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Global flows of foreign direct investment (FDI) in 2023 were down 2% on the previous year at USD 1.3 trillion according to UNCTAD's World Investment Report, as trade and geopolitical tensions weakened the global economy.

Slovenia is a net recipient of FDI. Its inward investment is significantly larger than its outward investment. The stock of FDI as a ratio to GDP is lower in Slovenia than in the Visegrád Group or Croatia.

The **stock of inward FDI in Slovenia** amounted to EUR 22.1 billion at the end of 2023, up EUR 1.8 billion or 9.1% on the end of the previous year. The largest factor in the increase was retained earnings (EUR 0.8 billion), while the inflow of equity (EUR 0.5 billion) was half of that in the previous year, in the absence of any major corporate acquisitions. Profit distributions to foreign owners were in excess of EUR 1 billion for the third consecutive year.

The largest direct investments were in manufacturing, in financial and insurance activities, and in wholesale and retail trade and repair of motor vehicles and motorcycles. In terms of the owner's registered office, just over three-quarters of the investors were from the EU, with Austria ranked first. The source of FDI can be concealed by the complex ownership structures of multinational firms. This publication also gives a detailed breakdown of investment by the ultimate investing country, which reveals the greater importance of Germany, Hungary and the US compared with the breakdown by the first counterpart country according to the registered office of the owner.

The **stock of Slovenian outward FDI** amounted to EUR 9.4 billion at the end of 2023, up EUR 0.8 billion or 9.7% on the end of the previous year. Retained earnings were also the main driver (EUR 0.4 billion) of the increase in outward holdings, while the majority of the increase in equity (EUR 0.2 billion) consisted of real estate purchases in Croatia (EUR 118 million). Investments in real estate account for just over a quarter of outward FDI. Domestic firms' investments in foreign manufacturing firms account for a further quarter. Profit distributions in 2023 were the largest to date (EUR 0.3 billion), thanks above all to the profits of Slovenian investors in foreign firms in financial and insurance activities.

The five largest recipients of Slovenian outward FDI at the end of 2023 were four former Yugoslav republics and Russian Federation, who together accounted for almost the three-quarters of all outward FDI.

Table 1: **Stock of Slovenian outward FDI and inward FDI in Slovenia, EUR million**

End year	Stock of DI abroad				Stock of foreign DI in Slovenia			
	Total	Equity capital	Debt instruments		Total	Equity capital	Debt instruments	
			Assets	Liabilities			Assets	Liabilities
	1=2+3+4	2	3	4	1=2-3+4	2	3	4
2023	9,399.3	8,064.2	2,038.7	703.6	22,095.9	20,194.7	3,831.8	5,732.9
2022	8,567.5	7,395.4	1,953.8	781.7	20,248.4	18,584.0	3,685.0	5,349.4
2021	7,868.0	6,825.3	1,904.2	861.5	18,778.1	17,320.6	3,362.7	4,820.3
2020	7,016.3	5,963.7	1,768.5	716.0	16,663.8	15,737.2	2,854.7	3,781.4
2019	6,840.0	5,594.3	1,902.1	656.4	16,178.7	15,022.9	2,759.4	3,915.3

Source: Banka Slovenije.

Note: data also available on PX-Web - Select table (bsi.si)

Every year the United Nations Conference on Trade and Development (UNCTAD) draws up its World Investment Report, where it presents estimates of global flows of FDI in the past, and forecasts for the coming years. In its 2024 annual report, which discloses the data for 2023, UNCTAD states that global flows in FDI declined again last year.

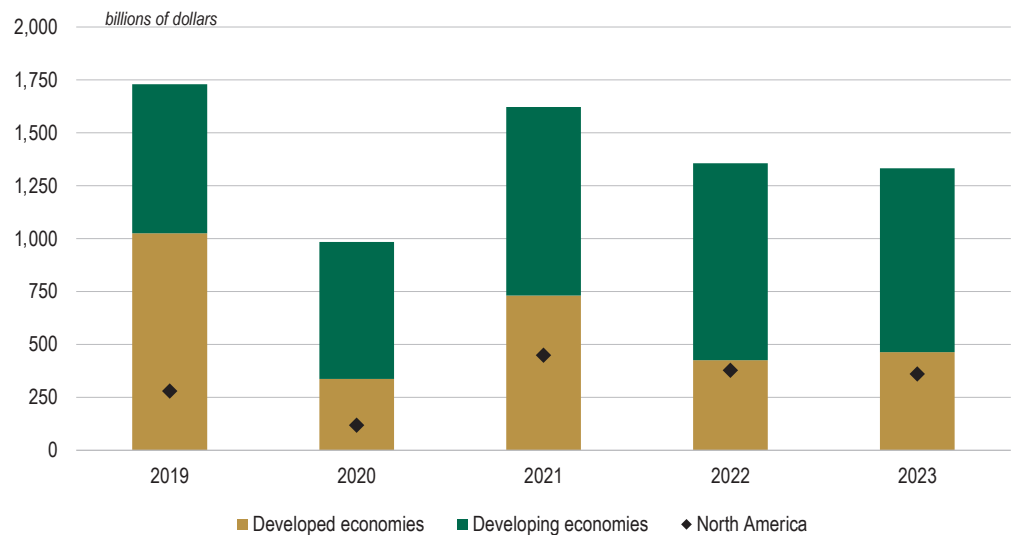
Global flows of FDI were down 2% on the previous year at USD 1.3 trillion, as trade and geopolitical tensions acted to slow the global economy.

Developed economies were the recipients of just under 35% of total inward FDI in 2023, with inflows of USD 464 billion, up 9% on 2022. This increase was attributable most of all to the transactions of multinational firms, partly in connection with the introduction of minimum taxation for the largest multinationals. Flows of inward FDI in Europe jumped from a negative total of USD 106 billion in 2022 to a positive total of USD 16 billion in a small number of conduit countries. Inflows in the rest of Europe declined by 14%. Inflows in other developed economies also stagnated, with a 5% decline in North America and significant declines elsewhere.

Developing countries received more than 65% of total inward FDI. The total of USD 867 billion was down 7% on the previous year, driven primarily by a decline of 8% in developing countries in Asia.

The US remains by far the largest recipient of FDI, with Japan in second, followed by China, Switzerland, Hong Kong and Germany. Together they accounted for 78.5% of all inward FDI in 2023.

Figure 1: Flows in inward FDI, 2019 to 2023

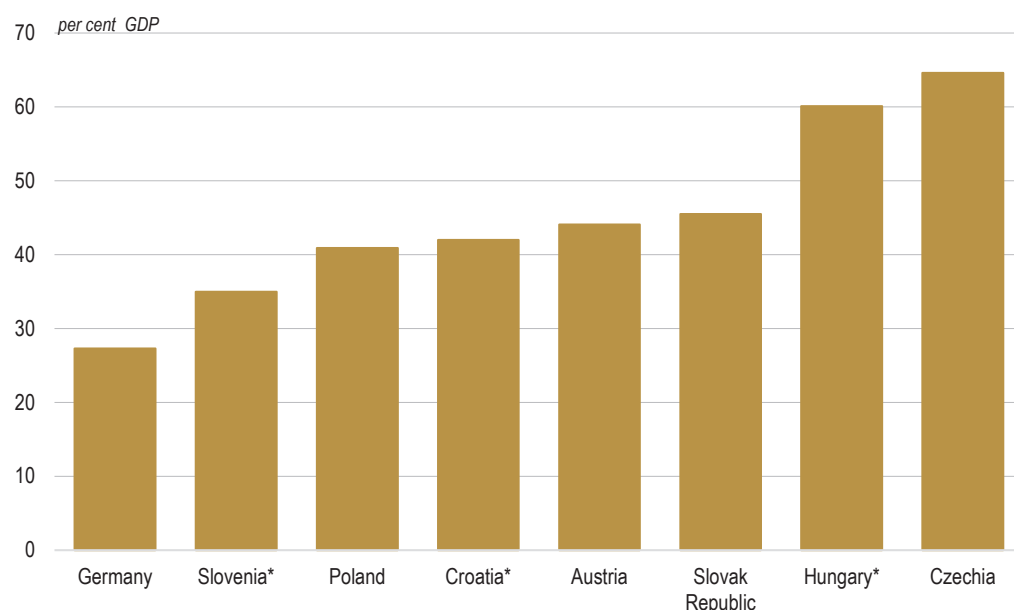


Source: UNCTAD World Investment Report 2024.

UNCTAD finds that the global environment for international business remains difficult in 2024.

To make it easier to directly compare the relative values of FDI, Figure 2 illustrates the OECD data on inward FDI stocks as percentages of GDP for selected countries in 2023, and the latest Eurostat data for Croatia for 2022. The selected countries were determined according to (i) their trading partnership with Slovenia, and/or (ii) their membership of the EU and comparability with Slovenia in terms of region or GDP.

Figure 2: Ratio of stock of inward FDI to GDP in selected countries in 2023



Sources: OECD, Eurostat, Sstat, own data and Banka Slovenije calculations

* Slovenia: own conversions with regard to SORS data. Croatia: own conversions, data for 2022. Hungary: data for Resident Operating Units (Non-SPEs), which better reflects the actual stock of investment, while the data for All Resident Units is used for all other countries.

The figure illustrates that the stock of inward FDI amounted to 34.6% of GDP in Slovenia in 2023, significantly less than in the other comparable countries with the exception of Germany, which, together with Austria, is primarily a net investor country rather than a net recipient of FDI. The largest ratio of inward FDI to GDP is recorded by Czechia, with almost double the figure of Slovenia. It is followed by Hungary and Slovakia, which are also far ahead of Slovenia in terms of the stock of inward FDI as a ratio to GDP, by 30 percentage points and 10 percentage points respectively. Only the FDI data for 2022 is currently available for Croatia, and it shows Croatia to also be ahead of Slovenia in terms of the stock of inward FDI as a ratio to GDP, by 7 percentage points. Poland is closest to Slovenia in terms of the relative figure, but it is still 6 percentage points higher.

INWARD FOREIGN DIRECT INVESTMENT IN SLOVENIA

3.1 Stocks and transactions in inward FDI in Slovenia

The **stock of inward FDI in Slovenia** amounted to EUR 22.1 billion at the end of 2023, equivalent to 34.6% of GDP. The figure was up EUR 1.8 billion or 9.1% on the previous year. The largest factor in the increase was transactions in reinvested earnings, which remained relatively similar to the previous year, while inflows from transactions in equity halved compared with the previous year. Other factors in the increase were positive other changes in equities and debt instruments, and, to a lesser extent, transactions in debt instruments.

