry forward period? | No | |
| Time to comply with VAT refund (hours) | 3.0 | 94 |
| Time to obtain a VAT refund (weeks) | 5.2 | 96.2 |
| Corporate income tax audits | | |
| Does corporate income tax exist? | Yes | |
| Percentage of cases exposed to a corporate income tax audit (%) | 25% - 49% | |
| Time to comply with a corporate income tax correction (hours) | 29.0 | 49.54 |
| Time to complete a corporate income tax correction (weeks) | 6.3 | 80.36 |

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

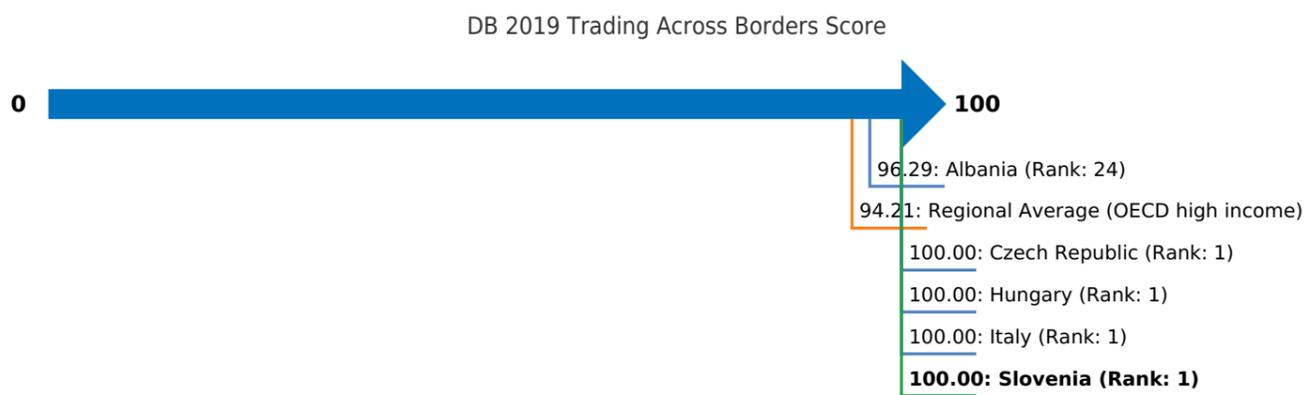
Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|--|--|
| <p>Documentary compliance</p> <ul style="list-style-type: none"> • Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy • Obtaining, preparing and submitting documents required by destination economy and any transit economies • Covers all documents required by law and in practice, including electronic submissions of information <p>Border compliance</p> <ul style="list-style-type: none"> • Customs clearance and inspections • Inspections by other agencies (if applied to more than 20% of shipments) • Handling and inspections that take place at the economy's port or border <p>Domestic transport</p> <ul style="list-style-type: none"> • Loading or unloading of the shipment at the warehouse or port/border • Transport between warehouse and port/border • Traffic delays and road police checks while shipment is en route | <p>To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:</p> <p>Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.</p> <p>Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.</p> <p>Assumptions of the case study:</p> <ul style="list-style-type: none"> - For all 190 economies covered by <i>Doing Business</i>, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy. - It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000. - The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing. - All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process. - A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy. - Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities. |

Trading across Borders - Slovenia

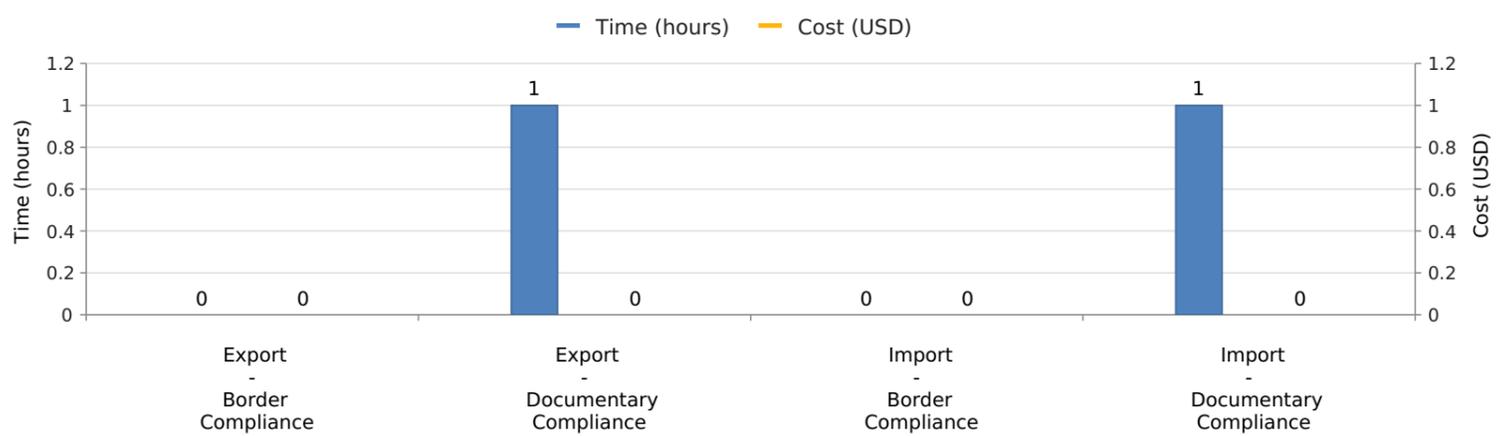
| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|--|----------|------------------|-----------------------------|
| Time to export: Border compliance (hours) | 0 | 12.5 | 1 (19 Economies) |
| Cost to export: Border compliance (USD) | 0 | 139.1 | 0 (19 Economies) |
| Time to export: Documentary compliance (hours) | 1 | 2.4 | 1 (26 Economies) |
| Cost to export: Documentary compliance (USD) | 0 | 35.2 | 0 (20 Economies) |
| Time to import: Border compliance (hours) | 0 | 8.5 | 0 (25 Economies) |
| Cost to import: Border compliance (USD) | 0 | 100.2 | 0 (28 Economies) |
| Time to import: Documentary compliance (hours) | 1 | 3.4 | 1 (30 Economies) |
| Cost to import: Documentary compliance (USD) | 0 | 24.9 | 0 (30 Economies) |

