

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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ACCESSION OF SLOVENIA

Communication from Slovenia

The following communication concerning the procedures for membership of Slovenia in the World Trade Organization has been submitted by the Minister of Economic Relations and Development of Slovenia.

On behalf of the Government of the Republic of Slovenia, the following is hereby enclosed as materials for the Working Party on procedures for membership of the Republic of Slovenia in the World Trade Organization, in order to examine them at its following sessions under the terms of the Preparatory Committee mandate:

- Draft Schedule of Specific Commitments on Services
- Draft List of Article II (MFN) Exemptions
- Descriptive Notes concerning the Draft Schedule on Services
- Statement pertaining to conformity of legislation of the Republic of Slovenia with the requirements of the Agreement on Trade-Related Investment Measures (TRIMs)
- Statement pertaining to conformity of legislation of the Republic of Slovenia with provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

The Government of the Republic of Slovenia reserves its right to withdraw or amend horizontal and sector specific commitments in the draft Schedule of Specific Commitments on Services, due to an unfinished parliamentary procedure required under domestic law.

The following legislation of the Republic Slovenia and draft legislation is available at the Secretariat:

- Law on Industrial Property
- Draft Copyright and Related Rights Act
- Draft Law on Protection of Topographies of Semiconductor Products
- Foreign Investment Law
- Draft (new) Law on Foreign Investments.

The legal texts are available in the secretariat (Office of the Special Adviser to the Director-General, Room 2017) for consultation.

REPUBLIC OF SLOVENIA

Draft Schedule of Specific Commitments

(This is authentic in English only)

Notes:

- 1) The classification of sectors is based on the 1991 provisional Central Product Classification (CPC) of the United Nations Statistical Office, while the ordering reflects the Services Sectoral Classification List (MTN.GNS/W/120 of July 1991). The appearance of ** against individual CPC listings indicates that the service specified constitutes only a part of the total range of activities covered by the CPC concordance.
- 2) The entry "Unbound" means unbound due to lack of technical feasibility.

REPUBLIC OF SLOVENIA - DRAFT SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons				
Sector or subsector	Limitations on market access							
I. HORIZONTAL COMMITMENTS								
ALL SECTORS INCLUDED IN THIS SCHEDULE								
<p>Investments:</p> <p>3) Prior authorization by the Government is required for any foreign purchases or acquisitions, mergers and take-overs exceeding 10 per cent of the shares of capital or voting rights in an existing Slovenian enterprise with a balance sheet total exceeding 5 million ECU, and for any purchases of equity of an existing Slovenian enterprise, when it exceeds 1.25 million ECU and is used as an investment into an other enterprise. An assessment of such investment is made in light of the effect on the economy of the country.</p> <p>The main criteria taken into account are:</p> <ul style="list-style-type: none"> - the position (competitive capability) of the company on the market; - the potential threat to fair competition of incorporating foreign investor; - the potential threat to national interests. <p>3) The establishment of branches by foreign companies is conditioned with the registration of the basic company in a court register for at least one year.</p> <p>None, other than for branches established in the Republic of Slovenia by a foreign company. Eligibility for subsidies from the Republic of Slovenia may be limited to juridical persons established within the territory of the Republic of Slovenia or a particular geographical sub-division thereof. Unbound for subsidies for research and development. The supply of a service, or its subsidisation, within the public sector is not in breach of this commitment.</p>								

REPUBLIC OF SLOVENIA (continued)

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Mode of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access	Limitations on national treatment			Additional commitments
		<p>Unbound in relation to foreign participation in newly privatized companies, when it exceeds 10 per cent of the total balance sheet of the company, is also subject to authorization and may be limited to a variable amount, determined by the Government.</p>	<p>At least half of the ordinary members of the Board of Directors have to be nationals of the Republic of Slovenia. The managing director of a limited company or at least procurator has to be a Slovenian national.</p> <p>A director of a branch, established in the Republic of Slovenia by a foreign juridical person, has to be a resident in the Republic of Slovenia.</p>	<p>Unbound with respect to representative offices.</p>	<p>Services considered in the Republic of Slovenia as public utilities at a national or local level may be subject to public monopolies or to exclusive rights granted to private operators.*</p>