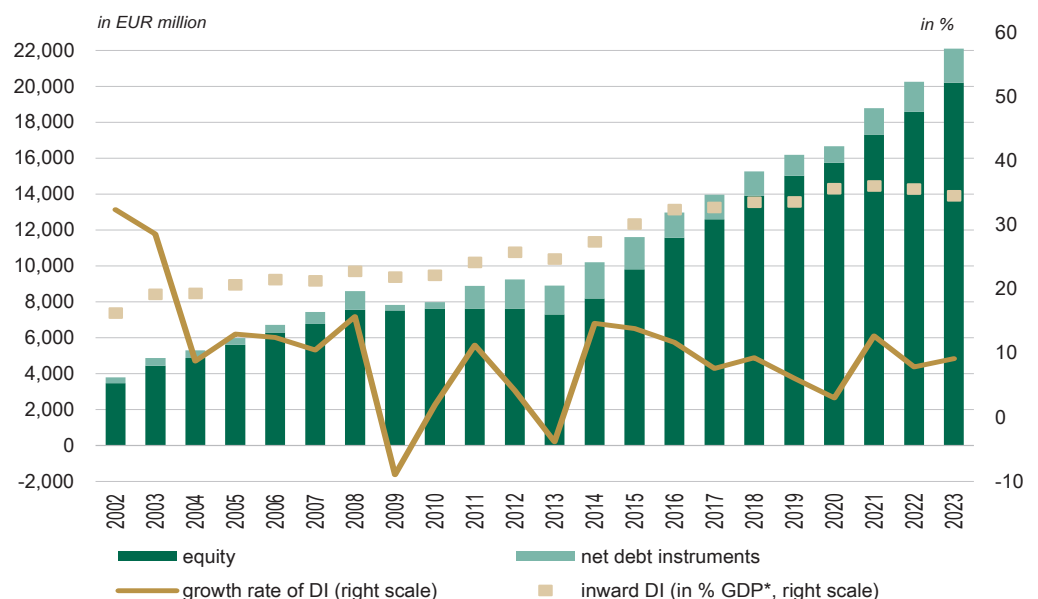
Table 2: Stocks and flows in inward FDI in Slovenia

	End-year stock	Transactions	Price changes	Other changes	End-year stock
EUR million	2022	2023	2023	2023	2023
Total (1+2)	20,248.4	1,363.1	81.2	403.3	22,095.9
1. Equity capital and reinv. earnings (a+b)	18,584.0	1,332.7	81.2	196.9	20,194.7
a) Equity capital transactions		488.6			
b) Reinv. earnings transactions		844.1			
2. Debt instruments (d-c)	1,664.4	30.4		206.4	1,901.1
c) Assets	3,685.0	38.9		107.8	3,831.8
d) Liabilities	5,349.4	69.3		314.2	5,732.9

Source: Banka Slovenije.

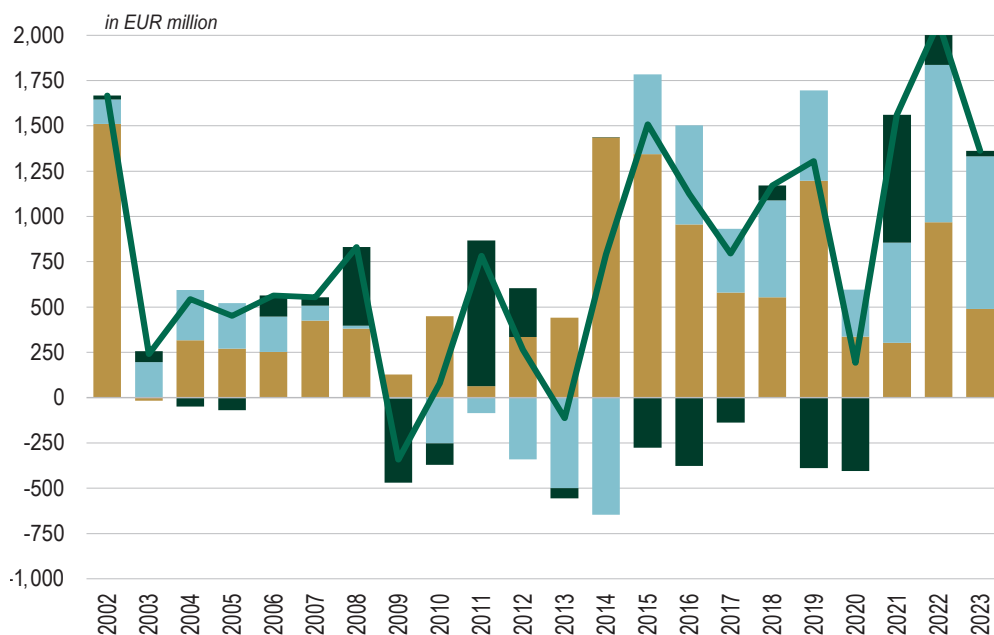
Similarly to the previous year, foreign investors again opted for high **reinvested earnings** in 2023: these amounted to EUR 844 million, down 2.9% on the previous year. The largest reinvested earnings were recorded by manufacturing firms, whose total of EUR 353 million accounted for 41.9% of all reinvestment. Firms in financial and insurance activities reinvested EUR 313 million in 2023, or 37.1% of all reinvestment, just slightly less than in 2022. The reinvested earnings of firms in wholesale and retail trade and repair of motor vehicles and motorcycles were up a third on 2022 at EUR 139 million in 2023, or 16.4% of all reinvestment.

Figure 3: Inward FDI in Slovenia - stocks



Source: Banka Slovenije.

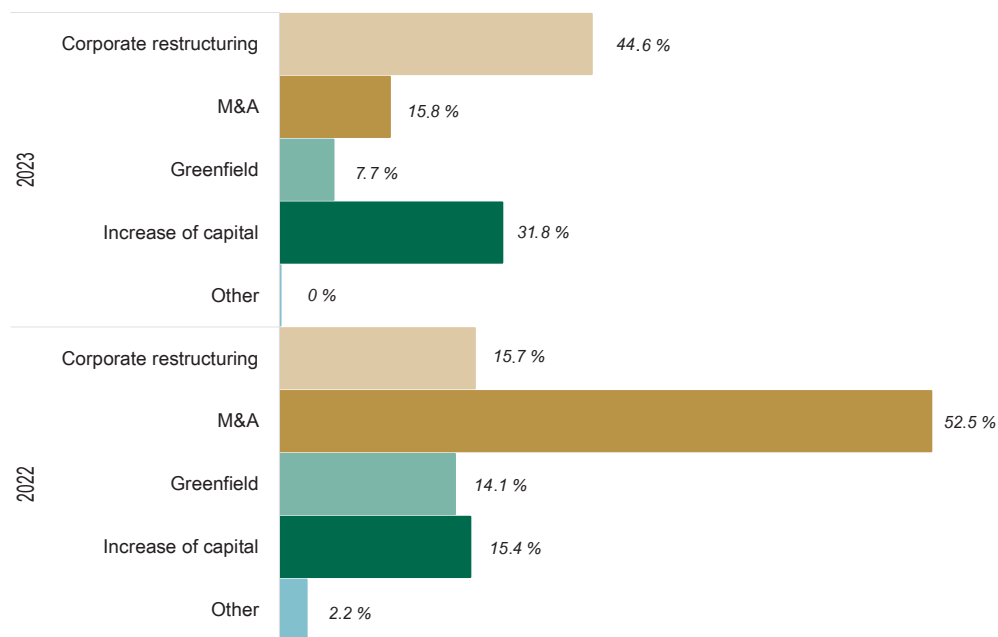
Figure 4: Inward FDI in Slovenia - transactions



Source: Banka Slovenije.

The stock of inward FDI was also increased by EUR 489 million in 2023 by **transactions in equity**, although they were down a half on 2022. Manufacturing accounted for almost half of the net inflows of equity.¹ There were net inflows of equity in the amount of EUR 109 million in professional, scientific and technical activities, and EUR 100 million in financial and insurance activities. While acquisitions of major Slovenian firms in financial and insurance activities accounted for 52.5% of equity inflows in 2022, in 2023 there were no similar transactions. Just under half of the total equity inflows consisted of the conversion of debt into equity in domestic firms (restructuring), mostly in professional, scientific and technical activities and in financial and insurance activities. Recapitalisations of firms were also a major driver of the increase in equity, accounting for just under a third of the total inflows, mostly in manufacturing and in wholesale and retail trade and repair of motor vehicles and motorcycles.

Figure 5: Breakdown of equity inflows by purpose in 2022 and 2023



Source: Banka Slovenije.

¹ Net inflows are purchases (increases) minus sales (decreases) of equity.

The increase in the stock of equity was also attributable to positive **price changes** (EUR 81.2 million) and **other changes** (EUR 197 million).

The **stock of equity** had reached EUR 20.2 billion by the end of 2023, up EUR 1.6 billion or 8.7% on the end of the previous year. Equity accounts for 91.4% of the total stock of inward FDI, while net liabilities to foreign investors account for the remaining 8.6%. The majority (96.3%) of the non-residents' equity comprised firms that are not listed on a stock exchange, while just 1.0% consisted of firms listed on a stock exchange.

Table 3: Inward FDI in Slovenia in the form of equity, stock at year end

By type of domestic companies	2022		2023	
	EUR million	%	EUR million	%
Total (1.+2.+3.)	18,584.0		20,194.7	
1. Equity stocks in listed joint-stock companies at market value	141.2	0.8	196.9	1.0
Equity stocks in listed joint-stock companies at book value	155.8		173.5	
2. Equity stocks in other companies at book value	17,952.4	96.6	19,455.4	96.3
3. Real-estate	490.3	2.6	542.5	2.7

Source: Banka Slovenije.

Transactions in debt instruments accounted for a modest EUR 30 million of the increase in FDI in 2023, while other changes in debt instruments contributed a further EUR 206 million, as a result of the restructuring of domestic firms' financial debts to foreign owners. The significant additional debt financing of domestic firms from transactions by foreign owners seen in the two previous years was not repeated in 2023.

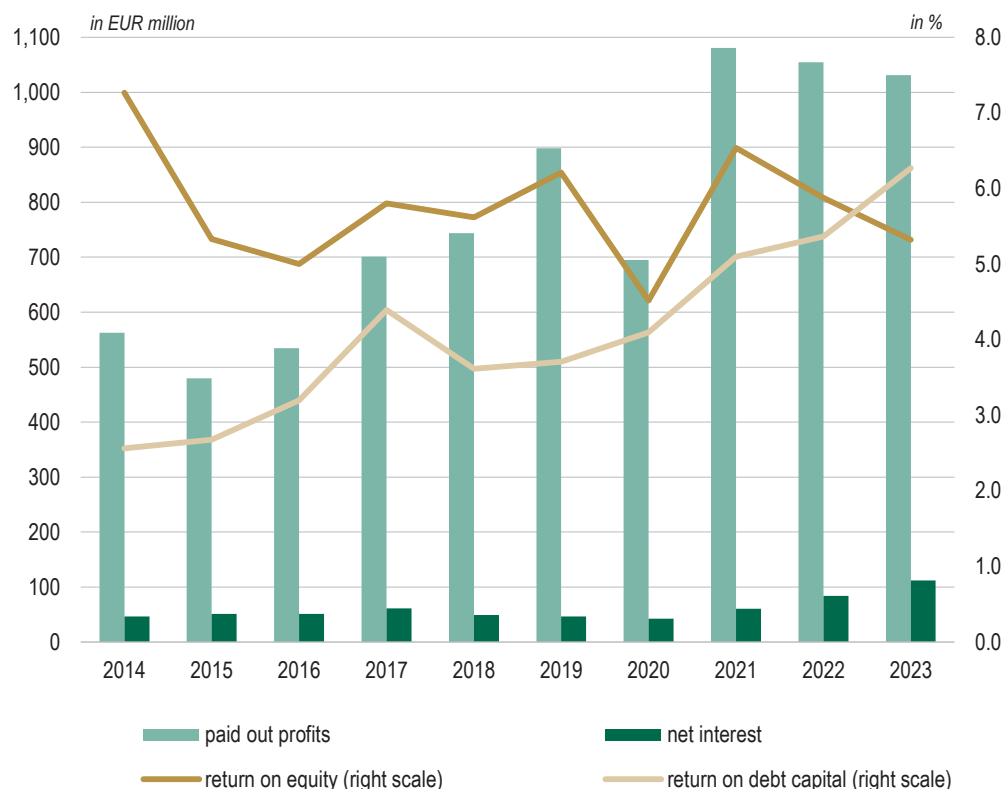
The **stock of debt instruments (net assets)** stood at EUR 1.9 billion at the end of 2023, up EUR 237 million on the previous year. Foreign direct investors were net financiers of domestic firms throughout the period of 2003 to 2023. The proportion of the stock of inward FDI accounted for by debt instruments averaged 10.0% over this period, but stood slightly lower at the end of 2023 (8.6%).