Figure - Trading across Borders in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Slovenia - Time and Cost



Details - Trading across Borders in Slovenia

| Characteristics | Export | Import |
|---------------------------------|---|--|
| Product | HS 87 : Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof | HS 8708: Parts and accessories of motor vehicles |
| Trade partner | France | France |
| Border | Slovenia- Austria border crossing | Slovenia- Austria border crossing |
| Distance (km) | 100 | 100 |
| Domestic transport time (hours) | 3 | 3 |
| Domestic transport cost (USD) | 119 | 119 |

Details - Trading across Borders in Slovenia - Components of Border Compliance

| | Time to Complete (hours) | Associated Costs (USD) |
|---|--------------------------|------------------------|
| Export: Clearance and inspections required by customs authorities | 0.0 | 0.0 |
| Export: Clearance and inspections required by agencies other than customs | 0.0 | 0.0 |
| Export: Port or border handling | 0.0 | 0.0 |
| Import: Clearance and inspections required by customs authorities | 0.0 | 0.0 |
| Import: Clearance and inspections required by agencies other than customs | 0.0 | 0.0 |
| Import: Port or border handling | 0.0 | 0.0 |

Details - Trading across Borders in Slovenia - Trade Documents

Export

Import

CMR Waybill

CMR Waybill

Commercial Invoice

Commercial invoice

Packing list

Packing list

Intrastat

Intrastat

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|--|--|
| <p>Time required to enforce a contract through the courts (calendar days)</p> | <p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p> |
| <ul style="list-style-type: none"> • Time to file and serve the case • Time for trial and to obtain the judgment • Time to enforce the judgment | <p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p> |
| <p>Cost required to enforce a contract through the courts (% of claim)</p> | <ul style="list-style-type: none"> - The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. |
| <ul style="list-style-type: none"> • Attorney fees • Court fees • Enforcement fees | <ul style="list-style-type: none"> - The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality. |
| <p>Quality of judicial processes index (0-18)</p> | <ul style="list-style-type: none"> - The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater. |
| <ul style="list-style-type: none"> • Court structure and proceedings (-1-5) | <ul style="list-style-type: none"> - The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000. |
| <ul style="list-style-type: none"> • Case management (0-6) | <ul style="list-style-type: none"> - The seller requests the pretrial attachment of the defendant's movable assets to secure the claim. |
| <ul style="list-style-type: none"> • Court automation (0-4) | <ul style="list-style-type: none"> - The dispute on the quality of the goods requires an expert opinion. |
| <ul style="list-style-type: none"> • Alternative dispute resolution (0-3) | <ul style="list-style-type: none"> - The judge decides in favor of the seller; there is no appeal. |
| | <ul style="list-style-type: none"> - The seller enforces the judgment through a public sale of the buyer's movable assets. |

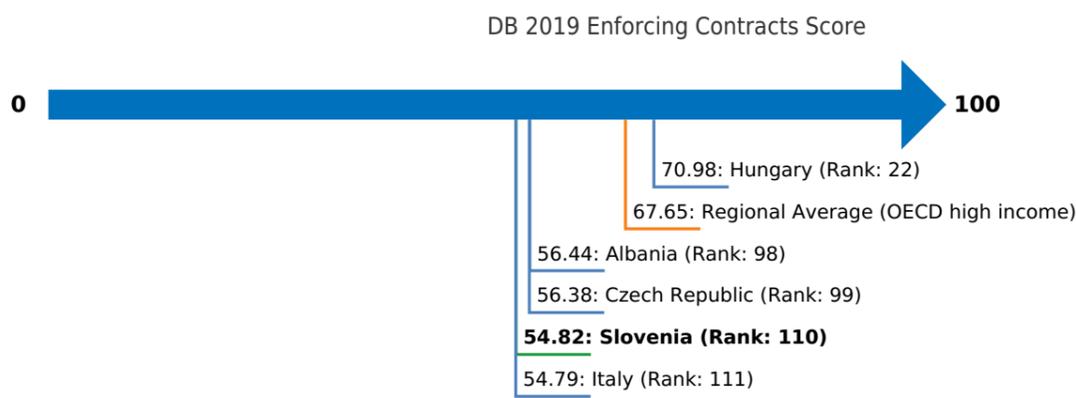
Enforcing Contracts - Slovenia

Standardized Case

| | |
|--------------|--|
| Claim value | EUR 37,913 |
| Court name | Ljubljana District Court, Commercial Lawsuits Department |
| City Covered | Ljubljana |

| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|--|----------|------------------|-----------------------------|
| Time (days) | 1160 | 582.4 | None in 2017/18 |
| Cost (% of claim value) | 12.7 | 21.2 | None in 2017/18 |
| Quality of judicial processes index (0-18) | 11.5 | 11.5 | None in 2017/18 |

Figure - Enforcing Contracts in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Slovenia - Time and Cost

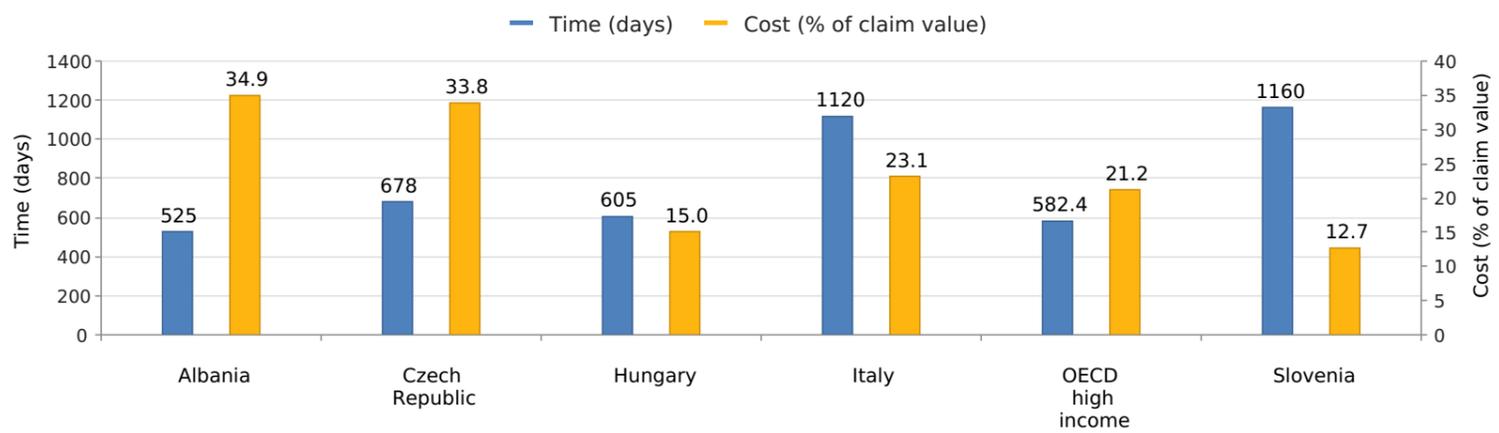
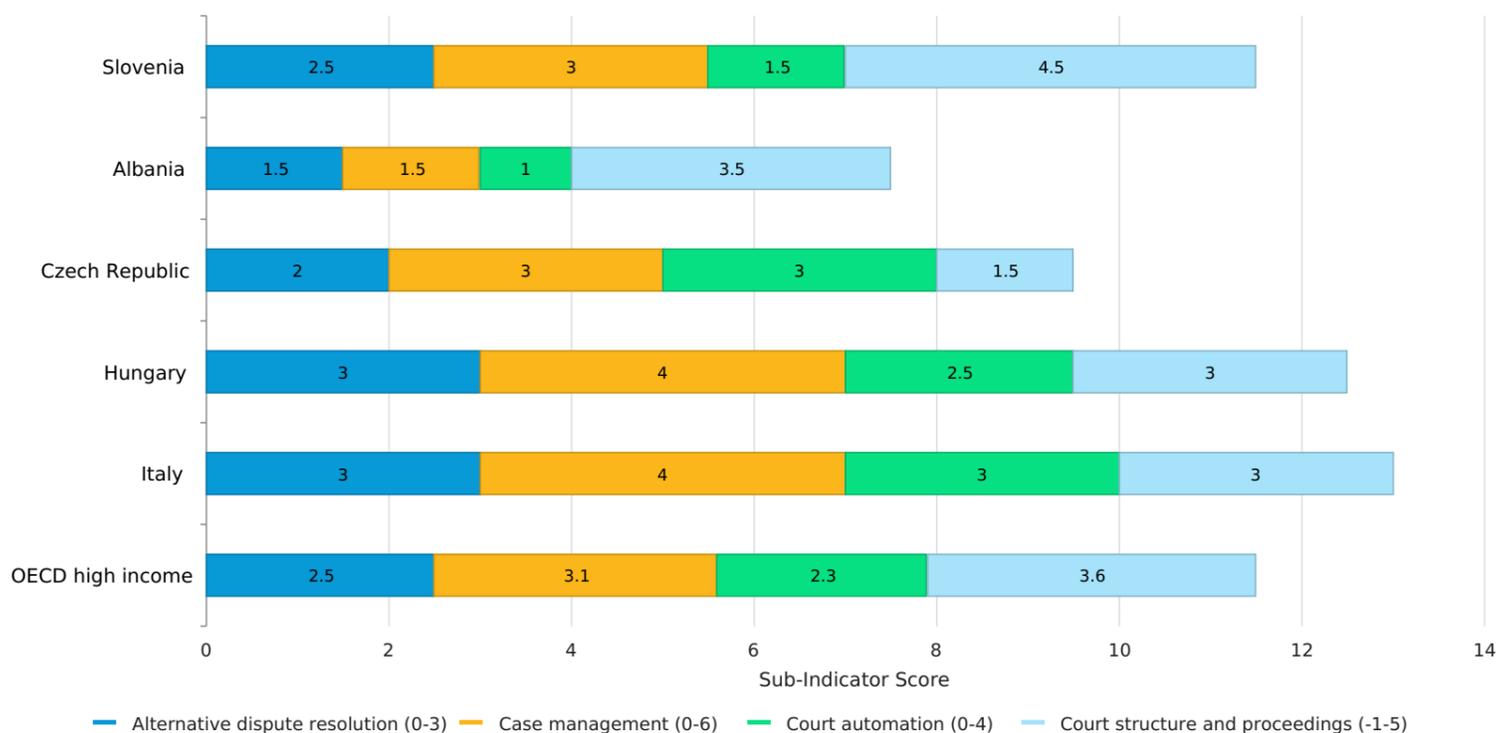


