

SLOVENIA



COUNTRY ASSESSMENTS

HIGHLIGHTS

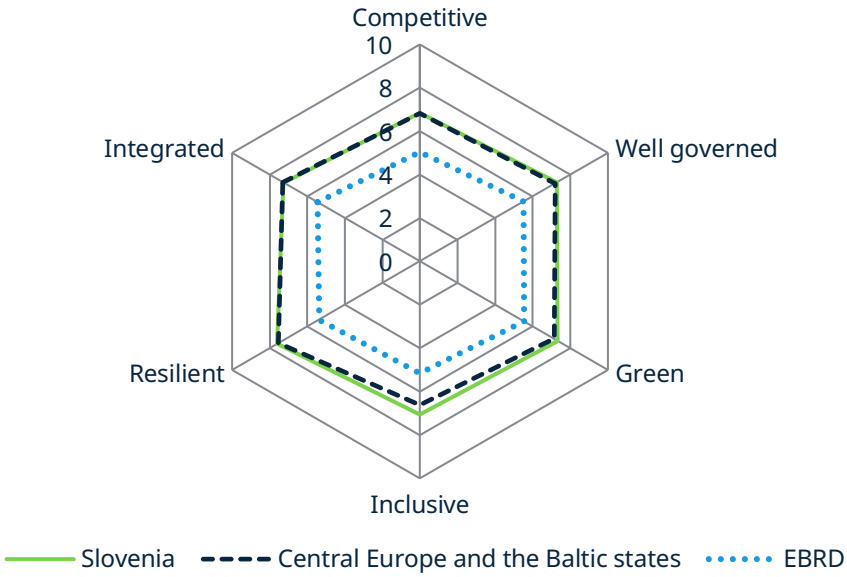
- **Economic growth is accelerating.** After recording modest output growth of 1.5 per cent in 2025, the economy rebounded, posting 4.1 per cent year-on-year growth in the first half of 2026, supported by recovering household consumption and accelerating investment and exports.
- **The new coalition government has announced a range of reforms.** The government aims to streamline taxation and the business environment while ensuring fiscal consolidation. Its new programme also emphasises energy security, faster infrastructure delivery, anti-corruption measures and demographic policies.
- **Implementation of Slovenia's Recovery and Resilience Plan (RRP) entered its final phase with a high disbursement rate.** By the end of July 2026, Slovenia had received €1.81 billion, or 87 per cent of its allocation, and officially completed 122 of its 182 milestones and targets. Of the 60 still outstanding, 26 had been fully documented and the other 34 were in the final stages of completion ahead of the end-of-August deadline.

For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.

KEY PRIORITIES FOR 2027

- **Sustain infrastructure investment after the RRP.** The authorities should consider mobilising blended and private financing for rail, urban transport, water, flood resilience and energy-efficient building renovation**.**
- **Remove bottlenecks to deploying green energy.** Building on the 2026 electricity-grid modernisation programme, Slovenia should accelerate network upgrades, digitalisation and storage deployment, while simplifying renewable energy permitting and connection procedures.
- **Scale up market-based financing for innovative firms.** Slovenia should expand venture capital, growth equity and corporate bond markets, strengthen science-business links and facilitate institutional investment to support technology commercialisation and the startup ecosystem.

ASSESSMENT OF TRANSITION QUALITIES (1-10)



For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.

KEY REFORMS AND POLICY DEVELOPMENTS[1]

Pension system reform

- Adopted by parliament in September 2025, the pension reform gradually raises the general retirement age from 65 to 67 and the retirement age for people with 40 years of contributions from 60 to 62 by 2035.
- It also extends the earnings reference period used to calculate pensions to 40 years, excluding the five least favourable years, while increasing the full-career accrual rate from 63.5 per cent to 70 per cent.

1 From the fourth quarter of 2025 to October 2026.

Judicial governance and court reform

- A judicial reform package adopted in November 2025 and published in December 2025 includes a new Courts Act and Judges Act, along with amendments to Judicial Council and State Prosecution Service legislation. The package reorganises first-instance courts around judicial districts while retaining local courts as external departments, enabling better workload distribution, judicial specialisation and substitution across court locations. It also introduces information system-based case allocation and stronger management responsibilities for court presidents.
- The Judges Act overhauls judicial selection, evaluation, promotion and disciplinary responsibility, as well as safeguards for judicial independence. The accompanying Judicial Council reform strengthens its professional administration and reporting requirements and revises the disciplinary framework. The wider package also transfers the appointment of Supreme Court judges from parliament to the Judicial Council, reducing direct political involvement in senior judicial appointments.

Labour market measures

- The "80/90/100" arrangement became operational on 1 January 2026 under amendments to labour-market legislation adopted in 2025. Eligible workers approaching retirement may work 80 per cent of full-time hours, receive 90 per cent of their previous basic salary, and continue accruing pension and disability insurance rights as if employed full time.
- The measure seeks to extend working lives without requiring an abrupt transition from full-time employment to retirement. It can help retain experienced workers amid persistent labour shortages.

Startup and AI strategies

- In March 2026 the government adopted the National Artificial Intelligence Strategy to 2030 and a new Slovenian Startup Strategy.
- The Startup Strategy aims to improve conditions for creating and scaling up innovative firms and is based on five strategic initiatives: strengthening the support environment for startup and scaleup companies; developing the venture capital market; improving conditions for rewarding employees; attracting global high-tech talent; and establishing a new form of business entity tailored to the needs of startup companies.

Decarbonisation support for electricity-intensive industry

- The authorities have introduced temporary electricity cost support for trade-exposed, electricity-intensive companies for 2026-28, targeting firms consuming more than 15 GWh annually and with electricity costs exceeding 5 per cent of gross value added. The assistance may cover up to half of eligible electricity bills, subject to safeguards limiting overcompensation.
- At least half of the support must be reinvested in renewable generation, storage, demand-side flexibility, energy efficiency, process electrification or other decarbonisation measures, linking short-term competitiveness support to industrial transformation. Around 40 companies in sectors including steel, chemicals and paper are expected to qualify.

Electricity grid modernisation programme

- In March 2026 the government approved a €174 million electricity-grid investment programme, co-financed by €59 million from the EU Modernisation Fund, covering projects by transmission operator ELES and Slovenia's five regional distribution companies.
- The programme aims to strengthen transmission and distribution networks through substation upgrades, new power lines and grid digitalisation, facilitating renewable energy integration, electrification and security of supply. The authorities also announced additional smart-grid investments through 2030 to support the green transition.