In line with the increased investment by non-residents, their net profits and consequently their **profit distributions** have also been rising over the years.² The extremely high level of the latter is particularly evident since the Covid-19 pandemic, with profit distributions averaging over EUR 1 billion between 2021 and 2023, compared with almost two-fifths less between 2014 and 2021. Foreign owners thus received just over EUR 1 billion in profit distributions in 2023, just 4.5% less than the record figure from 2021. In terms of the activity of the domestic firm, the largest profit distributions were recorded by firms in manufacturing (EUR 292 million or 33.8% of the total), wholesale and retail trade and repair of motor vehicles and motorcycles (EUR 238 million or 23.2%) and financial and insurance activities (EUR 230 million or 22.3%).

Another source of income for foreign owners is **interest** on the debt financing of firms in Slovenia. This is a less important income source: it accounted for just 5.6% of the total income in 2023, as foreign owners received EUR 112 million in net interest.

² The rise in net profits and profit distributions over the timeline of the statistics is not attributable solely to the rise in foreign investment in Slovenia, but also to performance of these firms.

Figure 6: Income from inward FDI in Slovenia



Source: Banka Slovenije.

The average return³ ($\frac{(\text{profit distributions} + \text{net interest})}{(\text{average stock of FDI})}$) on the average stock of total inward FDI was 5.3% between 2014 and 2022, but in 2023 it was higher, at 5.4%. The average return on equity ($\frac{(\text{profit distributions})}{(\text{average stock of equity})}$) over the observation period of 2014 to 2022 was 5.8% (5.3% in 2023), while the average return on debt capital ($\frac{(\text{net interest})}{(\text{average stock of debt capital})}$) was 3.9% (6.3% in 2023).

3.2 Inward FDI in Slovenia by activity and by investor country⁴

The breakdown of FDI by activity shows foreign investors' largest holdings to be in domestic firms in manufacturing. The stock of FDI in this activity amounted to EUR 7.4 billion at the end of 2023, and accounted for a third of total inward FDI. Manufacturing also saw the largest increase in FDI in the amount of EUR 744 million, almost half of which consisted of reinvested earnings, while transactions in equity accounted for just over a quarter. The stock of FDI at the end of 2023 amounted to EUR 4.7 billion in financial and insurance activities (21.2% of total inward FDI), and EUR 3.9 billion in wholesale and retail trade and repair of motor vehicles and motorcycles (17.8%), following increases during the year of EUR 476 million (EUR 313 million in reinvested earnings, and a further fifth in the form of transactions in equity) and EUR 168 million (mostly reinvested earnings) respectively.

³ Real estate under foreign ownership is excluded from the calculation of the average returns on FDI and equity.

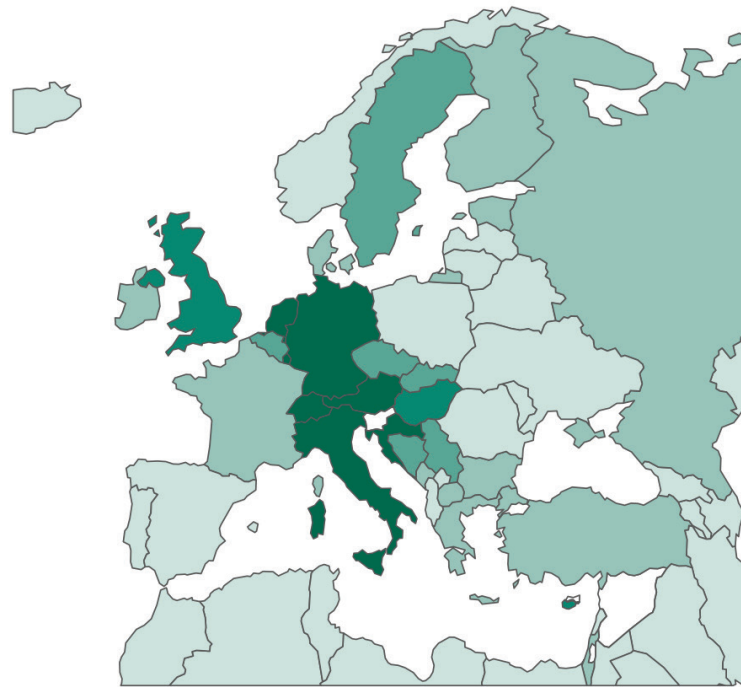
⁴ The breakdown of investments by investor country is done according to the registered office of the direct investor (the first counterpart), and not the registered office of the multinational firm (the ultimate beneficial owner).

Table 4: Inward FDI in Slovenia: year-end stock, annual transactions, price changes and other changes, by activity

Year	2021	2022	2023	2023	2023	2023	2023
in EUR millions	Position	Position	Transactions	Price changes	Other changes	Position	Position in %
Total	18,778.1	20,248.4	1,363.1	81.2	403.3	22,095.9	100.0
of that							
C Manufacturing	5,876.5	6,661.4	629.0	-5.8	122.1	7,406.7	33.5
K Financial and insurance activities	4,131.5	4,210.8	436.0	63.7	-23.2	4,687.3	21.2
G Wholesale and retail trade, repair of motor vehicles and motorcycles	3,673.4	3,761.9	99.8	0.0	68.3	3,930.1	17.8
J Information and communication	1,090.4	1,202.9	71.1	0.1	61.8	1,335.8	6.0
L Real estate activities	1,109.7	1,202.6	28.8	19.7	60.7	1,311.7	5.9
M Professional, scientific and technical activities	902.5	884.2	10.3	0.0	-29.9	864.5	3.9
D Electricity, gas, steam and air conditioning supply	496.6	642.5	-49.8	0.0	-19.7	573.0	2.6
H Transportation and storage	328.5	378.2	38.8	0.0	53.8	470.8	2.1
F Construction	219.9	270.1	49.5	-29.9	98.8	388.5	1.8
Real estate	440.3	490.3	18.7	33.5	0.0	542.5	2.5

Source: Banka Slovenije.

Figure 7: Inward FDI in Slovenia held by European investor countries, end-year 2023



EUR million < 10 10 - 100 100 - 500 500 - 1000 >= 1000
 Source: Banka Slovenije.

The most prominent investor countries are EU Member States, whose stock of inward FDI amounted to EUR 17.1 billion at the end of 2023, or 77.6% of total inward FDI in Slovenia. The top five investor countries accounted for just over three-fifths of the total stock of inward FDI in Slovenia at the end of 2023.

Table 5: Inward FDI in Slovenia: year-end stock, annual transactions, price changes and other changes, by country

Year	2021	2022	2023	2023	2023	2023	2023
in EUR millions	Position	Position	Transactions	Price changes	Other changes	Position	Position in %
EU 27	14,684.6	15,906.0	835.1	104.7	293.2	17,139.1	77.6
of that							
Austria	4,593.1	4,664.6	204.8	12.8	-99.5	4,782.7	21.6
Luxembourg	2,213.0	2,366.4	279.0	48.7	190.1	2,884.2	13.1
Germany	1,496.9	1,848.1	79.6	1.3	-1.3	1,927.7	8.7
Croatia	1,790.5	1,726.3	-72.0	19.8	5.0	1,679.1	7.6
Italy	1,283.1	1,370.7	100.8	17.2	59.8	1,548.5	7.0
Netherlands	1,341.4	1,222.7	181.9	-4.3	146.7	1,547.1	7.0
Cyprus	610.3	944.5	28.3	14.8	-154.3	833.2	3.8
Hungary	494.9	573.2	63.7	-2.3	58.1	692.8	3.1
Czechia	308.0	384.6	-19.1	-0.2	27.1	392.4	1.8
Sweden	136.3	204.9	7.6	0.4	11.8	224.7	1.0
Belgium	94.4	156.3	-15.7	-2.0	8.7	147.3	0.7
Slovakia	70.6	108.4	-0.9	-0.4	3.6	110.7	0.5
France	7.3	131.0	-17.2	2.1	-9.2	106.8	0.5
Denmark	43.9	55.3	18.1	-0.7	4.2	76.9	0.3
Other countries	4,093.5	4,342.3	528.0	-23.6	110.1	4,956.8	22.4
of that							
Switzerland	2,074.8	2,308.3	114.3	-2.3	20.0	2,440.3	11.0
United Kingdom	461.8	568.8	-8.0	-21.0	-1.7	538.0	2.4
Hong Kong	225.5	224.2	241.6	0.0	1.2	466.9	2.1
Serbia	590.3	397.9	5.3	-0.1	32.2	435.4	2.0
Bosnia and Herzegovina	97.4	103.4	39.1	4.7	19.1	166.3	0.8
United States	104.7	125.7	11.7	-0.8	11.9	148.5	0.7
United Arab Emirates	74.5	78.4	27.1	-0.5	2.6	107.7	0.5
North Macedonia	46.3	68.8	15.7	-1.1	8.1	91.6	0.4
Japan	56.6	61.4	-0.8	0.1	0.4	61.1	0.3
Liechtenstein	42.2	48.4	1.3	0.4	1.0	51.0	0.2
Russian Federation	148.4	139.1	-60.9	-1.6	-26.1	50.5	0.2
Montenegro	24.4	29.7	15.5	-0.7	0.4	44.9	0.2
Türkiye	12.9	34.4	2.6	-1.3	-5.3	30.4	0.1
Total	18,778.1	20,248.4	1,363.1	81.2	403.3	22,095.9	100.0

Source: Banka Slovenije.