Figure - Enforcing Contracts in Slovenia and comparator economies - Measure of Quality



Details - Enforcing Contracts in Slovenia

| | Indicator |
|---|-------------|
| Time (days) | 1160 |
| Filing and service | 30 |
| Trial and judgment | 800 |
| Enforcement of judgment | 330 |
| Cost (% of claim value) | 12.7 |
| Attorney fees | 7.6 |
| Court fees | 3.5 |
| Enforcement fees | 1.6 |
| Quality of judicial processes index (0-18) | 11.5 |
| Court structure and proceedings (-1-5) | 4.5 |
| Case management (0-6) | 3.0 |
| Court automation (0-4) | 1.5 |
| Alternative dispute resolution (0-3) | 2.5 |

Details - Enforcing Contracts in Slovenia - Measure of Quality

| | Answer | Score |
|--|-----------------|-------------|
| Quality of judicial processes index (0-18) | | 11.5 |
| Court structure and proceedings (-1-5) | | 4.5 |
| 1. Is there a court or division of a court dedicated solely to hearing commercial cases? | Yes | 1.5 |
| 2. Small claims court | | 1.5 |
| 2.a. Is there a small claims court or a fast-track procedure for small claims? | Yes | |
| 2.b. If yes, is self-representation allowed? | Yes | |
| 3. Is pretrial attachment available? | Yes | 1.0 |
| 4. Are new cases assigned randomly to judges? | Yes, but manual | 0.5 |
| 5. Does a woman's testimony carry the same evidentiary weight in court as a man's? | Yes | 0.0 |
| Case management (0-6) | | 3.0 |
| 1. Time standards | | 1.0 |
| 1.a. Are there laws setting overall time standards for key court events in a civil case? | Yes | |
| 1.b. If yes, are the time standards set for at least three court events? | Yes | |
| 1.c. Are these time standards respected in more than 50% of cases? | Yes | |
| 2. Adjournments | | 0.0 |
| 2.a. Does the law regulate the maximum number of adjournments that can be granted? | No | |
| 2.b. Are adjournments limited to unforeseen and exceptional circumstances? | Yes | |
| 2.c. If rules on adjournments exist, are they respected in more than 50% of cases? | No | |
| 3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report? | Yes | 1.0 |
| 4. Is a pretrial conference among the case management techniques used before the competent court? | Yes | 1.0 |
| 5. Are there any electronic case management tools in place within the competent court for use by judges? | No | 0.0 |
| 6. Are there any electronic case management tools in place within the competent court for use by lawyers? | No | 0.0 |
| Court automation (0-4) | | 1.5 |
| 1. Can the initial complaint be filed electronically through a dedicated platform within the competent court? | no | 0.0 |
| 2. Is it possible to carry out service of process electronically for claims filed before the competent court? | No | 0.0 |
| 3. Can court fees be paid electronically within the competent court? | Yes | 1.0 |
| 4. Publication of judgments | | 0.5 |
| 4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website? | No | |
| 4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website? | Yes | |
| Alternative dispute resolution (0-3) | | 2.5 |
| 1. Arbitration | | 1.0 |

| | |
|---|-----|
| 1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects? | Yes |
| 1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration? | Yes |
| 1.c. Are valid arbitration clauses or agreements usually enforced by the courts? | Yes |
| 2. Mediation/Conciliation | 1.5 |
| 2.a. Is voluntary mediation or conciliation available? | Yes |
| 2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects? | Yes |
| 2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)? | Yes |

