



Logistics &
Distribution

SLOVENIA

The Right Mix of Qualities



Quality Workforce

Despite Slovenia's strong track record in transportation, distribution and warehousing services, the unfavourable macroeconomic conditions and growing structural problems have stood in the way of reviving economic activity and increasing the demand for labour. Government commitment to further structural reforms will go hand-in-hand with promoting an economic environment conducive to foreign investment.

Running the process of planning, storing, and controlling the flow of goods, services, and related information calls for well-educated and highly skilled workforce and Slovenia has it all. It is easy to build a team of like-minded individuals who can deliver quality work and develop strong relationships with customers – valuable qualities when demand in developed economies remains subdued and industrial groups are slow to re-stock.

Command of at least one foreign language is an essential building block for success in the workplace. In Slovenia many speak more than one foreign language. Italian and Hungarian are spoken in ethnically mixed regions, while English, German and French are widely spoken. Intercultural skills help to communicate flexibly and sensitively with people from other cultures are also high and expats blend in easily.

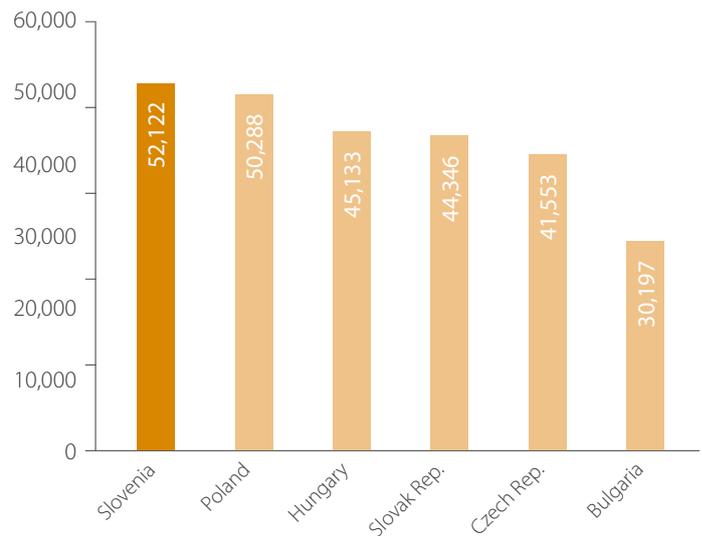
The service sector currently employs some 70% of the total workforce and adds 70% of total output in the OECD economies and Slovenia is no exception. Logistics plays a complex and critical role in corporate operations and competitiveness and companies depend on an educated and properly trained workforce in order to grow.

Currently some 22,000 people have logistics-related jobs in about 2,600 companies. One area of current and future need across any company or logistics operation is the demand for a well-trained and skilled workforce for logistics operations, warehouse & distribution, trucking, freight rail and air cargo supervision. A partial answer is the visibility of logistics in the education and providing real-world logistics experiences. Slovenia has some 1,000 students enrolled in undergraduate courses for transport and logistics engineers. The number of students in secondary school for transport and logistics is 950. Fostering investments, particularly in infrastructure and small and medium-sized enterprises, is a priority to support economic growth, create jobs and improve productivity across the EU.

Logistics centre in Maribor © Pošta Slovenije (Post of Slovenia)



PRODUCTIVITY IN SERVICES, 2013 Related GDP (PPP) per person employed in services (in €)



Source: IMD - World Competitiveness Yearbook, 2014



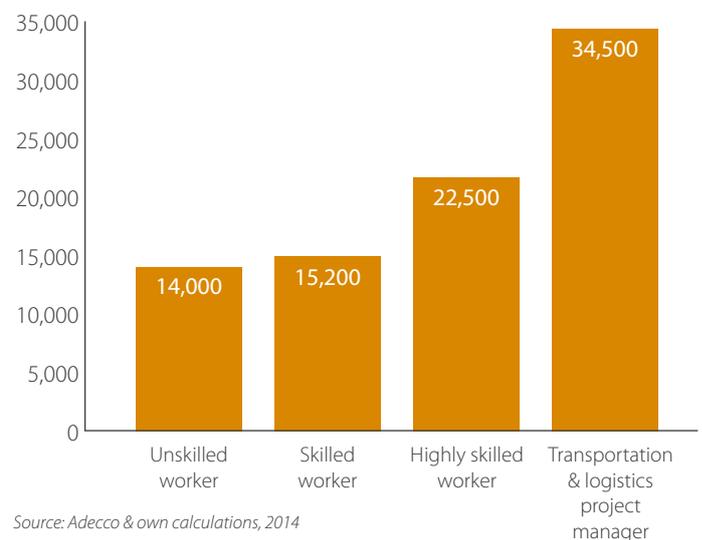
PRODUCTIVITY / VALUE ADDED PER EMPLOYEE, 2013