The most important investor country remains Austria, which held just over a fifth of all inward FDI in Slovenia at the end of 2023. The stock of Austrian investors' FDI stood at EUR 4.8 billion at the end of the year, up EUR 118 million or 2.5% on the previous year. The increase was driven by reinvested earnings (EUR 211 million), while other changes in equity instruments remained negative (in the amount of EUR 87 million), as a result of a transfer of ownership to residents of another country. Austrian investors' largest holdings were in:

- manufacturing (35.3% of the total),
- wholesale and retail trade and repair of motor vehicles and motorcycles (20.4%),
- financial and insurance activities (12.2%), and
- real estate activities (9.8%).

Luxembourg was the second largest investor at the end of 2023, with holdings of EUR 2.9 billion or 13.1% of the total. The stock was up EUR 518 million or just over a fifth on the previous year, of which EUR 73 million consisted of reinvested earnings, while the remainder was attributable to major financial restructuring in manufacturing, which was reflected in debt instruments. The largest holdings of investors from Luxembourg are in:

- financial and insurance activities (46.2% of the total),
- manufacturing (27.2%), and
- information and communication (19.4%).

The third-ranked investor country in terms of inward FDI stock was **Switzerland** (11.0% of the total). The stock of inward FDI held by Swiss investors increased by EUR 132 million or 5.7% in 2023, to stand at EUR 2.4 billion at the end of the year. The increase was driven by reinvested earnings in the amount of EUR 161 million, which were mostly recorded in manufacturing, where Swiss investors also have their largest holdings (68.0% of the total). The other activities that hold the largest inward investment from Switzerland are:

- wholesale and retail trade and repair of motor vehicles and motorcycles (16.9%), and
- real estate activities (6.8%).

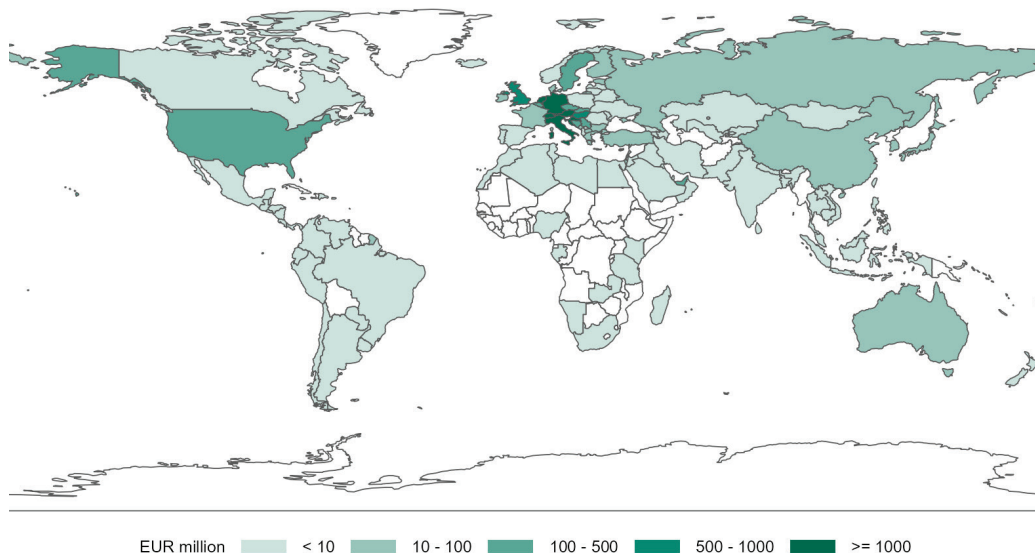
Investors from **Germany** had holdings of EUR 1.9 billion at the end of 2023, or 8.7% of total inward FDI in Slovenia. The increase of EUR 80 million was mostly attributable to reinvested earnings. German firms have their largest holdings in:

- manufacturing (50.0% of the total),
- wholesale and retail trade and repair of motor vehicles and motorcycles (28.6%), and
- transportation and storage (7.7%).

Croatia held EUR 1.7 billion of investments or 7.6% of total inward FDI in Slovenia at the end of 2023, making it the fifth most important investor country. Its holdings declined slightly over the course of the year (by EUR 47 million). The main factor in the decline was a reduction in debt, mostly in wholesale and retail trade and repair of motor vehicles and motorcycles, which exceeded the aggregate of reinvested earnings and the modest net inflow of equity. The largest holdings of Croatian investors are in:

- wholesale and retail trade and repair of motor vehicles and motorcycles (35.6% of the total),
- financial and insurance activities (19.4%),
- electricity, gas, steam and air conditioning supply (17.2%), and
- manufacturing (17.1%).

Figure 8: Inward FDI in Slovenia by investor country, end-year 2023



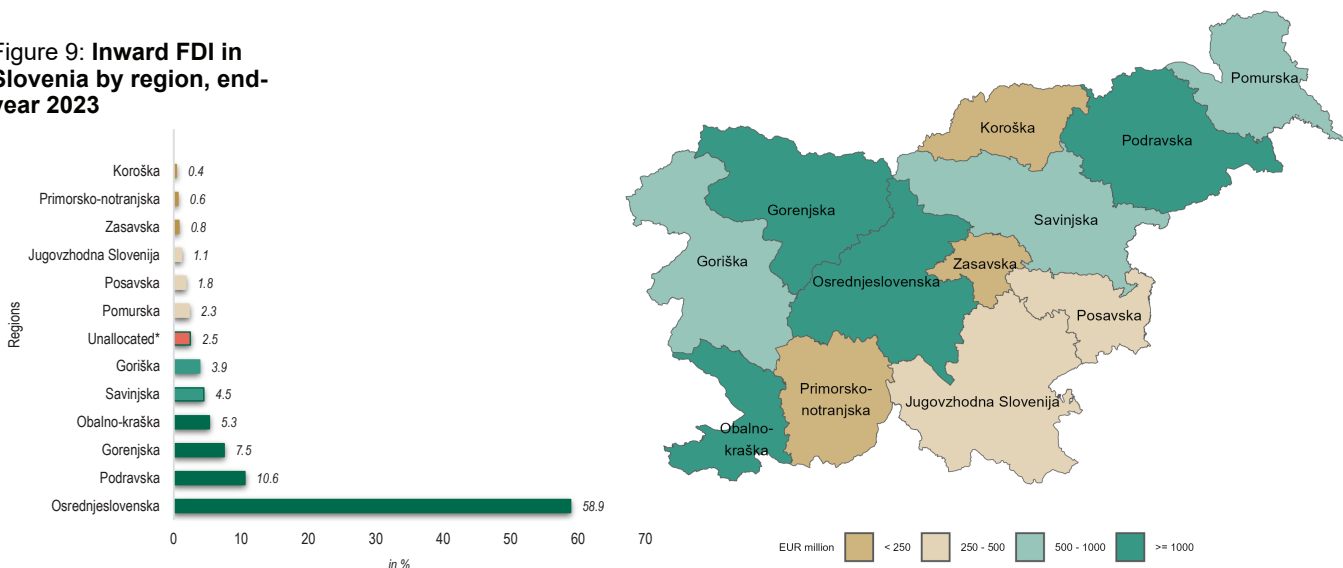
Source: Banka Slovenije.

3.3 Regional breakdown of inward FDI in Slovenia

In the breakdown of FDI by **statistical region**, the highest concentration in total inward FDI in value terms over the entire observation period has been in the Osrednjeslovenska region, which accounted for 58.9% of the total stock at the end of 2023. It was followed by the Podravska region (10.6%), Gorenjska region (7.5%), Obalno-kraška region (5.3%) and Savinjska region (4.5%). The remaining eight regions together accounted for 13.3% of total inward FDI.

There has been no significant change in the regional breakdown of FDI since monitoring of the statistics began. In absolute terms, the Osrednjeslovenska region was the recipient of the largest increase in FDI in 2023, in the amount of EUR 1.2 billion or 10.2%, taking its total to EUR 13.0 billion; it was followed by the Podravska region (an increase of EUR 214 million or 10.1%). The regions with the lowest inward FDI at the end of 2023 were Koroška region, which accounted for 0.4% of the total (EUR 86 million), followed by Primorsko-notranjska region (0.6% or EUR 138 million) and Zasavska region (0.8% or EUR 168 million).

Figure 9: Inward FDI in Slovenia by region, end-year 2023



Source: Banka Slovenije.

* The unallocated part represents non-residents' holdings of real estate.

3.4 Ultimate investing country of inward FDI in Slovenia

The ultimate source of inward FDI can be concealed by the complex structures of multinational firms, as a result of various factors (financing of global production networks, optimisation of the tax burden and other regulatory burdens, etc.). The breakdown of inward FDI in Slovenia with regard to the ultimate investing country rather than first counterpart country provides insight into where control actually resides. However there are limitations in determining ultimate investing countries, as domestic entities do not always have the detailed ownership schemes of their owners available. The best assessment can also be used for this illustration.

Germany, Hungary and the **US** were the countries that had significantly larger holdings as **ultimate investing country** than as **first counterpart** at the end of 2023. Germany held ultimate control of FDI in the amount of EUR 3.1 billion or 13.9% of the total, immediately behind Austria, which is the most important investor as ultimate investing country and as first counterpart, with a share of 14.2%. Germany was followed by Hungary, with a 9.2% share, which also had the largest gap between its holdings as ultimate investing country and as first counterpart (EUR 1.3 billion). The US, which held ultimate control of 5.7% of all inward FDI, also had a large gap in favour of its holdings as ultimate investing country (EUR 1.1 billion).

German ultimate investors make significant investments in Slovenia via Austrian affiliates and branches. The largest increase over the course of 2023 (EUR 1.4 billion) was recorded by **Hungarian** ultimate investors via affiliates headquartered in Luxembourg. These were investments in the financial activity, where it also holds significant investments as first counterpart. By contrast **US** ultimate investors opted to sell off many of their indirect holdings via Luxembourg as the conduit. Despite reducing their holdings by EUR 700 million compared with the previous year, they retained significant holdings via affiliates headquartered in Luxembourg and the Netherlands. Investors from Italy also have significant holdings in Slovenia, via affiliates headquartered in the Netherlands and Croatia, while investors from Japan have significant holdings via Austrian affiliates.