Resolving Insolvency

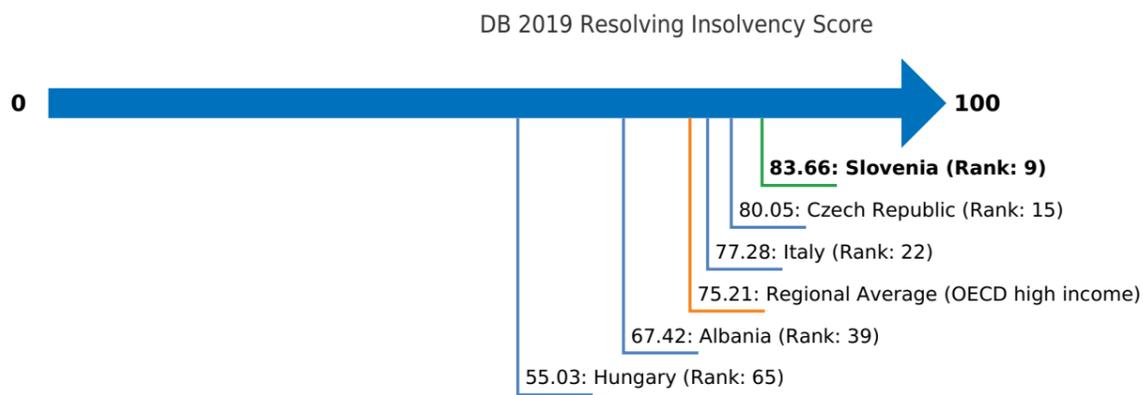
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

| What the indicators measure | Case study assumptions |
|---|--|
| Time required to recover debt (years) | To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used: |
| <ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included | <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. |
| Cost required to recover debt (% of debtor's estate) | <ul style="list-style-type: none"> - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater. |
| <ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees | <ul style="list-style-type: none"> - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise. |
| Outcome | In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered. |
| <ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal | |
| Recovery rate for creditors | |
| <ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered | |
| Strength of insolvency framework index (0- 16) | |
| <ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) | |

Resolving Insolvency - Slovenia

| Indicator | Slovenia | OECD high income | Best Regulatory Performance |
|--|----------|------------------|-----------------------------|
| Recovery rate (cents on the dollar) | 88.7 | 70.5 | None in 2017/18 |
| Time (years) | 0.8 | 1.7 | 0.4 (Ireland) |
| Cost (% of estate) | 4.0 | 9.3 | 1.0 (Norway) |
| Outcome (0 as piecemeal sale and 1 as going concern) | 1 | .. | .. |
| Strength of insolvency framework index (0-16) | 11.5 | 11.9 | None in 2017/18 |

Figure - Resolving Insolvency in Slovenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Slovenia - Time and Cost