Company	Value-added per employee (in €)
Luka Koper (Port of Koper)	102,150
Adria Airways	82,966
BTC	67,061
Schenker	60,826
Aerodrom Ljubljana	56,942
Rail cargo Austria	56,577
Intereuropa	38,941
Cargo-partner	38,792
DSV Transport	36,916

Source: Bisnode, 2014



ESTIMATED GROSS ANNUAL LABOUR COST IN LOGISTICS & DISTRIBUTION FOR 2015 (in €)



Source: Adecco & own calculations, 2014

Quality Link to Regional Markets

Slovenia's strategic geopolitical position and decades of trading with the countries of Central, East and South-Eastern Europe make it a location of choice for the distribution of goods to the EU's 500 million consumer market and to the emerging markets of East and South-eastern Europe.

Slovenia's fragment of the northern Adriatic coast wedged between its neighbours links it to the Mediterranean for goods which transit via Suez and Gibraltar. The flow of goods and the expansion of the cruise business is making transport and logistics significant for the economic development of the Mediterranean countries as important trade partners of the European Union.

The country's only deep-water cargo port is in Koper, the third largest Slovenian city and the biggest one on the Slovenian coast. The Port of Koper is in the Mediterranean Corridor – the railway axis Lyon-Trieste-Divača/Koper-Divača-Ljubljana-Budapest-Ukrainian border. With its transport and logistics infrastructure, the region has all the attributes of one of the best investment locations in the northern Adriatic region widely recognised as one of Europe's strongest economic regions.

The Port of Koper provides an unrivalled access to mainland Europe and particularly to the land-locked Central European countries to send and receive goods by sea. The port boasts a broad line-up of facilities for booming container operations, auto and bulk business. It is the shortest link for transporters to the Mediterranean, and through the Suez Canal to the Middle and the Far East. Koper's prospects are good thanks to better access to Baltic and Adriatic seaports for the economic centres in Poland, the Czech Republic, Slovakia and Austria provided by the Baltic-Adriatic Corridor.

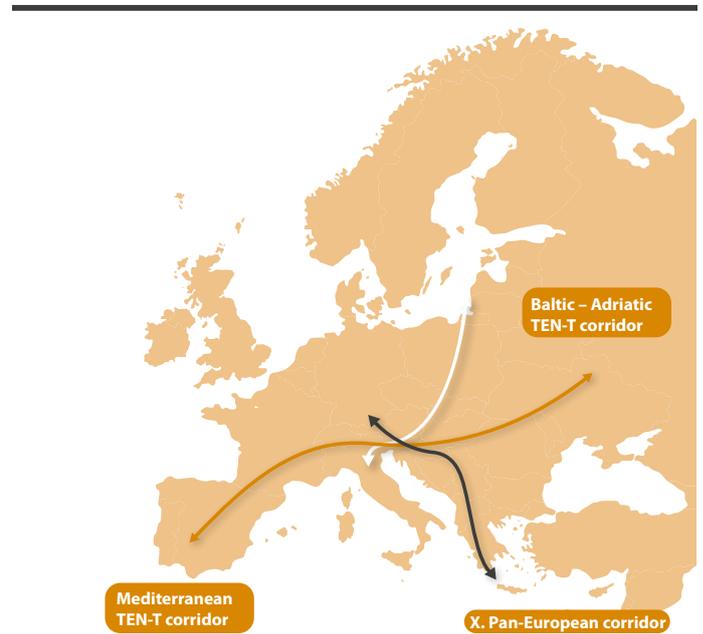
Slovenia offers readily available industrial space for-lease or build-to-suit sites for distribution, warehouse, manufacture, office and retail needs. A number of logistics parks constructed close to highways, rail, intermodal facilities and air-cargo airports, facilitates national and regional distribution, but further investments in transport infrastructure is necessary to become a logistics platform serving central and south-eastern Europe. Many Slovenian transport and logistics companies have expanded operations to the CSEE countries where Slovenia is one of the most important foreign investors.