Explanatory Note: Public utilities exist in sectors such as related scientific services, R&D services, including social sciences and humanities, technical testing services, environmental services, health services, basic education, social security, railway, post, public urban passenger transport, energy and water supply. Exclusive rights on such services are often granted to private operators, for instance operators with concessions from public authorities, subject to specific service obligations. Commercial presence in above mentioned sectors where a public utility exists is bound to horizontal and sector specific commitments.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
<u>Real estate:</u>				

Juridical persons established in the Republic of Slovenia with foreign capital participation may only acquire real estate in conjunction with their business activities and can only obtain ordinary proprietary rights linked to real estate.

Branches* established in the Republic of Slovenia by foreign persons may only acquire real estate, except land, in conjunction with their business activities and can only obtain ordinary proprietary rights linked to real estate.

Ownership of real estate in the border areas of 10 km by companies in which majority of capital or voting rights belongs directly or indirectly to juridical persons or nationals of another Member is subject to special permission.

* According to the Law on Commercial Companies, a branch established in the Republic of Slovenia is not considered a juridical person, but as regards their operation, their treatment is equal to a subsidiary, which is in line with Note 12 to the GATS.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			
	4) Unbound, except for measures concerning the entry into and temporary stay* of a natural person who falls in one of the following categories:	4) Unbound except for measures concerning the categories of natural persons referred to in the Market Access Column.	4) Unbound except for measures concerning the categories of natural persons referred to in the Market Access Column.	4) Unbound except for measures concerning the categories of natural persons referred to in the Market Access Column.
	<u>Business visitors</u>	A natural person, without requiring compliance with an economic need test **, who stays in the Republic of Slovenia without acquiring remuneration from or within the Republic of Slovenia and without engaging in making direct sales to the general public or supplying services, for the purpose of participating in business meetings, business contacts, including negotiations for the sale of services or other similar activities, including those to prepare the establishment of commercial presence in the Republic of Slovenia.	To the extent that any subsidy is made available to natural persons, their availability may be limited to nationals of the Republic of Slovenia.	

* The duration of "temporary stay" is defined by laws and regulations regarding entry, stay and work. The precise duration can vary according to the different categories of natural persons mentioned in this schedule.

** All other requirements of laws and regulations regarding entry, stay, work and social security measures shall continue to apply, including regulations concerning period of stay, minimum wages as well as collective wage agreements.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
<u>Intra Corporate Transferee*</u>				

Natural persons of another Member who have been employed by juridical persons of another Member for a period of not less than one year immediately preceding the entry or have been partners in it (other than majority shareholders):

- a) Without requiring compliance with an economic needs test, natural persons occupying a senior position, who primarily direct the management of the establishment, receiving general supervision, direction, principally from the board of directors or stockholders of the business or their equivalent, including:
 - directing the establishment or a department or sub-division of the establishment;
 - supervising and controlling the work of other supervisory, professional or managerial employees;
 - having the authority personally to hire and fire or other personnel actions.

An "intra-corporate transferee" is defined as a natural person working within a juridical person, other than a non-profit making organisation, established in the territory of a WTO Member, and being temporarily transferred in the context of the provision of a service through commercial presence in the territory of the Republic of Slovenia; the juridical persons concerned must have their principal place of business in the territory of a WTO Member and the transfer must be to an establishment (office, branch or subsidiary) of that juridical person, effectively providing like services in the territory of the Republic of Slovenia.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment		
		b) In compliance with an economic needs test, natural persons working within a juridical person who posses uncommon knowledge essential to the establishment's service, research equipment, techniques or management. In assessing such knowledge, account will not be taken only of knowledge specific to the establishment, but also of whether the person has a high level of qualifications referring to a type of work or trade requiring specific technical knowledge.		Additional commitments