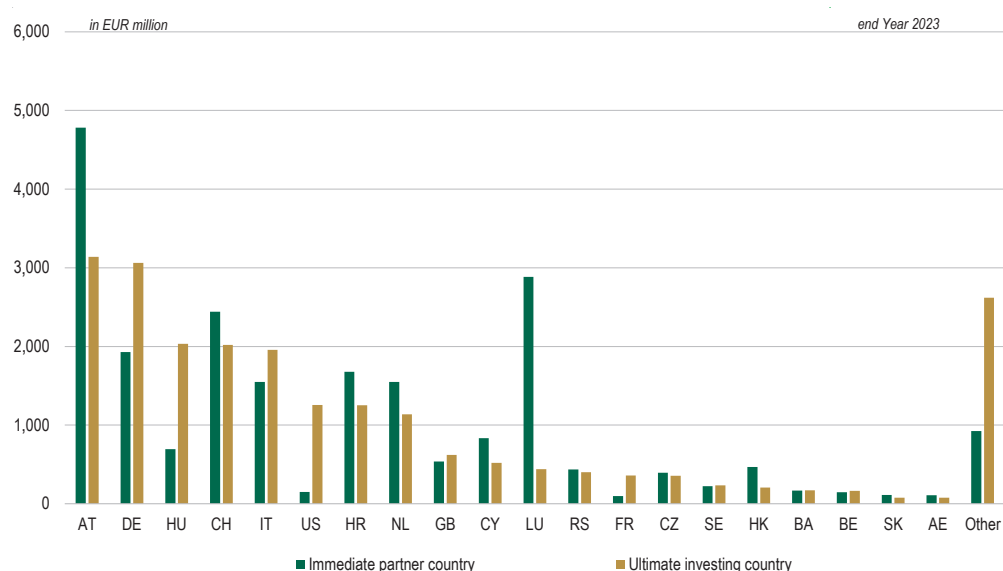
Luxembourg, Austria, Croatia, Switzerland and the **Netherlands** were the most common conduit countries via which **ultimate investors from other countries controlled their investments in Slovenia**. In terms of absolute value, the largest gap between the holdings as first counterpart and as ultimate investing country belongs to **Luxembourg**: its holdings are EUR 0.4 billion as ultimate investing country, and EUR 2.9 billion as first counterpart. The main investors in Slovenia via Luxembourg were Hungary, the US and the Netherlands. **Austria** held EUR 4.8 billion of FDI as first counterpart, but EUR 1.6 billion less as ultimate investing country. The most notable investors in Slovenia via Austria are Germany, Hong Kong, Mexico and Japan. **Croatia, Switzerland** and the **Netherlands** all had a significant gap in favour of their holdings as first counterpart compared with their holdings as ultimate investing country (each of EUR 0.4 billion). Switzerland acts as a major conduit for ultimate investors from Austria and the US, Croatia for ultimate investors from Hungary, and the Netherlands for ultimate investors from the US.

Table 6: **Stocks of inward FDI in Slovenia as first counterpart country and as ultimate investing country**

Year	2022		2023	
EUR million	Immediate partner country	Ultimate investing country	Immediate partner country	Ultimate investing country
Austria	4,664.6	3,037.3	4,782.7	3,138.1
Germany	1,848.1	2,885.3	1,927.7	3,063.1
Hungary	573.2	636.2	692.8	2,032.2
Switzerland	2,308.3	1,832.2	2,440.3	2,018.4
Italy	1,370.7	1,689.7	1,548.5	1,956.3
United States	125.7	1,925.3	148.5	1,256.0
Croatia	1,726.3	1,419.7	1,679.1	1,253.0
Netherlands	1,222.7	1,050.5	1,547.1	1,135.4
United Kingdom	568.8	603.9	538.0	620.6
Cyprus	944.5	483.9	833.2	520.6
Slovenia	-	444.7	-	446.3
Luxembourg	2,366.4	399.9	2,884.2	439.6
Japan	61.4	421.4	61.1	408.4
Serbia	397.9	351.7	435.3	399.9
France	124.0	391.7	97.0	360.2
Czechia	384.6	354.7	392.4	355.1
Mexico	2.8	237.1	2.3	256.8
Sweden	204.9	232.2	224.7	235.1
Russian Federation	139.1	248.9	50.5	220.7
Hong Kong	224.2	139.7	466.9	205.7
Other	990.1	1,462.3	1,343.6	1,774.2
Total	20,248.4	20,248.4	22,095.8	22,095.8

Source: Banka Slovenije.

Figure 10: **Inward FDI in Slovenia with regard to first counterpart country and ultimate investing country**



Source: Banka Slovenije.

SLOVENIAN OUTWARD FOREIGN DIRECT INVESTMENT

4.1 Stocks and transactions in Slovenian outward FDI

The stock of Slovenian outward FDI amounted to EUR 9.4 billion at the end of 2023, equivalent to 14.7% of GDP. This was up 9.7% (or EUR 832 million) on the previous year, driven by reinvested earnings, followed by transactions (net inflows) in equity.

Table 7: **Stocks and flows in Slovenian outward FDI**

	End-year stock	Transactions	Price changes	Other changes	End-year stock
EUR million	2022	2023	2023	2023	2023
Total (1+2)	8,567.5	791.1	180.5	-139.9	9,399.3
1. Equity capital and reinv. earnings (a+b)	7,395.4	572.5	180.5	-84.2	8,064.2
a) Equity capital transactions		180.1			
b) Reinvested earnings transactions		392.4			
2. Debt instruments (c-d)	1,172.1	218.6		-55.7	1,335.0
c) Assets	1,953.8	154.1		-69.3	2,038.7
d) Liabilities	781.7	-64.5		-13.6	703.6

Source: Banka Slovenije.

The **stock of equity** had reached EUR 8.1 billion by the end of 2023, up 9.0% on the end of the previous year. The largest factor in the increase in equity was **foreign firms' reinvested earnings** in the amount of EUR 392 million, up EUR 73 million on last year's figure. The largest increase in reinvested earnings compared with the previous year was the EUR 35 million in manufacturing, which accounted for just over a quarter (25.6%) of all reinvested earnings. A third of all retained earnings (33.4%) in 2023 were generated by Slovenian owners and co-owners of foreign firms in financial and insurance activities, similar to the previous year. There was also an increase in retained earnings in wholesale and retail trade and repair of motor vehicles and motorcycles, in the amount of EUR 16 million compared with the previous year; this activity accounted for 21.6% of total retained earnings. The majority of retained earnings (79.3%) were generated in former Yugoslav republics, most notably in Serbia (EUR 108 million) and in Bosnia and Herzegovina (EUR 61 million).

Equity was further increased in 2023 by the **net inflows of equity to non-residents from Slovenian investors** in the amount of EUR 180 million. Two-thirds of the increase (EUR 118 million) consisted of net purchases of real estate in Croatia. Slovenian investors also saw increased net inflows of equity at foreign firms in Croatia, Montenegro and North Macedonia in financial and insurance activities (EUR 52 million), manufacturing (EUR 37 million) and transportation and storage (EUR 25 million). The overall net increase was reduced by EUR 76 million by the sale of holdings in Serbia.

Price changes acted to increase the equity holdings by EUR 181 million, while other changes reduced them by EUR 84 million.

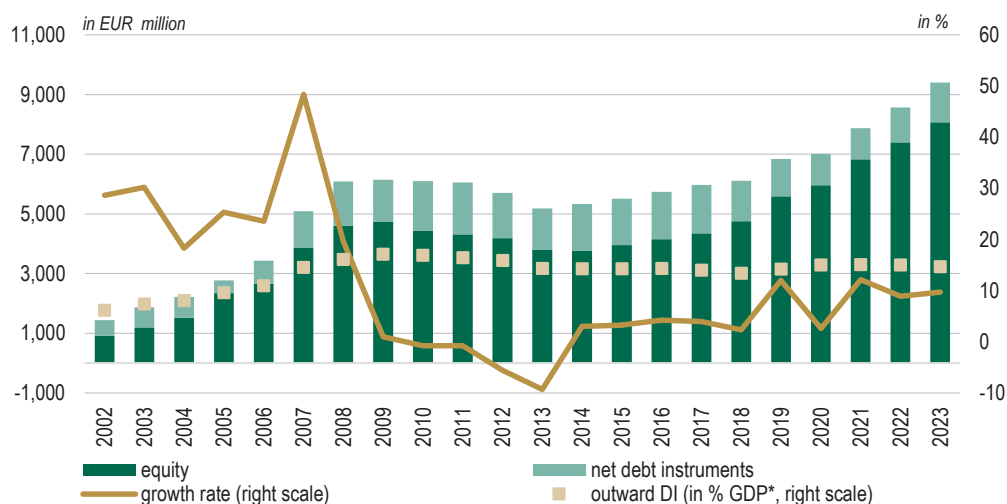
Table 8: Slovenian outward FDI in the form of equity, year-end stock, by organisational form of foreign firm

	2022		2023	
	EUR million	%	EUR million	%
Total (1.+2.+3.)	7,395.4	100.0	8,064.2	100.0
1. Equity stocks in listed joint-stock companies at market value	71.8	1.0	104.1	1.3
Equity stocks in listed joint-stock companies at book value	110.6		141.7	
2. Equity stocks in other companies at book value	5,114.4	69.2	5,522.9	68.5
3. Real-estate	2,209.2	29.9	2,437.2	30.2

Source: Banka Slovenije.

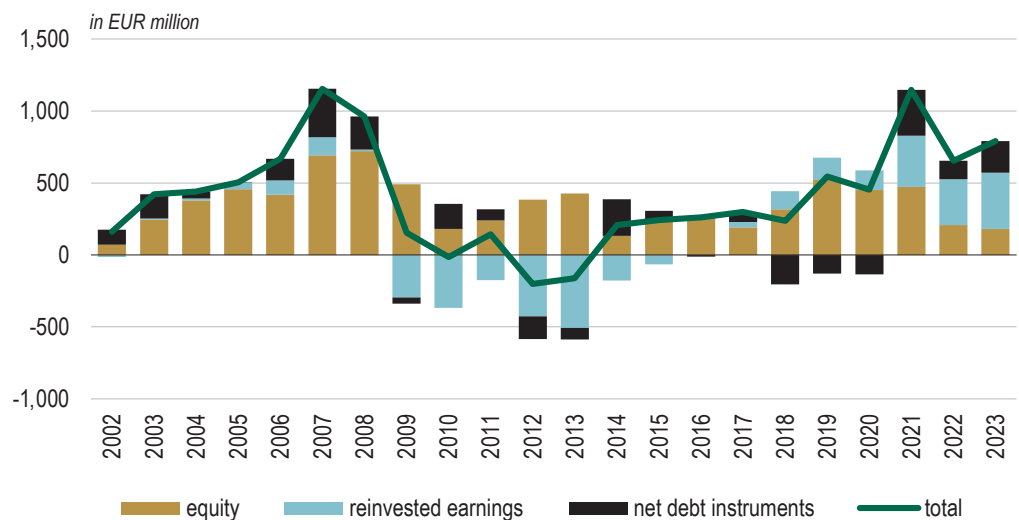
Equity accounted for 85.8% of total outward FDI, of which almost a third (30.2%) was in the form of real estate. Firms not listed on a stock exchange accounted for the majority (68.5%) of the stock of equity at the end of 2023.

Figure 11: Slovenian outward FDI - stocks



Source: Banka Slovenije.