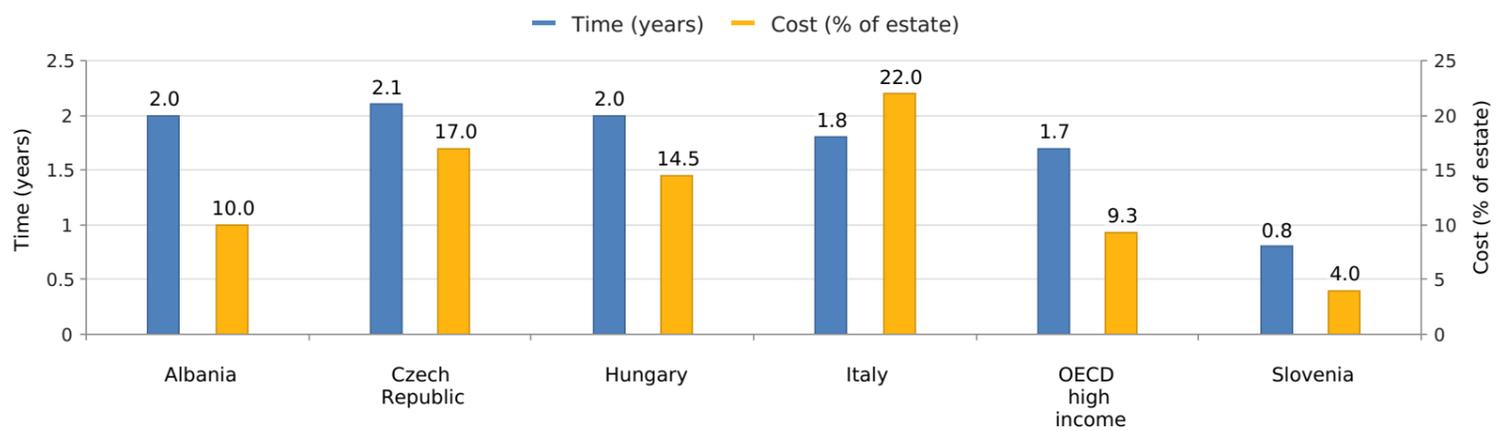
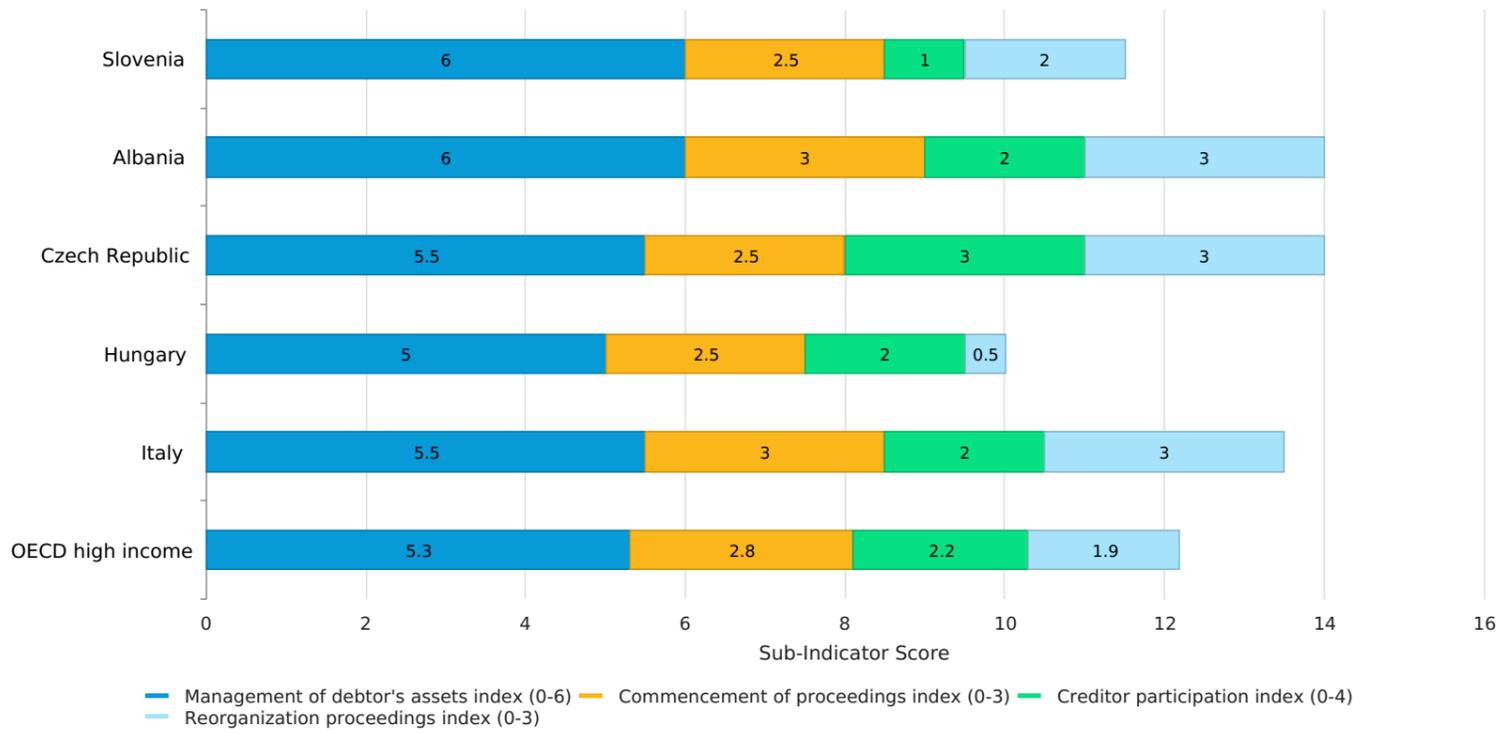
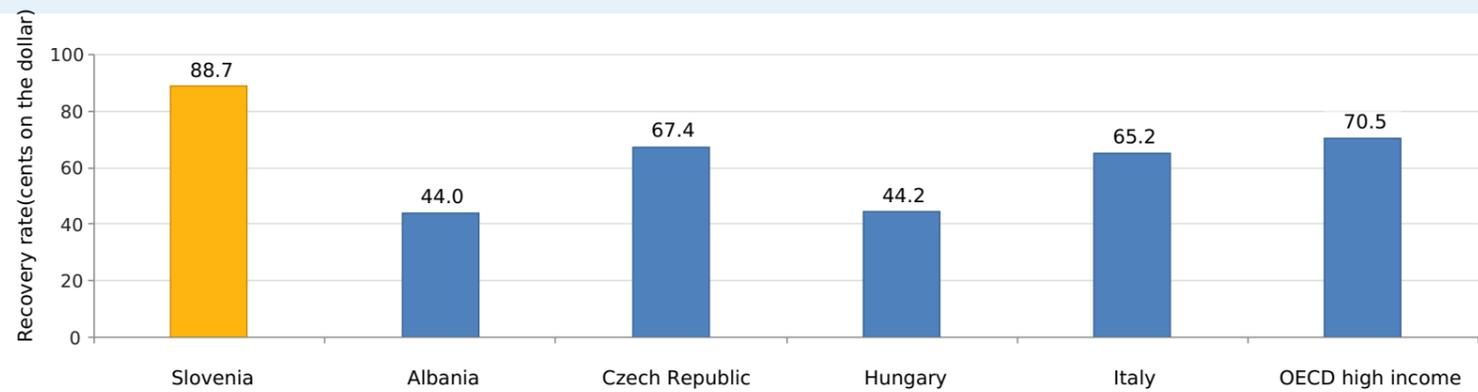