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons				
Sector or subsector	Limitations on market access		Limitations on national treatment					
II. SECTOR-SPECIFIC COMMITMENTS								
I. BUSINESS SERVICES								
A. <u>Professional Services</u>								
a) Legal Services excluding services on Notaries Public (CPC 861**)	<p>1) Unbound for drafting of legal documents</p> <p>2) None</p> <p>3) Commercial presence is restricted to sole proprietorship or to a law firm with unlimited responsibility (partnership) only. Only lawyers with licence to practice may be partners. For activities involving national law acceptance into the Bar Association ("Odvetniška zbornica Slovenije") is required. Consent of the Bar Association is required for the establishment of a law firm.</p>	<p>1) Unbound for drafting of legal documents</p> <p>2) None</p>	<p>1) Unbound for drafting of legal documents</p> <p>2) None</p>	<p>3) Conditions for acceptance into the Bar Association for lawyers who are not Slovenian nationals and have a licence to practice in another Member, have to have a certificate of knowledge of the Slovenian law and must be proficient in the Slovenian language.</p> <p>4) Unbound except as indicated in Part I</p>				

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
b) Auditing Services (CPC 86211** and 86212** other than accounting services)	1) Unbound 2) None 3) Commercial presence should take the form of a juridical person. The share of foreign persons may not exceed 49 per cent of the equity. Provision through auditing firms only. 4) Unbound except as indicated in Part I and subject to limitations on natural persons employed by juridical persons only.	1) Unbound 2) None 3) None 4) Unbound except as indicated in Part I and in the Market Access Column	1) None for pure planning services; the submission of plans for approval by the competent authorities requires co-operation with an established supplier of planning services. 2) None 3) None 4) Unbound except as indicated in Part I	1) None for pure planning services; the submission of plans for approval by the competent authorities requires co-operation with an established supplier of planning services.
e) Engineering Services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) None for pure planning services; the submission of plans for approval by the competent authorities requires co-operation with an established supplier of planning services. 2) None 3) None 4) Unbound except as indicated in Part I	1) None for pure planning services; the submission of plans for approval by the competent authorities requires co-operation with an established supplier of planning services.
f) Integrated Engineering Services (CPC 8673)	1) None			

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	2) None	2) None	2) None	
	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
h) Medical* and Dental Services (CPC 93121, 93122***)	1) Unbound	1) Unbound	1) Unbound	
	2) None	2) None	2) None	
	3) Membership of Doctors Association required. Conditions for acceptance into Doctors Association for doctors who are not Slovenian nationals is licence to practice in another Member and have a good command of the Slovenian language.			
			Establishment in the form of legal person is subject to authorization by Ministry of Health.	
			Entry into public Health network is subject to concession from Institute for Health Insurance of the Republic of Slovenia.	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	
B. Computer and Related Services				
a) Consultancy Services related to the Installation of Computer Hardware (CPC 841)	1) None	1) None	1) None	1) None
	2) None	2) None	2) None	2) None
	3) None	3) None	3) None	3) None
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
b) Software Implementation Services (CPC 842)	1) None	1) None	1) None	1) None
	2) None	2) None	2) None	2) None
	3) None	3) None	3) None	3) None
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
d) Data Base Services (CPC 844)	1) None	1) None	1) None	1) None
	2) None	2) None	2) None	2) None
	3) None	3) None	3) None	3) None
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
e) Other Computer Services n.e.c (CPC 84990)	1) None	1) None	1) None	1) None
	2) None	2) None	2) None	2) None
	3) None	3) None	3) None	3) None

