



SLOVENIA

State of Play – Winter 2017



MACROECONOMIC SITUATION

- Solid growth in 2016, mainly driven by private consumption and exports

Imbalances

- Deleveraging pressures easing but credit flows to firms still contracting
- Private investment remains relatively low but has started to recover
- Situation of banking sector has continued to improve
- Medium and long term sustainability risks remain
- Labour market and social trends continue improving but long-term unemployment is still high and activity rate of older workers is low



PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

Some progress

- in reducing NPLs and implementing the Bank Asset Management Company's strategy
- in modernising public administration

Limited progress

- in employability of low-skilled and older workers
- in ensuring the sustainability of public finances



FISCAL SITUATION

- No excessive deficit
- Public debt above the 60% of GDP reference value, projected to decrease as of 2016



POLICY HIGHLIGHTS

- The Bank of Slovenia helped restructure the banking sector by providing incentives for write-offs; NPL ratio dropped from 18.4% in 2014 to 11.3% by November 2016 and this trend is expected to continue

More info at

<https://ec.europa.eu/info/strategy/european-semester/european-semester-timeline/analysis-phase>