HOW FAR IS LJUBLJANA FROM OTHER MAJOR EUROPEAN CITIES?

Destination	Km*	Time*
Zagreb	145	1.5
Venice	240	2.5
Vienna	380	4
Munich	405	4.5
Budapest	460	4.5
Sarajevo	520	6
Belgrade	540	5

*Distances and approximate journey time by road from the capital of Slovenia



MAP OF SLOVENIA



Quality of Life Testimonial

According to Lonely Planet's Best of Europe list of tourist destinations on 2014, Slovenia's capital Ljubljana and one of Europe's most liveable cities is placed second after Greece and recommended as the perfect base to explore the rest of the country, "which is as picture-perfect as Switzerland but much easier on the wallet" and it has an important 47 kilometres of the Adriatic coast with the medieval towns nested at the tip of the Slovenian Istria also known for olive oil and fine wines.

Generally perceived as a prosperous and welcoming country with architecturally grand, cultured cities, and lush pine-forested countryside, perfect for hiking and biking in summer and skiing in winter (roughguides.com), Slovenia has much to offer both to visitors and expats. Criss-crossed by a well-developed road network, fascinating sceneries, historical sites and sports facilities are a short drive away. Slovenia's climate is equally enjoyable in summer and winter to the delight of fans of adrenaline-fuelled activities to suit every age and taste in every corner of the country. Helpful and sociable local people with a "can do" attitude make visitors feel at home, the country's crime rate is very low, the atmosphere is relaxed even though the Habsburg heritage is alive, and food is great.

»Slovenia lives to the promise of being an excellent location with its well-developed transport infrastructure that enables fast access to other European markets. As traffic jams are an exception, Sunday trips to the places of interest or a ride to the coast do not take long on the road.«

Johannes Hoedlmayr, CEO
Hödlmayr International AG



QUALITY OF LIFE, 2014

Country	Index
Czech Rep.	7.56
Slovenia	5.64
Slovak Rep.	5.40
Croatia	5.10
Hungary	4.00
Poland	3.69
Romania	3.37
Bulgaria	2.57

Source: IMD - World Competitiveness Yearbook, 2014



Adria Airways - the Slovenian airline



© Slovenian Railways

Quality Infrastructure

Slovenia's well-developed transport infrastructure facilitates economic growth by improving mobility and logistics hubs cater to distribution and storage needs. To increase traffic flows and improve mobility, investment in the development of multimodal transportation and the modernisation of the existing infrastructure is a priority and co-financing from the EU Cohesion Fund is available for projects that enhance territorial cohesion between Member States.

The motorway density in Slovenia is above EU-28 average and Slovenia is easily reached from anywhere in Europe by car or lorry within a day or two. Currently, there are nearly 700 km of well-maintained motorways and over 1,000 km of trunk roads. The completion of the extended motorway network is scheduled for 2020 when the 3rd development axis running from Austria straight down to Croatia will be completed.

For railway service to be profitable, infrastructure modernisation is high on the list of national priorities. Freight traffic is well developed, and the rail links between the Adriatic Sea and the landlocked CEE countries offer plenty of opportunities. Both freight and passenger rail service with south-eastern Europe is growing. Slovenian Railways (SŽ), runs both passenger and freight service and operates railway infrastructure including 60,000 m² of storage space.

As shippers upgrade their feeder routings, the port rotation covers Koper more often. Shipping to the Port of Koper from Asia means gaining up to ten days on cargo ships bound for Europe's northern ports. The port facilities comprise 11 modern and fully equipped specialised terminals, indoor and outdoor warehouses for general cargo and custom-built warehouses. There is a new passenger terminal and the master plan for the expansion of the extension of piers 1 and 2 and a new car parking area.

The international passenger and cargo airport 25 km from Ljubljana is now controlled by Fraport, one of the world's leading companies in the global airport business, attracted to this dynamic business and tourist region between the Alps and the Mediterranean. With 1.3 million passengers and 17.7 million tonnes of cargo passing through Ljubljana's airport last year, it will serve as a hub to the Balkan Region.