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
C. Research and Development Services				
a) R&D Services on natural sciences (CPC 851)	1) None 2) None 3) None 4) Unbound except as indicated in Part I		1) None 2) None 3) None 4) Unbound except as indicated in Part I	
b) R&D Services on social sciences and humanities (CPC 852)	1) None 2) None 3) None 4) Unbound except as indicated in Part I		1) None 2) None 3) None 4) Unbound except as indicated in Part I	
c) Interdisciplinary R&D Services (CPC 853)	1) None 2) None 3) None 4) Unbound except as indicated in Part I		1) None 2) None 3) None 4) Unbound except as indicated in Part I	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access			Limitations on national treatment	Additional commitments
E. Rental/Leasing Services without Operators					
a) Relating to Ships (CPC 83103)	1) None	1) None	1) None	1) None	
	2) None	2) None	2) None	2) None	
	3) None	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	
b) Relating to Aircraft (CPC 83104)	1) None	1) None	1) None	1) None	
	2) None	2) None	2) None	2) None	
	3) None	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	
c) Relating to Other Transport Equipment (CPC 83102, 83105)	1) Unbound	1) Unbound	1) Unbound	1) Unbound	
	2) None	2) None	2) None	2) None	
	3) None	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	
d) Relating to Other Machinery and Equipment (CPC 83106, 83107, 83108, 83109)	1) None	1) None	1) None	1) None	
	2) None	2) None	2) None	2) None	
	3) None	3) None	3) None	3) None	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
F. Other Business Services				
b) Market Research and Opinion Polling (CPC 864)	1) None 2) None 3) None		1) None 2) None 3) None	
c) Management Consulting Services (CPC 865)	1) None 2) None 3) None		1) None 2) None 3) None	
e) Technical Testing and Analysis Services (CPC 8676)	1) None 2) None 3) None		1) None 2) None 3) None	
j) Services Incidental to Energy Distribution - for gas only (CPC 887**)	1) None 2) None		1) None 2) None	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			
	3) None		3) None	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
2. COMMUNICATION SERVICES				
B. Courier services		1) Unbound	1) Unbound	
Special Delivery Services only (CPC 7512**)		2) None	2) None	
	3) None		3) None	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
C. Telecommunication Services				
The setting up and operation of telecommunication networks infrastructure as well as the provision of voice telephone, packet and circuit switched data services, telegraph, telex, mobile radio telephone and paging services are excluded (public monopoly).				
Value-added services including:				
Electronic Mail	1) None	1) None	1) None	
- Voice Mail	2) None	2) None	2) None	
- On-line Information and Data Base Retrieval		3) Licence required. Limitation of ownership	3) None	
- Electronic Data Interchange	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
(CPC 7523**)				

REPUBLIC OF SLOVENIA (continued)

Sector or subsector	Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
		Limitations on market access		Limitations on national treatment	
				Additional commitments	
1. CONSTRUCTION AND RELATED ENGINEERING SERVICES					
A. <u>General Construction Work for Buildings</u> (CPC 512)	1) Unbound*		1) Unbound*		
	2) None		2) None		
	3) None		3) None		
	4) Unbound except as indicated in Part I and: commercial presence required		4) Unbound except as indicated in Part I and: commercial presence required		
B. <u>General Construction Work for Civil Engineering</u> (CPC 513)	1) Unbound*		1) Unbound*		
	2) None		2) None		
	3) None		3) None		
	4) Unbound except as indicated in Part I and: commercial presence required		4) Unbound except as indicated in Part I and: commercial presence required		
C. <u>Installation and Assembly Work</u> (CPC 514, 516)	1) Unbound*		1) Unbound*		
	2) None		2) None		
	3) None		3) None		
	4) Unbound except as indicated in Part I and: commercial presence required		4) Unbound except as indicated in Part I and: commercial presence required		

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			
D. <u>Building Completion and Finishing Work</u> (CPC 517)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required
E. <u>Other:</u> - Pre-erection work at construction sites and special trade construction work (CPC 511, 515)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I and: commercial presence required	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I
4. DISTRIBUTION SERVICES				
(Excluding distribution of pyrotechnical goods, ignitable articles and blasting devices, firearms, ammunition and military equipment, pharmaceutical products, medical and surgical devices, toxic substances and certain medical substances).				
A. <u>Commission Agents' Services</u> (CPC 621)	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) None 2) None 3) None 4) Unbound except as indicated in Part I

REPUBLIC OF SLOVENIA (continued)