Figure 12: Slovenian outward FDI - transactions



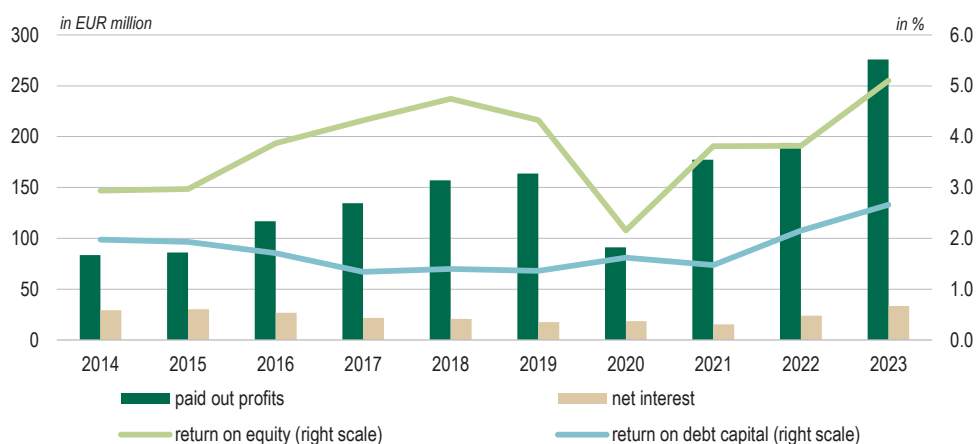
Source: Banka Slovenije.

The stock of **debt instruments** (net assets) between affiliates stood at EUR 1.3 billion at the end of 2023, up EUR 163 million or 13.9% on the previous year, with transactions having driven an increase of EUR 219 million. The majority of the transactions were recorded in manufacturing. Slovenian direct investors were net financiers of affiliates in the rest of the world throughout the 1994 to 2023 period. The proportion of the stock of outward FDI accounted for by debt instruments averaged 26.1% over this period, but stood at just over half of that figure at the end of 2023 (14.2%).

Slovenian outward direct investors received net **interest** in the amount of EUR 33 million on the basis of debt financing in 2023, up EUR 10 million on the previous year. The largest interest receipts (63.5% of the total) came from foreign firms in manufacturing.

Slovenian owners of firms in the rest of the world also received their largest **profit distributions** to date in 2023, in the amount of EUR 276 million, up 42.4% on the previous year. The largest factor was the near-tripling of profit distributions received by Slovenian investors in foreign firms in financial and insurance activities (EUR 143 million in 2023, up from EUR 51 million in 2022), while profit distributions by manufacturing firms were down EUR 27 million or two-fifths on the previous year. Foreign firms in financial and insurance activities accounted for half of the profit distributions to Slovenian investors in 2023, followed by firms in wholesale and retail trade and repair of motor vehicles and motorcycles (25.5% of the total), and firms in manufacturing (14.8%). The majority (79.7%) of the profit distributions went to Slovenian investors in former Yugoslav republics, most notably Serbia (EUR 91 million) and Croatia (EUR 52 million).

Figure 13: Income from Slovenian outward FDI



Source: Banka Slovenije.

The **average return**⁵ ($\frac{(\text{profit received} + \text{net interest received})}{(\text{average stock of FDI})}$) on the stock of total outward FDI was 3.1% between 2014 and 2022, but was significantly higher in 2023 at 4.6%. The average return on equity ($\frac{(\text{profit received})}{(\text{average stock of equity})}$) over the observation period of 2014 to 2022 was 3.7%, while the average return on debt capital ($\frac{(\text{net interest received})}{(\text{average stock of debt capital})}$) was 1.7%. The average return on equity stood at 5.1% in 2023, up a third on the previous year.

⁵ The calculation of the returns takes account of all investments other than real estate holdings.

4.2 Slovenian outward FDI by activity and by destination country

Domestic firms had their largest holdings at the end of 2023 in foreign manufacturing firms (25.9% of the total), followed by holdings in firms in financial and insurance activities (20.3%), and wholesale and retail trade and repair of motor vehicles and motorcycles (14.4%). There were also significant holdings in information and communication (3% of the total), and electricity, gas, steam and air conditioning supply (2.9%). Just over a quarter (25.9%) of the holdings in the rest of the world are in the form of real estate, which is not ascribed to any particular activity.

Table 9: Slovenian outward FDI: year-end stock, annual transactions, price changes and other changes, by activity of foreign firm

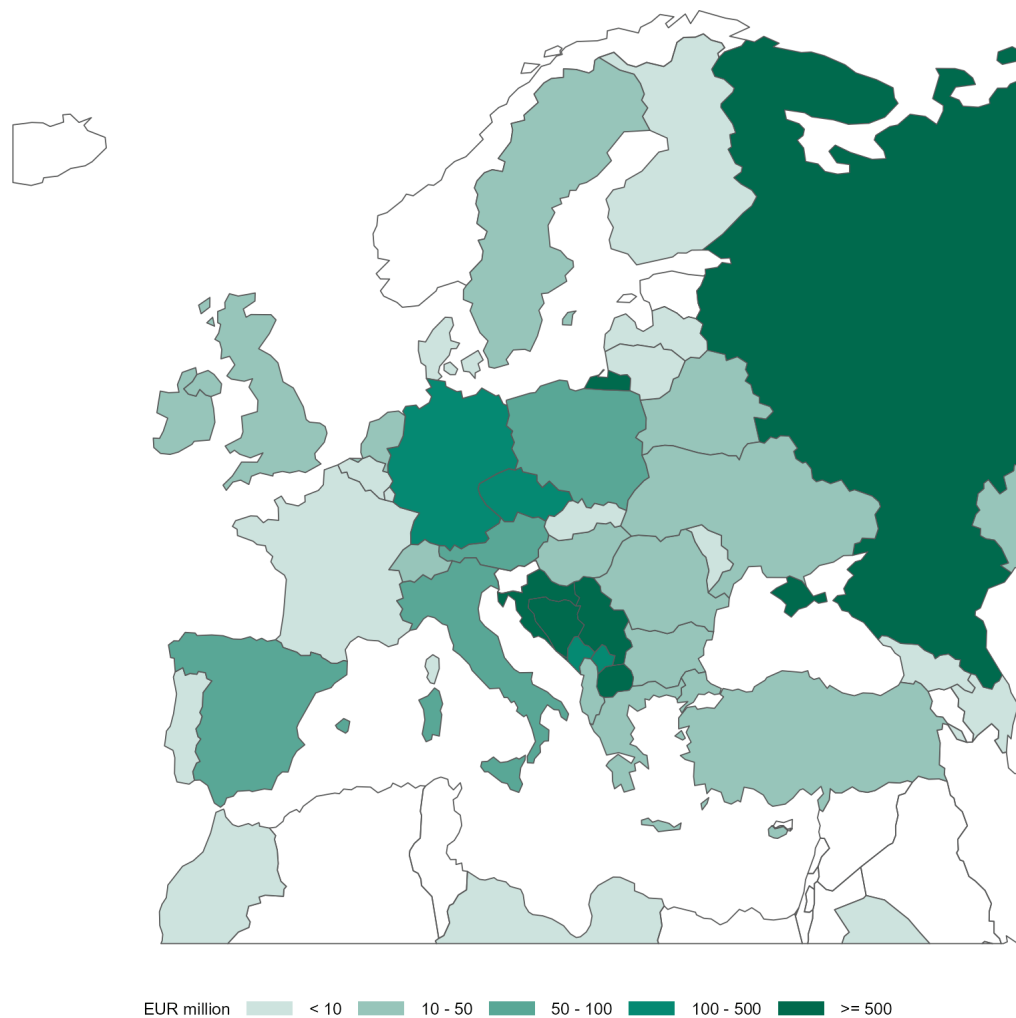
Year	2021	2022	2023	2023	2023	2023	2023
in EUR millions	Position	Position	Transactions	Price changes	Other changes	Position	Position in %
Total	7,868.0	8,567.5	791.1	180.5	-139.9	9,399.3	100.0
of that							
C Manufacturing	2,065.0	2,181.6	313.6	19.7	-78.1	2,436.9	25.9
K Financial and insurance activities	1,644.2	1,687.4	184.4	-12.8	52.5	1,911.5	20.3
G Wholesale and retail trade, repair of motor vehicles and motorcycles	1,233.5	1,379.6	-37.3	74.9	-60.7	1,356.4	14.4
J Information and communication	83.7	278.9	19.5	0.0	-12.8	285.5	3.0
D Electricity, gas, steam and air conditioning supply	209.9	219.7	48.5	-0.7	1.5	269.0	2.9
H Transportation and storage	98.4	151.9	19.1	-2.5	0.0	168.5	1.8
F Construction	88.9	98.5	39.3	0.0	15.3	153.0	1.6
Unallocated -Real estate	1,878.2	2,224.8	160.4	103.5	-34.6	2,454.1	26.1

Source: Banka Slovenije.

Holdings of Slovenian outward FDI in firms in the rest of the world increased in the majority of activities in 2023. The largest increase was at foreign firms in manufacturing (EUR 255 million), followed by firms in financial and insurance activities (EUR 224 million), with firms in construction (EUR 55 million) in third place.

The five largest destinations for Slovenian outward FDI at the end of 2023 included four former Yugoslav republics, which accounted for 68.5% of total outward FDI, and Russian Federation. The top five destination countries accounted for fully 74% of the stock of outward FDI.

Figure 14: Slovenian outward FDI in Europe by destination country, end-year 2023



Source: Banka Slovenije.

Table 10: Slovenian outward FDI: year-end stock, annual transactions, price changes and other changes, by country

Year	2021	2022	2023	2023	2023	2023	2023
in EUR millions	Position	Position	Transactions	Price changes	Other changes	Position	Position in %
EU 27	3,475.0	3,833.9	251.5	102.1	13.7	4,201.1	44.7
of that							
Croatia ¹	2,729.4	2,939.4	246.0	102.8	39.3	3,327.5	35.4
Germany	170.2	171.5	19.1	0.0	3.7	194.3	2.1
Czechia	130.5	127.3	3.0	-0.2	-3.2	126.9	1.4
Poland	85.3	95.5	0.4	0.0	3.6	99.5	1.1
Italy	121.0	108.9	-3.4	-0.2	-9.2	96.2	1.0
Austria	86.3	92.4	7.4	-1.7	-17.9	80.3	0.9
Spain	37.1	45.5	5.4	0.0	-0.8	50.1	0.5
Hungary	38.9	43.3	4.7	-2.1	1.8	47.7	0.5
Other countries	4,393.0	4,733.7	539.6	78.5	-153.6	5,198.2	55.3
of that							
Serbia ¹	1,506.2	1,699.1	103.6	93.9	21.7	1,918.3	20.4
Bosnia and Herzegovina ¹	555.0	583.5	97.5	-18.9	-28.7	633.4	6.7
North Macedonia ¹	458.0	491.4	64.4	0.1	0.0	555.9	5.9
Russian Federation	468.5	520.9	145.1	0.0	-141.1	524.9	5.6
United States	181.5	234.7	4.9	0.0	-6.4	233.3	2.5
Kosovo	178.7	198.4	28.9	3.0	3.0	233.3	2.5
Montenegro ¹	173.4	208.2	30.2	-17.9	6.5	227.0	2.4
China	89.8	109.4	8.8	0.0	-3.6	114.6	1.2
Total	7,868.0	8,567.5	791.1	180.5	-139.9	9,399.3	100.0

Source: Banka Slovenije.

¹ Excludes data on the claims of residents of the Republic of Slovenia in the former Socialist Federal Republic of Yugoslavia that are subject to succession negotiations, seized assets in these territories, and other assets transferred from legal entities to the Slovenian state during the privatisation process.