The catchment area for passenger service remains low for Maribor Airport and it continues to handle more cargo than charter flights to summer destinations. As long as the long-awaited expansion of Portorož Airport remains on paper only, it is used by smaller planes. The flag carrier for over 50 years, Adria Airways, is a regional Star Alliance member, has a modern fleet of aircraft and is slated for privatisation.



LEADING COMPANIES IN LOGISTICS & DISTRIBUTION

Company	Foreign Investor	Products
Adria Airways		Passenger & cargo air transport
Adria Tow	Ocean (It)	Vessel towing services in the Port of Koper
Aerodrom Ljubljana	Fraport (De)	Airport and air transport services
Brus		Cargo transport
BTC		Storage and reloading
Cargo-partner	Multi transport and logistics holding (At)	Transportation logistics provider
Cat logistic	Cat Compagnie D'Affretement et de Trans (Fr)	Freight transport by road
DHL Ekspres Slovenija	Deutsche Post (De)	Postal and courier activities
DSV Transport	DSV Road Holding (Dk)	Transportation support services
Fersped		Forwarding & transport
Frikus spedicija	Frikus Friedrich Kraftwagentransport und Speditionen (At)	Warehouse logistics
Global logistics systems - GLS	General logistics systems (Nl)	Parcel service provider
Global sistem		Freight transport
Grieshaber logistika	Grieshaber Logistik (De)	Logistics and forwarding services
Jurcic & Co.		Road haulage
Kuehne + Nagel	Kühne + Nagel Eastern Europe (At)	Global logistics services
Luka Koper (Port of Koper)		Port, storage and reloading
Pacorini	B. Pacorini (It)	Leading logistics operator for green coffee in the Balkans
Rail cargo Austria	Rail cargo Austria (At)	Transportation of goods
Schenker	DB Mobility Logistics (De)	Transportation and logistics
Slovenske železnice (Slovenian Railways)		Rail transport, reloading & storage
Spedicija Goja		Forwarding & transport
Splosna plovba	Dohle ICL (De)	Sea and coastal freight water transport
T.L.Sirk		Transportation and logistics
TIB Transport		Complete transport services for dangerous goods
TNT Express Worldwide	TNT Express Worldwide (Nl)	Freight transport
Transglob	Transadria (Hr)	Cargo handling



FACULTIES, RESEARCH INSTITUTIONS AND TRADE ASSOCIATIONS

University of Ljubljana, Faculty of Maritime Studies and Transport	www.fpp.uni-lj.si
University of Maribor, Faculty of Logistics	www.fl.um.si
Institute of traffic and transport Ljubljana	www.prometni-institut.si
Ministry of Infrastructure and Spatial Planning	www.mzip.gov.si



LOGISTICS & DISTRIBUTION IN SLOVENIA



FACTS AND FIGURES IN 2013

Number of companies: 2,631
 Number of employees: 21,957
 Revenue: € 3.7 billion
 Exports: € 1.6 billion



KEY SERVICES

Freight forwarding and freight shipping •
 Handling of goods • Goods warehousing and storage •
 Maritime and inland logistics terminal operations •
 Additional services

Source: AJPES, 2014

INVEST SLOVENIA



SPIRIT Slovenija

Public Agency of the Republic of Slovenia for the Promotion of Entrepreneurship, Innovation, Development, Investment and Tourism

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 PUBLIC AGENCY OF THE REPUBLIC OF SLOVENIA



REPUBLIC OF SLOVENIA
 MINISTRY OF ECONOMIC DEVELOPMENT
 AND TECHNOLOGY

InvestSlovenia – your connection to business opportunities

InvestSlovenia's team, part of SPIRIT Slovenija, a public agency whose mission is to promote entrepreneurship, innovation, development, investment and tourism, provides services and business tools that allow companies to make informed decisions regarding foreign direct investment in Slovenia.

For an overview of one-stop-shop best practices related to services to investors, facilitating land acquisition for investment projects and coordination with potential business partners, suppliers and authorities, foreign investors just have to turn to InvestSlovenia Team to arrange a direct access to the business community and help reduce time associated with administrative and approval processes.

Global investors can count on the InvestSlovenia staff to expedite their business investment in Slovenia. Its committed experts provide coordination within the competent institutions with FDI-relevant operations and work in partnership with state, regional and local organisations to promote Slovenia's business attraction and investment retention.