Mode of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	Limitations on market access			
					Limitations on national treatment			
Sector or subsector					Additional commitments			
B. Wholesale Trade Services (CPC 622)	1) None	1) None	1) None	1) None	2) None	2) None	2) None	2) None
	2) None	2) None	2) None	2) None	3) None	3) None	3) None	3) None
	3) None	3) None	3) None	3) None	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
C. Retailing Services (CPC 631, 632**, 61112, 6113, 6121 excluding 63211)	1) None	1) None	1) None	1) None	2) None	2) None	2) None	2) None
	2) None	2) None	2) None	2) None	3) None	3) None	3) None	3) None
	3) None	3) None	3) None	3) None	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
D. Franchising (CPC 8929)	1) None	1) None	1) None	1) None	2) None	2) None	2) None	2) None
	2) None	2) None	2) None	2) None	3) None	3) None	3) None	3) None
	3) None	3) None	3) None	3) None	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I
5. EDUCATIONAL SERVICES								
B. Secondary Education Services - Privately Funded Only (CPC 922**)	1) None	1) None	1) None	1) None	2) None	2) None	2) None	2) None

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
C. Higher Education Services Privately Funded Only (CPC 923 **)	<p>3) Foreign nationals may obtain authorization from competent authorities to establish and direct an educational institution and to teach. Condition of ensuring quality and level of education and suitability of school facilities.</p> <p>4) Unbound except as indicated in Part I</p>	<p>3) None other than: majority of the Board must be of Slovenian nationality</p> <p>4) Unbound except as indicated in Part I</p>	<p>3) None other than: majority of the Board must be of Slovenian nationality</p> <p>4) Unbound except as indicated in Part I</p>	<p>3) None other than: majority of the Board must be of Slovenian nationality</p> <p>4) Unbound except as indicated in Part I</p>
D. Adult Education Services (CPC 924)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Part I</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Part I</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Part I</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in Part I</p>

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
6. ENVIRONMENTAL SERVICES				
C. Sanitation and Similar Services (CPC 9403)	1) Unbound*		1) Unbound*	
	2) None		2) None	
	3) None		3) None	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
D. Other:				
- Nature and Landscape Protection Services (CPC 9406)	1) Unbound*		1) Unbound*	
	2) None		2) None	
	3) None		3) None	
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	
7. FINANCIAL SERVICES*				
1.	Commitments on Financial Services are based on the provisions of the Annex on Financial Services and of the "Understanding on Commitments in Financial Services" (the Understanding).			
2.	These commitments are subject to the limitations on market access and national treatment in the "all sectors" section of this schedule and to those relating to the subsectors listed below.			
3.	The market access commitments in respect of modes 1) and 2) apply only to the transactions indicated in paragraphs 3 and 4 of the market access section of the Understanding respectively.			
4.	Notwithstanding note 1. above, the market access and national treatment commitments in respect of mode 4) on financial services are those in the "all sectors" section of this schedule.			
5.	The admission to the market of new financial services or products may be subject to the existence of, and consistency with, a regulatory framework aimed at achieving the objectives indicated in Article 2.(a) of the Annex on Financial Services.			
6.	As a general rule and in a non-discriminatory manner, financial institutions incorporated in the Republic of Slovenia must adopt a specific legal form.			
7.	The Republic of Slovenia reserves its rights and obligations under paragraph 2 of the Second Annex on Financial Services and the Decision on Financial Services for the period stated therein.			
8.	This schedule does not prejudice the application of prudential measures, subject to the conditions specified in Article 2.(a) of the Financial Services Annex, such as, in the securities area, non-discriminatory regulations concerning the organization of securities markets and trading rules concerning dealing in securities.			
9.	The purchase and acquisition of financial services by public entities of the Republic of Slovenia is governed by this schedule, and by Article XIII of the Agreement.			