Slovenian investors held their largest stock of outward FDI in **Croatia** at the end of 2023, in the amount of EUR 3.3 billion or 35.4% of total outward FDI, just over half of which (estimated at EUR 1.9 billion) was held by Slovenian households in the form of real estate. Slovenian holdings in Croatia were up EUR 388 million or 13.2% on the previous year, driven mostly by real estate purchases and revaluations (EUR 118 million and EUR 102 million respectively). Slovenian legal entities otherwise had their largest holdings in Croatian firms in:

- wholesale and retail trade and repair of motor vehicles and motorcycles (15.8% of the total),
- manufacturing (10.7%), and
- financial and insurance activities (2.8%).

The second largest recipient of Slovenian outward FDI at the end of 2023 was **Serbia**, its total stock of EUR 1.9 billion accounting for 20.4% of total outward FDI. Slovenian outward FDI in Serbia increased by 12.9% or EUR 219 million in 2023, despite a significant decline in wholesale and retail trade and repair of motor vehicles and motorcycles. Retained earnings were the main driver (in the amount of EUR 108 million), particularly at firms in financial and insurance activities. The largest holdings of Slovenian outward FDI at the end of 2023 were in Serbian firms in:

- financial and insurance activities (46.8% of the total),
- manufacturing (22.0%), and
- wholesale and retail trade and repair of motor vehicles and motorcycles (16.4%).

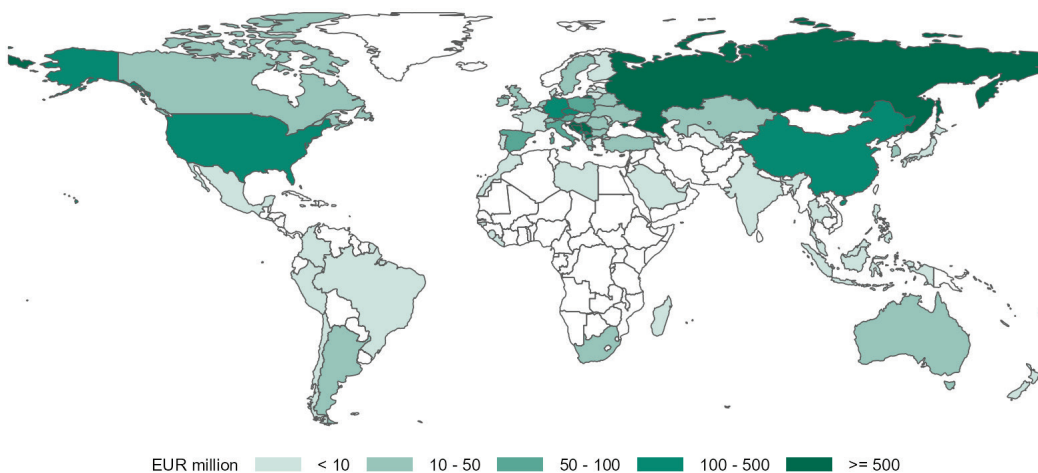
Next in terms of the recipients of Slovenian outward FDI comes **Bosnia and Herzegovina**, with a stock of EUR 633 million or 6.7% of total outward FDI. Slovenian holdings in Bosnia and Herzegovina increased by EUR 50 million or 8.6% in 2023, the largest increases being recorded at firms in manufacturing. According to the latest figures for 2023, domestic firms held their largest investments in Bosnian firms in:

- financial and insurance activities (38.1% of the total),
- manufacturing (27.2%), and
- wholesale and retail trade and repair of motor vehicles and motorcycles (13.4%).

The fourth largest recipient of Slovenian outward FDI, accounting for 5.9% of the total, was **North Macedonia**, where the stock amounted to EUR 556 million at the end of 2023, up EUR 65 million on the previous year. The largest holdings at the end of 2023 were in North Macedonian firms in financial and insurance activities (52.5% of the total), and manufacturing (27.0%).

Russian Federation accounted for 5.6% of Slovenian outward FDI at the end of 2023, with a stock of EUR 525 million, similar to the previous year. The majority (87.3% of the total) of the recipients of Slovenian outward FDI were Russian Federation manufacturing firms, followed by firms in wholesale and retail trade and repair of motor vehicles and motorcycles with 11.0%.

Figure 15: Slovenian outward FDI by destination country, end-year 2023



Source: Banka Slovenije.

5.1 Methodology

The Direct Investment publication is issued by Banka Slovenije. It presents figures for inward FDI in Slovenia and domestic outward FDI. As of 2014⁶ the publication has been drawn up on the basis of the methodology outlined in the sixth edition of the balance of payments manual issued by the IMF,⁷ and on the basis of the OECD benchmark definition.⁸

Direct investments are a form of cross-border investment by a resident of one economy in another economy with the objective of establishing a lasting interest and influencing the management of the affiliate.

It is the lasting interest of the foreign investor that distinguishes foreign direct investment as a source of financing from other instruments. FDI can take the form of equity and/or debt instruments. Under the new BPM6 and BD4 methodology, the FDI statistics on a directional basis became independent statistics.

In accordance with the BPM6 methodology, FDI data is disclosed in the balance of payments and the international investment position according to the asset/liability principle. In the present publication FDI data is disclosed according to the directional principle, which represents the analytical disclosure of stocks and flows with itemisation into inward foreign investment in Slovenia, and Slovenian outward foreign investment.

The criterion for classification as a direct investment, which ensures the international comparability of data, is participation of at least 10% in equity or voting rights; a criterion of 10% of equity has been applied in the compilation of the figures for Slovenia.

Direct investors may be individuals, firms, groups of individuals or firms, and governments or government agencies that hold direct investments in firms in the rest of the world.

Direct investments comprise equity, reinvested earnings and debt instruments between direct and indirect affiliates and between fellow enterprises. Income from direct investments is also disclosed, in the part relating to equity (profit distributions and reinvested earnings), and in the part relating to debt instruments (interest).

Contributions to **equity** may be in the form of cash, non-cash contributions or reinvested earnings. The figures for investments in real estate are included under equity. Equity may be in the form of shares (listed or unlisted), or in the form of other equity.

Payments of disproportionately high dividends (superdividends) or profit distributions have since 2008 been treated as withdrawals of equity, and not as dividend payments.

The figures for transactions in FDI equity have been compiled at market value, while the figures for the stock of investments are valued at book value in accordance with the equity method. Investments in listed public limited companies have been an exception since 2007: the corresponding stock of investment is stated at market value. The figures for debt instruments are stated at nominal value.

⁶ The previous editions of the publication in the period to 2013 were based on older editions of the aforementioned manuals: Balance of Payments Manual, Fifth Edition (BPM5), IMF, 1993, and OECD Benchmark Definition of Foreign Direct Investment, Third Edition (BD3), OECD, 1996

⁷ Balance of Payments and International Investment Manual, Sixth Edition (BPM6), IMF, 2009.

⁸ OECD Benchmark Definition of Foreign Direct Investment, Fourth Edition (BD4), OECD, 2008.

Debt instruments comprise assets and liabilities between affiliates and fellow enterprises, and include financial loans, trade credits, deposits, and other assets and liabilities. Debt securities are not included in the figures.

Under the current methodology, debt instruments between affiliated **financial intermediaries** (between domestic and foreign S.122, S.123, S.124 and S.125 sectors) are not included in FDI statistics.

Table 11: **Inclusion of debt instruments between institutional sectors according to the BD44**

Sektorji rezidentov	Sektorji nerezidentov	
	S.122, S.123, S.124, S.125	S.126, S.127, S.128, S.129
S.122, S.123, S.124, S.125	izključeno	vključeno
S.126, S.127, S.128, S.129	vključeno	vključeno

Table 12: **Overview of institutional sectors according to the 2008 SNA**

Nonfinancial corporations	S.11
Central bank	S.121
Deposit-taking corporations, except the central bank	S.122
Money market funds (MMF)	S.123
Non-MMF investment funds	S.124
Other financial intermediaries, except insurance corporations and pension funds	S.125
Financial auxiliaries	S.126
Captive financial institutions and money lenders	S.127
Insurance corporations	S.128
Pension funds	S.129
General government	S.13
Households	S.14
Nonprofit institutions serving households	S.15

Data source limitations mean that figures for the debt instruments of the **banking sector** are not included under FDI, but under other investments in balance of payments and international investment position statistics.

The data series for debt instruments in respect of affiliates has a break in 2007, when the reporting system for loans to and deposits by **non-banking sectors** was changed. This mostly entailed the reallocation of loans between firms without capital affiliations to loans between firms with capital affiliations, which are classed as FDI. Monthly reporting of stocks of and transactions in loans and deposits was introduced, replacing the system of summed stocks on the basis of payment transactions in place between 2001 and 2006. Before this period, stocks of debt instruments were the subject of reporting within the framework of annual reports on capital investments.

Debt instruments between **fellow enterprises** have been included since 2009. These are assets and liabilities between firms that have no equity affiliation or an equity affiliation of less than 10%, but that have a common owner.

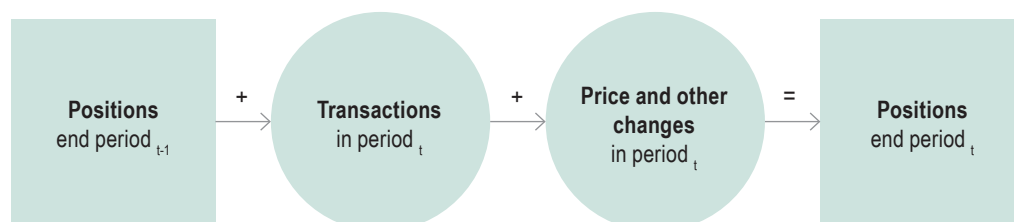
Reinvested earnings are equal to the difference between net profits in the current year (excluding extraordinary profits and losses as of 2004) and profit distributions in the same year (proportionate to the direct equity participation). Reinvested earnings may also be negative if the profit distributions are greater than the net profits, or the firm discloses a loss.

Profit distributions are the owners' earnings from equity (proportionate to the direct equity participation), and take the form of dividends in the case of public limited companies.

Interest comprises income on debt instruments between affiliates.

Figures for stocks, transactions, price changes and other changes are disclosed in FDI statistics. The figures for stocks relate to a specific day, while the figures for changes in stocks (transactions, price changes and other changes) relate to a specific period.

Figure 16: **Stocks and flows in FDI**



The figures for **stocks** represent the total value of the investor's direct investment as at a specific day, usually the final day of the year. The figures for **transactions** explain the changes in stocks that result from mutually agreed exchanges of economic value between two entities in a specific period, usually a single year.

Changes in stock are not attributable solely to transactions, but also to **price changes** and **other changes**. **Price changes** reflect the effect of equity revaluations. For listed firms they represent the change in the market value of equity, and occur as a result of changes in market prices of equities. For unlisted firms they represent the difference between the book value of the participating interest in equity and the market value of the participating interest attained through sale or purchase in the year of sale or purchase. **Other changes** include exchange rate changes, write-offs, transfers, changes of status from resident to non-resident or vice-versa, differences in reporting populations, changes in capital links in the ownership chains of affiliates, etc.

