


January 2016

CCIS NEWS

CCIS FOCUS 2015



Gospodarska zbornica Slovenije
Chamber of Commerce and Industry of Slovenia

CCIS Focus
Report on the achievements, activities and new products of the Chamber of Industry and Commerce of Slovenia for 2015

ACHIEVEMENTS

BETTER BUSINESS ENVIRONMENT

 €72 million less burden on the economy due to the prevented mini-tax reform	 €25.5 million less burden on energy-intensive companies than forecasted in regard with environmental and energy-related fees	€15 million savings for the steel industry and for waste collectors and treatment operators owing to more realistic requirements for the storage of waste
 €13 million savings to provide a public utility service to operate public bus services	 €10 million less burden on energy-intensive companies on account of the lower contribution for renewable energy sources and combined heat and power generation	 €10 million relief for bus companies on account of the extension of the tax relief for the purchase of ecological buses

The CCIS measurable lobbying achievements for 2015 account for more than €300 million. FOCUS 2015 is a detailed report on our most important achievements, activities and new products.

UPCOMING EVENTS

22 January: Meeting of companies with the prime ministers of Hungary and Slovenia

Viktor Orbán, the Prime Minister of Hungary, will pay an official visit to Slovenia. He will be accompanied by the largest delegation to date, a 100-member delegation of Hungarian businessmen who intend to use the visit to establish new business

contacts with potential Slovenian partners.

The Chamber of Commerce and Industry of Slovenia and the SPIRIT Slovenia public agency will use this opportunity to organise a business meeting of Slovenian and Hungarian businessmen with the aim of promoting and strengthening business cooperation between the two countries. The meeting's participants will be addressed by the Prime Ministers of Hungary and the Republic of Slovenia, Viktor Orbán and Dr Miro Cerar.

24-27 January: Visit to the ARAB HEALTH fair, Dubai

The specialised healthcare fair will take place in Dubai between 25-28 January 2016. The fair that hosts over 4,000 corporate exhibitors from around the world is attended annually by 130,000 representatives of the professional public and represents an excellent platform for establishing business contacts and gaining an overview of the latest products and innovative technologies in the area of health care. A visit of Slovenian companies will be organised between 24-27 January.

3 February: WEDNESDAY IS NETWORKING DAY at the Chamber of Commerce and Industry of Slovenia – focusing on GERMAN-SPEAKING MARKETS

Here we will focus on the neighbouring German markets - Austria, Germany and Switzerland. We have invited 13 experts and businessmen who can provide you with the information needed for international business continuity. Networking is an excellent opportunity for individual meetings with experts and selected businessmen, excluding formalisms, speakers, focusing solely on one-on-one discussions.

11– 13 February: WIN EURASIA Metalworking

The WIN EURASIA Metalworking fair, the leading Eurasia metalworking and surface treatment trade fair, which is organised by Deutsche Messe, will take place on 11-14 February 2016 in Istanbul. Over 600 exhibitors from 30 countries will present their product programmes, technologies and business capacities at the fair. A visit of Slovenian companies will be organised between 11-13 January.

13-16 February: Visit to the fair in Bengaluru, India

We are organising the visit of Slovenian companies to the specialised forum for electrical equipment and materials for the transmission and distribution of power, ELECRAMA 2016, that will take place in Bengaluru, India on 13-17 February 2016. The fair that brings together over 1,000 companies from various parts of the world, is visited annually by 100,000 representatives of the professional public and serves as an excellent platform for establishing business contacts and to gain an overview of the latest products and innovative technologies in the area of electricity.

16 February: Management Board of the CCIS

Karl Erjavec, the Minister of Foreign Affairs, will be guest at the CCIS Management Board meeting and will illustrate the current political situation within the European Union and Slovenia's response to the implications of the refugee crisis. He will also speak about our relationship with our neighbours, Slovenia's diplomatic and consular network and the involvement of Slovenian diplomacy in the commercial sector around the world.

21-24 February: Visit to the GULFOOD trade show

We are organising the visit of Slovenian companies to the largest specialised food and hospitality trade show, GULFOOD, which will take place in Dubai on 21-24 February 2016. The fair that brings together more than 5,000 companies from various places around the world is attended annually by 85,000 representatives of the professional public and represents an excellent platform for establishing business contacts and to gain an overview of the latest products and innovative technologies in the area of food, beverages, hospitality, catering equipment, food service, etc.