* Foreign branches established in the Republic of Slovenia receive an authorization to operate in the territory of the Republic of Slovenia under conditions equivalent to those applied to domestic persons, and may be required to satisfy a number of specific prudential requirements such as, in the case of banking and securities, separate capitalization and other solvency requirements and reporting and publication of accounts requirements or, in the case of insurance, specific guarantee and deposit requirements, a separate capitalization, and the localization in the Republic of Slovenia of the assets representing the technical reserves and at least one-third of the solvency margin.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access		Limitations on national treatment		Additional commitments
A. Insurance and Insurance-Related Services (CPC 812) and as defined in the "Annex on Financial Services" (para. 5.(a)(i) - 5.(a)(iv))					
Licensing of insurers with foreign ownership participation is subject to the condition that the country of origin of the investor also offers competitive opportunities, effective market access and national treatment equivalent to those offered by the Republic of Slovenia.					
The following insurance services are provided by exclusive (supplier) rights as indicated in number 1 of the "Understanding":					
Compulsory motor vehicle third party liability insurance, compulsory air transport insurance, the liability insurance of employer against injury or occupational disease have to be effected through an insurance company established in the Republic of Slovenia. The basic health insurance and pension schemes are limited to the Institute for Disability and Retirement Insurance or to the Institute for Health Insurance. Insurance of non-commercial risks of exports is limited to Slovenian Export Corporation ("Slovenska izvozna družba").					
a) Life Insurance (CPC 81211)	1) Unbound	1) None			
b) Non-life Insurance (CPC 8129)	2) Unbound	2) None			
c) Reinsurance and Retroscession (CPC 8129)	3) Establishment required. Establishment required in a specific legal form (joint stock company or mutual insurance company) and is subject to a licence issued by the Ministry of Finance. Participation of foreign persons may not exceed 49 per cent and must be at least 20 per cent of the initial security fund; in case of a joint stock company with more than one foreign shareholder, a single	3) Insurance company with a foreign majority or controlling share of capital may not be engaged in life insurance and reinsurance transactions nor in the insurance of companies manufacturing and trading in arms and military equipment.			
d) Insurance Broking and Agency Services (CPC 81401)					

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access	Limitations on national treatment			Additional commitments
e) Services auxiliary to insurance except pension funding (CPC 81402**, 81403, 81404, 81405, 81409**)	<p>foreign shareholder may not possess a greater share than a single domestic shareholder in the initial security fund.</p> <p>Insurance and banking activities should be performed by legally separate suppliers of financial services.</p> <p>Unbound with respect to branches, representative offices and agencies of insurers.</p>	4)	Unbound except as indicated in Part I	4)	Unbound except as indicated in Part I
	<p>1) Unbound</p> <p>2) None</p>	1)	None	1)	None
	<p>3) Establishment required in the form of a juridical person. Combined ownership required with domestic persons (unrestricted), subject to a licence of the Ministry of Finance.</p> <p>Unbound with respect to branches, representative offices and agencies</p>	2)	None	2)	None
		3)	None		
		4)	Unbound except as indicated in Part I	4)	Unbound except as indicated in Part I

REPUBLIC OF SLOVENIA (continued)

Sector or subsector	1) Cross-border supply as defined in the "Annex on Financial Services" (para.5.(a)(v) - 5.(a)(xvi)) or under CPC codes	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Limitations on market access		Limitations on national treatment		Additional commitments
B. Banking and Other Financial Services	Licensing of foreign branches and subsidiaries of foreign banks as well as ownership participation of foreign persons in domestic banks is subject to the condition that the other country in its turn offers competitive opportunities, effective market access and national treatment equivalent to those offered by the Republic of Slovenia.			
	The following financial service activities conducted by the following public entity shall be deemed as "services supplied in the exercise of governmental authority" under paragraph 1.(b)(iii) of the Annex on Financial Services: Slovenian Export Corporation, Agency for Rehabilitation of Banks, Securities Market Agency, Agency for Privatization, Development and Reconstruction, Slovenian Motorways Corporation. These activities are such as the management of governmental debts, the administration of export credit insurance and guarantees, for the account of government, the settlement of payment transactions for the government and activities related to the distribution of governmental subsidies, which are reserved to above mentioned entities as well as to other special banking institutions or legal entities.			
a) Acceptance of deposits and other repayable funds from the public (CPC 81115 - 81119)	1) Unbound 2) Unbound	1) Unbound 2) Unbound	1) None 2) None	3) None other than: foreign branches may not be engaged in acceptance of deposits and savings denominated in foreign currency.
b) Lending of all types (except mortgage loans) (CPC 8113 except 81131)	3) Establishment of all types are subject to a licence of the Bank of Slovenia. Banks must be established in the form of joint stock companies only. Foreign persons may purchase shares or any new ownership share of banks, subject to a licence of the Bank of Slovenia. Under licence of the Bank of Slovenia, banks can be permitted to provide all or limited banking services, depending on amount of the capital of the particular bank.			
d) All payments and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (CPC 81339**)				