Figure - Resolving Insolvency in Slovenia and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Slovenia and comparator economies - Recovery Rate



Details - Resolving Insolvency in Slovenia

| Indicator | Answer | Score |
|-------------------------------------|----------------|--|
| Proceeding | reorganization | Mirage management will file the petition for initiation of compulsory settlement procedure, containing the proposal for restructuring based on article 221h of ZFPPIPP) which contains special provision on compulsory settlement procedure of medium-sized companies. |
| Outcome | going concern | Mirage will continue operating if the majority of creditors would agree on the proposed compulsory settlement and provided that the bank's secured claim is appropriately restructured and that the compulsory settlement is confirmed by the Court. |
| Time (in years) | 0.8 | The debtor's management must initiate compulsory settlement proceedings within 3 months after the debtor became insolvent. It will take approximately 6 months for the compulsory settlement proceedings. As part of the compulsory settlement proceedings, the creditors will have to lodge their claims within one month following the publication of the notice of initiation of such proceedings (Article 59(1) of ZFPPIPP). If the plan provides for the change in share capital of the debtor with the purpose of executing financial restructuring, the general meeting of the insolvent debtor shall adopt the resolution on the change in share capital within three months following the initiation of Compulsory Settlement proceedings (Article 192(2) of ZFPPIPP). After the publication of the call to creditors to vote on adoption of compulsory settlement, the creditors can submit their votes within one month (Article 202 of the ZFPPIPP). |
| Cost (% of estate) | 4.0 | Major expenses will include remuneration of the administrator 1.3%, attorney's fees 1.3%, Court fees 0.5%, filing fees and fees of other professionals involved in the insolvency procedure, such as financial advisors, accountants, appraisers and auditors 1.3%. |
| Recovery rate (cents on the dollar) | | 88.7 |

Details - Resolving Insolvency in Slovenia - Measure of Quality

| | Answer | Score |
|--|--|-------------|
| Strength of insolvency framework index (0-16) | | 11.5 |
| Commencement of proceedings index (0-3) | | 2.5 |
| What procedures are available to a DEBTOR when commencing insolvency proceedings? | (a) Debtor may file for both liquidation and reorganization | 1.0 |
| Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor? | (b) Yes, but a creditor may file for liquidation only | 0.5 |
| What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? | (c) Both (a) and (b) options are available, but only one of them needs to be complied with | 1.0 |
| Management of debtor's assets index (0-6) | | 6.0 |
| Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor? | Yes | 1.0 |
| Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts? | Yes | 1.0 |
| Does the insolvency framework allow avoidance of preferential transactions? | Yes | 1.0 |
| Does the insolvency framework allow avoidance of undervalued transactions? | Yes | 1.0 |
| Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings? | Yes | 1.0 |
| Does the insolvency framework assign priority to post-commencement credit? | (b) Yes over ordinary unsecured creditors but not over secured creditors | 1.0 |
| Reorganization proceedings index (0-3) | | 2.0 |
| Which creditors vote on the proposed reorganization plan? | (c) Other | 1.0 |
| Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation? | Yes | 1.0 |
| Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally? | No | 0.0 |
| Creditor participation index (0-4) | | 1.0 |
| Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative? | No | 0.0 |
| Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor? | No | 0.0 |
| Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative? | No | 0.0 |
| Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims? | Yes | 1.0 |

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Labor Market Regulation

Doing Business presents detailed data for the labor market regulation indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Labor Market Regulation - Slovenia

Details - Labor Market Regulation in Slovenia

| | Answer |
|---|--------|
| Hiring | |
| Fixed-term contracts prohibited for permanent tasks? | Yes |
| Maximum length of a single fixed-term contract (months) | 24.0 |
| Maximum length of fixed-term contracts, including renewals (months) | 24.0 |
| Minimum wage applicable to the worker assumed in the case study (US\$/month) | 908.7 |
| Ratio of minimum wage to value added per worker | 0.3 |
| Maximum length of probationary period (months) | 6.0 |
| Working hours | |
| Standard workday | 8.0 |
| Maximum number of working days per week | 6.0 |
| Premium for night work (% of hourly pay) | 75.0 |
| Premium for work on weekly rest day (% of hourly pay) | 100.0 |
| Premium for overtime work (% of hourly pay) | 30.0 |
| Restrictions on night work? | No |
| Whether nonpregnant and nonnursing women can work the same night hours as men | Yes |
| Restrictions on weekly holiday? | No |
| Restrictions on overtime work? | No |
| Paid annual leave for a worker with 1 year of tenure (working days) | 20.0 |
| Paid annual leave for a worker with 5 years of tenure (working days) | 22.0 |
| Paid annual leave for a worker with 10 years of tenure (working days) | 24.0 |
| Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days) | 22.0 |
| Redundancy rules | |
| Dismissal due to redundancy allowed by law? | Yes |
| Third-party notification if one worker is dismissed? | No |
| Third-party approval if one worker is dismissed? | No |
| Third-party notification if nine workers are dismissed? | No |
| Third-party approval if nine workers are dismissed? | No |
| Retraining or reassignment obligation before redundancy? | No |
| Priority rules for redundancies? | Yes |
| Priority rules for reemployment? | No |
| Redundancy cost | |
| Notice period for redundancy dismissal for a worker with 1 year of tenure | 4.3 |
| Notice period for redundancy dismissal for a worker with 5 years of tenure | 5.1 |
| Notice period for redundancy dismissal for a worker with 10 years of tenure | 6.6 |
| Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 5.3 |
| Severance pay for redundancy dismissal for a worker with 1 year of tenure | 0.9 |