FDI amounts do not include:

- the value of assets in respect of other successors in the territory of the former Socialist Federal Republic of Yugoslavia that are still subject to succession negotiations, seized assets in these territories, and other assets whose ownership was transferred from legal entities to the state during the privatisation process,
- the value of real estate in the rest of the world owned by households (primarily investments in Croatia) before 2007,
- the value of real estate in Slovenia owned by non-residents (before 2008).

FDI is itemised **by country** in accordance with the ISO 3166 standard, and **by activity** in accordance with the 2008 Standard Classification of Economic Activities (NACE Rev. 2).

Two methods for disclosing FDI

In addition to the **directional principle** (the principle applied in the Direct Investment publication), the BPM6 also applies the **asset/liability principle**.

I. FDI according to the directional principle

Figures for FDI are disclosed separately with regard to whether they are non-residents' inward investments in Slovenia or Slovenian residents' outward investments in the rest of the world. The figures for each direction encompass equity and debt instruments, which are divided into assets and liabilities. Assets in respect of foreign affiliates act to increase outward FDI or to reduce inward FDI, while liabilities in respect of foreign affiliates act to reduce outward FDI or to increase inward FDI.

Table 13: **Calculation of FDI according to the directional principle**

Foreign DI in Slovenia	Equity	Debt instruments	
		Assets	Liabilities
1=2-3+4	2	3	4

Slovenian DI abroad	Equity	Debt instruments	
		Assets	Liabilities
1=2+3-4	2	3	4

II. FDI according to the asset/liability principle

The asset/liability principle is applied in statistics relating to the balance of payments and the international investment position. In this instance all assets between affiliates are included in the item of FDI assets, while all liabilities between affiliates are included in the item of FDI liabilities, irrespective of whether the investor is a resident or non-resident.

Table 14: Comparison of data according to directional principle and data according to asset/liability principle

I. Directional principle		II. Assets/Liabilities	
1	Direct investment/Net (2-11)	Direct investment/Net (B-J)	A
2	Slovenian direct investment abroad (3+4)	Direct investment/Assets (C+D)	B
3	Equity	Equity	C
4	Debt instruments/Net (5-8)	Debt instruments/Assets (E+F+G)	D
5	Assets (6+7)	Direct investors	E
6	Between directly affiliated enterprises	Direct investment enterprises	F
7	Between fellow enterprises (residents' control)	Between fellow enterprises (H+I)	G
8	Liabilities (9+10)	Ultimate controlling parent is resident	H
9	Between directly affiliated enterprises	Ultimate controlling parent is nonresident	I
10	Between fellow enterprises (residents' control)		
11	Foreign direct investment in Slovenia (12+13)	Direct investment/Liabilities (K+L)	J
12	Equity	Equity	K
13	Debt instruments/Net (17-14)	Debt instruments/Liabilities (M+N+O)	L
14	Assets (15+16)	Direct investors	M
15	Between directly affiliated enterprises	Direct investment enterprises	N
16	Between fellow enterprises (nonresidents' control)	Between fellow enterprises (P+R)	O
17	Liabilities (18+19)	Ultimate controlling parent is resident	P
18	Between directly affiliated enterprises	Ultimate controlling parent is nonresident	R
19	Between fellow enterprises (nonresidents' control)		

5.2 DATA SOURCES

The most important data source comprises the **reports on capital investments between residents and non-residents (SN reports)** that residents of Slovenia are obliged to submit to Banka Slovenije in respect of investments in the rest of the world and non-residents' investments in Slovenia. Mandatory direct reporting by all firms established in Slovenia in which non-residents hold any ownership interest or that hold any ownership interest in firms in the rest of the world was introduced by Banka Slovenije in 1993. Thus FDI data is available from 1993, while more detailed data has been published since 1994.

The report on capital investments between residents and non-residents (the SN report) is issued annually; the opening and closing stock, the annual transactions, income, price changes and other changes are reported. The report on capital investments between residents and non-residents (transactions) is issued monthly (the SN-T report); transactions in equity and dividends and profit distributions are reported. Until 2000 the SN reports also contained data on debt claims and liabilities vis-à-vis affiliates. As of 2017 a reporting threshold has been introduced for the SN report, namely entities with a balance sheet total of more than EUR 2 million. As a result of the reporting threshold, estimates of direct investments for business entities with total assets of less than EUR 2 million have been included as of 2017. As of 2023 the reporting threshold for SN survey was raised further to entities with a balance sheet total of more than EUR 5 million.

Reports on loans granted to and received from non-residents and deposits by non-residents (KRD reports) were introduced in 2007, and are issued monthly. They include data on non-current trade credits, loans, deposits and other claims and liabilities between affiliates that are a component of FDI (debt instruments). Those subject to mandatory reporting are included in a sample determined by Banka Slovenije.

Monthly reports on current claims and liabilities from operations with non-residents (SKV reports) were the data source for current trade credits between affiliates between 2001 and July 2017. Those subject to this mandatory reporting were included in a sample determined by Banka Slovenije. As of August 2017 current trade credits and advances have been reported within the framework of the KRD report, and are also a component of FDI (debt instruments).

Between 2001 and 2006 the data source for non-current trade credits and loans was reports on credit operations with the rest of the world (KR reports), which solely stated the opening stock and transactions. The closing stock was drawn up on the basis of the summing of the transactions.

The **Surveying and Mapping Authority of the Republic of Slovenia** is the source of aggregate data on real estate in Slovenia owned by non-residents (quarterly reporting on monthly transactions since 2008).

The **Croatian National Bank** has been the data source for transactions (purchases and sales) in real estate in Croatia by Slovenian individuals since 2007.

Estimated data on the value (stock) of real estate in Croatia owned by Slovenian individuals is based on the **Household Budget Survey (number of Slovenian properties in the rest of the world) conducted by the Statistical Office of the Republic of Slovenia**.

Corporate data from balance sheets and income statements at the Agency for Public Legal Records and Related Services (AJPES) is an auxiliary data source for certain figures in this publication, and is also used as a data control.

5.3 BILATERAL INVESTMENT AGREEMENTS OF SLOVENIA

(as at 30 June 2024; source: Ministry of the Economy, Tourism and Sport)

- 1) Agreement between the Republic of Slovenia and the Republic of Albania on reciprocal promotion and protection of investments – signed 23 October 1997; ratified 15 February 2000 (Official Gazette of the Republic of Slovenia, No. 19/00 – International Agreement No. 4/00); in force as of 22 March 2000
- 2) Agreement between the Republic of Slovenia and Bosnia and Herzegovina for the reciprocal promotion and protection of investments – signed 30 May 2001; ratified 25 October 2001 (Official Gazette of the Republic of Slovenia, No. 90/01 – International Agreement No. 26/01); in force as of 1 July 2002
- 3) Agreement between the Government of the Republic of Slovenia and the Government of the Arab Republic of Egypt on the mutual promotion and protection of investments – signed 28 October 1998; ratified 23 March 1999 (Official Gazette of the Republic of Slovenia, No. 27/99 – International Agreement No. 9/99); in force as of 15 November 2000
- 4) Agreement between the Government of the Republic of Slovenia and the Government of the State of Israel on the reciprocal promotion and protection of investments – signed 13 May 1998; ratified 23 March 1999 (Official Gazette of the Republic of Slovenia, No. 27/99 – International Agreement No. 9/99); in force as of 2 October 1999
- 5) Agreement between the Government of the Republic of Slovenia and the Government of the People's Republic of China on the promotion and reciprocal protection of investments – signed 13 September 1993; ratified 25 January 1994 (Official Gazette of the Republic of Slovenia, No. 11/94 – International Agreement No. 3/94); in force as of 1 January 1995
- 6) Agreement between the Government of the Republic of Slovenia and the Government of the State of Kuwait on the promotion and reciprocal protection of investments – signed 26 April 2002 (Official Gazette of the Republic of Slovenia, No. 89/02 – International Agreement No. 23/02); in force as of 28 July 2004
- 7) Agreement between the Republic of Slovenia and the Republic of Macedonia on the reciprocal protection and promotion of investments – signed 5 June 1996; ratified 23 March 1999 (Official Gazette of the Republic of Slovenia, No. 27/99 – International Agreement No. 9/99); in force as of 21 September 1999
- 8) Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Moldova on the mutual promotion and protection of investments – signed 10 April 2003; ratified 5 April 2004 (Official Gazette of the Republic of Slovenia, No. 40/04 – International Agreement No. 13/04); in force as of 1 June 2004
- 9) Agreement between the Republic of Slovenia and the Swiss Confederation on the promotion and reciprocal protection of investments – signed 9 November 1995; ratified 19 February 1997 (Official Gazette of the Republic of Slovenia, No. 16/97 – International Agreement No. 3/97); in force as of 20 March 1997
- 10) Agreement between the Government of the Republic of Slovenia and the Government of the Kingdom of Thailand on the promotion and protection of investments, with protocol – signed 18 February 2000; ratified 19 July 2000 (Official Gazette of the Republic of Slovenia, No. 69/00 – International Agreement No. 17/00); in force as of 20 October 2000
- 11) Agreement between the Republic of Slovenia and the Republic of Türkiye on the promotion and protection of investments – signed 23 March 2004; ratified 28 April 2006 (Official Gazette of the Republic of Slovenia, No. 45/06 – International Agreement No. 10/06); in force as of 18 June 2006

- 12) Agreement between the Republic of Slovenia and Ukraine on the mutual promotion and protection of investments – signed 30 March 1999; ratified 29 February 2000 (Official Gazette of the Republic of Slovenia, No. 24/00 – International Agreement No. 6/00); in force as of 1 June 2000
- 13) Agreement between the Government of the Republic of Slovenia and the Government of the United Kingdom of Great Britain and Northern Ireland for the promotion and protection of investments – signed 3 July 1996; ratified 10 March 1999 (Official Gazette of the Republic of Slovenia, No. 20/99 – International Agreement No. 5/99); in force as of 12 May 1999*
- 14) Agreement between the Republic of Slovenia and the Republic of Uzbekistan on the mutual promotion and protection of investments – signed 7 October 2003; ratified 5 April 2004 (Official Gazette of the Republic of Slovenia, No. 40/04 – International Agreement No. 13/04); in force as of 18 May 2004
- 15) Agreement between the Government of the Republic of Slovenia and the Federal Government of the Federal Republic of Yugoslavia on the reciprocal promotion and protection of investments – signed 18 June 2002; ratified 29 November 2002 (Official Gazette of the Republic of Slovenia, No. 112/02 – International Agreement No. 27/02); in force as of 1 May 2004
- 16) Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Singapore on the mutual promotion and protection of investments – signed 25 January 1999; ratified 19 July 2000 (Official Gazette of the Republic of Slovenia, No. 17/00 – International Agreement No. 03/13); in force as of 8 September 2000

** The agreement with the Government of the United Kingdom of Great Britain and Northern Ireland will cease to be in force when terminated. The termination process is in its final phase.*

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