BETTER REGULATION

13 January: "Horse trading" at the expense of woodworkers

The Slovenian wood-processing industry has supported the Act Managing the Forests Owned by the Republic of Slovenia throughout, as it expected a better supply of round wood than in the past. However, it warns that a new state-owned company should be established as soon as possible. Otherwise, the supply of round wood by wood-processing companies will be jeopardised once the concessions cease to be valid at the end of June 2016.

13 January: Drop in oil prices: a blessing or a financial September 11th?

At today's oil prices, most producers do not cover the marginal pumping costs, therefore the prices in the USD 20-40 range can, more or less, be labelled as temporary. Nevertheless, they can remain at the low levels for some time. In the commercial sense, Slovenia is not strongly exposed to countries that may be affected by an oil shock. However, that does not mean that a potential shock would not indirectly affect our exporters.

7 January: The second Koper-Divača railway line: decisive, transparent and prudent!

It is time to begin serious construction of the second Koper-Divača line, as it is of strategic importance to Slovenia. Therefore, we welcome the Government's decision to establish a project company based on a public-private partnership. However, an external audit of the project is vital, added Samo Hribar Milič, the General Manager of the CCIS.

29 December 2015: It is vital that measures are taken in 2016!

The economic trends that are monitored by the SKEP CCIS analytical group actually indicate a slight optimism for 2016. However, this coming year is also time that the government implements certain vital tasks. Otherwise Slovenia will lose the competitive advantages it still possesses at this time. The key to this will be to reduce and not increase public spending.

DATA SECTION

At least on paper, 2015 was successful, as a 2.5% rise in GDP is expected.

Registered unemployment fell to 11.7%, while public debt exceeded 80% of GDP. At the end of the year, consumer sentiment was at its highest in the last eight years. The number of transactions on the real estate market is growing, which is improving the outlook for employment in the services sector. The positive growth felt in this industry is even more important, as it has a profound effect on the creation of new jobs. The drop in energy product prices could be one of the key factors improving the trade surplus of Slovenia and Europe as a whole. This has not been overly mentioned, but significantly lower prices for metals and fuels have a similar effect to the tax unbundling of the corporate sector and consumption, which is good news. On the other hand this increases the government's room to manoeuvre in introducing different forms of levies, which is reflected in a smaller price reduction than forecast. The economic forecast for 2016 is good, both for Slovenia and the EU. The key trends are linked with the "installation" of lower raw material prices into final products. In general, the developed economies are in a relatively good condition (Europe, US, Japan). However, concerns remain this year, in particular regarding the production sector, since the US and Chinese PMIs are below 50, which implies a decline. However, the service sector, on the other hand, indicates further positive growth in the global economy (US services PMI above 55). A 2.5% growth in GDP is forecast for the US economy, which will be affected by the strong dollar, low raw material prices and weak emerging markets. Even Brent oil prices, on account of the difficulties of the Chinese economy, OPEC's decision to not cut oil production and the increased oil production (from shale) and in the context of the geopolitical relations, dropped to USD 30 per barrel at the beginning of this year. The aforementioned factors could pressure oil prices to drop to USD 20-30 per barrel. However, that is not a balanced position. Immense pressure has also appeared this year on account of the Asian currency wars. Financial markets are speculating that China wishes to significantly depreciate its currency, with the possibility of other countries, perceived as its competitors, following its lead and also depreciating their own currencies as a result. That could become problematic for Asian companies that took out loans (borrowing) in US dollars, thus not being able to pay-off their liabilities.

Below you will find some statistical data for Slovenia.

	Growth rates in % - in comparison to the same period of previous year	Latest data
GDP – real growth	2.5	3 rd quarter 2015
Consumer prices (HICP)	-0.5	Jan.-Dec. 2015
Export of goods	4.4	Jan.-Nov. 2015
Import of goods	2.2	Jan.-Nov. 2015
Industrial production (manufacturing)	4.8	Jan.-Nov. 2015
Retail sales (real)	0.8	Jan.-Nov. 2015
Construction (real)	-8.7	Jan.-Oct. 2015
<i>Exchange rate EUR/USD</i>	1.0877	Dec. 2015
Gasoline, unleaded, 95-oct. (EUR/litre)	1.175	Valid from Jan. 5 th , 2016

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