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access			Limitations on national treatment	Additional commitments
a) Guarantees and commitments (excluding guarantees and commitment of the State Treasury) (CPC 8199**)	<p>The participation of the bank incorporated in the Republic of Slovenia in a foreign financial organization and in a merger or take-over with other foreign or domestic juridical person is subject to a licence of the Bank of Slovenia.</p> <p>Insurance and banking activities should be performed by legally separate suppliers of financial services.</p>	<p>Unbound with respect to all types of establishment of the hypothecary banks and savings banks, as well as with respect to other financial organizations.</p>	<p>At least two persons who direct and manage and are authorized to represent a foreign bank or branch have to be nationals of the Republic of Slovenia.</p>	<p>A Specialized Management Company is required for activities of management of Investments Funds (Mutual Funds).</p> <p>All foreign persons may directly or indirectly acquire a maximum of 20 per cent of shares or stocks of Specialized Management Companies, for larger percentage a permit of the Securities Market Agency is required.</p> <p>All foreign persons may directly or indirectly acquire a maximum of 10 per cent of shares or stocks of</p>	
b) Trading for own account of customers, whether on an exchange, in an over-the-counter market or otherwise as follows:					
- money market instruments (cheques, bills, certificates of deposits, etc.) (CPC 81319**)					
- foreign exchange (CPC 81111)	<ul style="list-style-type: none"> - exchange rate and interest rate instruments, etc. including products such as swaps, forward rate agreements <p>(CPC 81319**)</p>				

REPUBLIC OF SLOVENIA (continued)

Mode of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access			
Other Financial Services:				
a) Participation in issues of all kinds of securities (excluding treasury bonds) (CPC 8132)	Authorized (privatization) Management Companies, for a larger percentage a permit of the Securities Market Agency is required with the consent of the Minister of Economic Relations and Development.	A single owner (foreign or domestic) may possess a maximum of 5 per cent of shares or stocks.		
b) Transferable securities (CPC 81321)		Investments of the Investments Funds into securities of foreign persons are limited.	Only domestic firms can act as depositaries of the assets of Investments Funds.	
c) Mutual funds services (CPC 81323***)			Financial institutions may engage in securities trading only through members of Slovenian Stock Exchange.	Firms other than banks, in order to provide services related to securities trading, must be separately incorporated in the Republic of Slovenia.
				Foreign persons may become shareholders or partners in a Stock Broking Company by prior permit of the Securities Market Agency and up to 24 per cent of the basic capital of the Stock Broking Company.

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
	Members of the Slovenian Stock Exchange who may engage in securities trading at the Stock Exchange can be Stock Broking Companies and banks incorporated in the Republic of Slovenia.			
4)	Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	
k) Advisory and other auxiliary services to banking activities included into this schedule (CPC 8131**)	1) None 2) None 3) None	1) None 2) None 3) None	4) Unbound except as indicated in Part I	
l) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services (CPC 8131i)	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons		
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments		
8. HEALTH SERVICES AND SOCIAL SERVICES						
A. Hospital Services						
- Private Hospital and Sanatorium Services (CPC 9311** excluding services provided by the public sector)	1) Unbound*	1) Unbound*	1) Unbound*	1) Unbound*		
	2) Public medical insurance programs may not cover cost of medicare supplied abroad provided by the public sector)	2) Public medical insurance programs may not cover cost of medicare supplied abroad provided by the public sector)	2) Service consumers may not be entitled to receive financial support from public resources. Subject to authorization by Institute for Health Insurance of the Republic of Slovenia ("Zavod za zdravstveno zavarovanje").	2) Service consumers may not be entitled to receive financial support from public resources. Subject to authorization by Institute for Health Insurance of the Republic of Slovenia ("Zavod za zdravstveno zavarovanje").		
	3) Authorization by health authorities; when authorizing the establishment of hospitals due consideration on a case-by-case basis is taken of the density of population, existing facilities, transport infrastructure, specialization and the distance between hospitals.	3) Authorization by health authorities; when authorizing the establishment of hospitals due consideration on a case-by-case basis is taken of the density of population, existing facilities, transport infrastructure, specialization and the distance between hospitals.	3) Foreign private establishment and their service consumers may not be entitled to receive financial support from public resources including usage of public medical insurance programs.	3) Foreign private establishment and their service consumers may not be entitled to receive financial support from public resources including usage of public medical insurance programs.		
			Entry into public Health network is subject to concession from Institute for Health Insurance of the Republic of Slovenia.	Entry into public Health network is subject to concession from Institute for Health Insurance of the Republic of Slovenia.		
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I		