| | |
|---|-------|
| Severance pay for redundancy dismissal for a worker with 5 years of tenure | 4.3 |
| Severance pay for redundancy dismissal for a worker with 10 years of tenure | 10.8 |
| Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 5.3 |
| Job quality | |
| Equal remuneration for work of equal value? | Yes |
| Gender nondiscrimination in hiring? | Yes |
| Paid or unpaid maternity leave mandated by law? | Yes |
| Minimum length of maternity leave (calendar days)? | 105.0 |
| Receive 100% of wages on maternity leave? | Yes |
| Five fully paid days of sick leave a year? | Yes |
| Unemployment protection after one year of employment? | Yes |
| Minimum contribution period for unemployment protection (months)? | 9.0 |

Business Reforms in Slovenia

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

DB2019

✗ **Starting a Business:** Slovenia made starting a business more complicated by requiring companies to report their beneficial ownership separately from business incorporation.

✓ **Enforcing Contracts:** Slovenia made enforcing contracts easier by introducing a pre-trial conference as part of the case management techniques used in court.

DB2018

✓ **Getting Credit:** Slovenia improved access to credit information by reporting both positive and negative data on consumers and commercial borrowers.

DB2015

✓ **Resolving Insolvency:** Slovenia made resolving insolvency easier by introducing a simplified reorganization procedure for small companies and a preventive restructuring procedure for medium-size and large ones, by allowing creditors greater participation in the management of the debtor and by establishing provisions for an increase in share capital through debt-equity swaps.

DB2014

✓ **Dealing with Construction Permits:** Slovenia made dealing with construction permits easier by eliminating the requirement to obtain project conditions from the water and sewerage provider.

Labor Market Regulation: Slovenia abolished priority rules for reemployment, changed the notice period and severance pay provisions for redundancy dismissals and increased the minimum wage.

DB2013

✓ **Protecting Minority Investors:** Slovenia strengthened investor protections through a new law regulating the approval of related-party transactions.

✓ **Paying Taxes:** Slovenia made paying taxes easier and less costly for companies by implementing electronic filing and payment of social security contributions and by reducing the corporate income tax rate.

✓ **Resolving Insolvency:** Slovenia strengthened its insolvency process by requiring that the debtor offer creditors payment of at least 50% of the claims within 4 years; giving greater power to the creditors' committee in a bankruptcy proceeding; prohibiting insolvency administrators from allowing relatives to render services associated with the bankruptcy proceeding; and establishing fines for members of management that violate certain obligations or prohibitions.

DB2012

✓ **Registering Property:** Slovenia made transferring property easier and less costly by introducing online procedures and reducing fees.

✓ **Trading across Borders:** Slovenia made trading across borders faster by introducing online submission of customs declaration forms.

✓ **Resolving Insolvency:** Slovenia simplified and streamlined the insolvency process and strengthened professional requirements for insolvency administrators.

DB2011

✓ **Starting a Business:** Slovenia made starting a business easier through improvements to its one-stop shop that allowed more online services.

✓ **Registering Property:** Greater computerization in Slovenia's land registry reduced delays in property registration by 75%.

✓ **Paying Taxes:** Slovenia abolished its payroll tax and reduced its corporate income tax rate.

DB2010

✓ **Starting a Business:** Slovenia made starting a business easier by speeding up company registration, combining tax registration with company registration through the automated e-Vem system and abolishing the requirement for a company seal.

DB2009

✓ **Starting a Business:** Slovenia reduced the time and number of procedures to start a business by introducing a single access point for the process of establishing a limited liability company.

✗ **Getting Credit:** Slovenia weakened its secured transactions framework by decreasing secured creditors' rights during reorganization procedures but also improved access to credit information by starting operations at the new private credit bureau (SISBON).

✓ **Protecting Minority Investors:** Slovenia strengthened investor protections by allowing minority investors to initiate suits against directors on behalf of the company in order to defend their rights as shareholders.

Labor Market Regulation: Slovenia decreased the notice period applicable in cases of redundancy dismissals.

DB2008

✗ **Getting Credit:** As a result of the introduction of the euro in Slovenia, its public credit registry increased the minimum threshold for loans included in its database from 0 to €500, reducing access to credit information.

✓ **Protecting Minority Investors:** Slovenia strengthened investor protections through a new provision requiring that a company's board of directors obtain prior shareholder approval for transactions representing 25% or more of the company's assets.

✓ **Paying Taxes:** Slovenia made paying taxes less costly for companies by reducing the payroll tax rate.

Labor Market Regulation: Slovenia reduced the maximum cumulative duration of fixed-term contracts.

Doing Business 2019 is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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