Responding to the Coronavirus Crisis
Update on Slovenia (15/05/20)

EBRD Policy Comparator

<table>
<thead>
<tr>
<th>Financial Sector</th>
<th>Direct support to firms</th>
<th>Payment holidays</th>
<th>Temporary controls</th>
<th>Support to individuals</th>
<th>Increased social benefits</th>
<th>Health</th>
<th>External Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy rate reduced</td>
<td>Liquidity increased</td>
<td>Prudential req. loosened</td>
<td>Wage subsidies</td>
<td>Tax/social contrib. deferred</td>
<td>Loan subsidies</td>
<td>Guarantees</td>
<td>Inspections/suspended</td>
</tr>
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Economic channels of disruption
Goods exports, private consumption, tourism
- Goods exports (82% of GDP) will significantly fall amid global slowdown, high integration in global value chains (55% of GDP), and exposure to Italy (10% of goods exports).
- Containment measures (imposed in mid-March) will hit private consumption, especially social categories and durables (44% of total consumption or about 30% of GDP), and industrial production to some extent.
- Tourism accounts for about 7% of GDP, estimated to contract by 60%-70% this year, it will be another major channel of disruption.
- Slovenia started easing restrictions from late April, allowing a number of stores to reopen, with further loosening from early May.

Selected crisis impact indicators
EBRD GDP growth outlook 2020: -5.5%; 2021: 5%
Economic sentiment (April 2020) ESI 66.2 (down 27.2 points m/m)
Industrial output (March 2020) -7.7% y/y
Retail sales (March 2020) -15.1% y/y
CPI inflation (April 2020) -1.2% y/y
SBITOP (May 15 2020) 811.5 (down 12.8% since January 03)
Registered unemployed (April 2020) 19.9% y/y (13.9% m/m)

Crisis response measures to date
Support for healthcare, firms, and (vulnerable) individuals
- Guarantees worth EUR 2bn (4% of GDP), with loans to SMEs to be guaranteed for up to 80%, and up to 70% for large companies.
- Public salary increases based on performance in key areas (healthcare, security).
- Corporate and income tax deferrals for up to 24 months and deferrals of bank loan repayments for up to 12 months.
- Wage subsidies for suspended workers, temporary basic income for the self-employed and allowances for pensioners, large families and students.
- Financing of all social contributions for firms continuing operation and co-financing 20% of employees’ wages.
- Electricity prices decreased by about 20% for the next three months.
- Additional funding available from state-owned bank (2% of GDP).
- As a Eurozone member, Slovenia will benefit from ECB measures to combat the crisis, including the needed liquidity and financial stability to the economy.

Selected crisis response indicators
Crisis response package (% of GDP) ca. 11% of GDP (first and second package)
Amount of normal salary covered 70% of net min. wage for self-employed, 80% for technical unemployment, 50% for parents at home
Payment holidays for taxes Up to 24 months
Payment holidays for loans Up to 12 months
Committed external assistance EUR 586 million (EU CRII)

Key short-term priorities
Provide liquidity to the economy, particularly SMEs; revenue support to vulnerable individuals; secure critical supply chains

To learn more about EBRD’s support to Slovenia visit: [https://www.ebrd.com/slovenia.html](https://www.ebrd.com/slovenia.html)

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