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access		Limitations on national treatment		Additional commitments
B. Other Human Health Services					
- Residential Health Facilities Services like Health Resort Hotels and Therapeutic Bath Services (CPC 93193)	1) Unbound*		1) Unbound*		
	2) None		2) None		
	3) None		3) None		
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I		
9. TOURISM AND TRAVEL RELATED SERVICES					
A. Hotels, Restaurants and Catering (CPC 641, 642, 643 excluding catering in transport services sector)	1) Unbound*		1) Unbound*		
	2) None		2) None		
	3) None other than location in the protected areas of particular historic and artistic interest and within national or landscape parks is subject to authorization which can be denied.		3) None		
	4) Unbound except as indicated in Part I		4) Unbound except as indicated in Part I		
B. Travel Agencies and Tour Operators Services (CPC 7471)	1) Commercial presence required		1) Commercial presence required		
	2) None		2) None		
	3) None		3) None		

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than Audio-visual Services)	4) Unbound except as indicated in Part I and commercial presence required	4) Unbound except as indicated in Part I and commercial presence required	4) Unbound except as indicated in Part I and commercial presence required	
D. Sporting and Other <u>Recreational Services</u>	1) None	1) None	1) None	
other than ski school services, ski and mountain guide services gambling and betting services	2) None	2) None	2) None	
	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I (CPC 9641, 96491)	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	
II. TRANSPORT SERVICES				
A. <u>Maritime Transport Services</u>				
d) Maintenance and Repair of Vessels (CPC 8868**)	1) Unbound*	1) Unbound*	1) Unbound*	
	2) None	2) None	2) None	
	3) None	3) None	3) None	
	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	4) Unbound except as indicated in Part I	

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access	Limitations on national treatment			Additional commitments
C. Air Transport Services					
d) Maintenance and Repair of Aircraft (CPC 8868**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) For obligation of parent or participating carriers in respect of a Computer Reservation System controlled by an air carrier of one or more third Countries: unbound 2) None 3) For obligations of parent or participating carriers in respect of a Computer Reservation System controlled by an air carrier of one or more third Countries: unbound 4) Unbound except as indicated in Part I	1) None 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I
- Computer Reservation System					
E. Rail Transport Services					
d) Maintenance and Repair of Rail Transport Equipment (CPC 8863**)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I

REPUBLIC OF SLOVENIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access		Limitations on national treatment		Additional commitments
F. Road Transport Services					
d) Maintenance and Repair of Road Transport Equipment (CPC 6112**)	1) None 2) None 3) None 4) Unbound except as indicated in Part I		1) None 2) None 3) None 4) Unbound except as indicated in Part I		
H. Services auxiliary to all modes of transport					
b) Storage and Warehouse Services	1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I		1) Unbound* 2) None 3) None 4) Unbound except as indicated in Part I		
c) Freight Transport Agency Services/Freight Forwarding Services (CPC 748)	1) None 2) None 3) None 4) Unbound except as indicated in Part I		1) None other than customs clearance is subject to limitation to juridical person established in the Republic of Slovenia 2) None 3) None other than customs clearance is subject to limitation to juridical person established in the Republic of Slovenia 4) Unbound except as indicated in Part I		

REPUBLIC OF SLOVENIA - DRAFT LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
All sectors	<p>Waiving of limitations to market access and national treatment in the area of commercial presence, including the movement of capital</p> <p>Waiving of limitations to market access and national treatment in the area of commercial presence, including the movement of capital</p>	<p>Current and future member countries of the European Union.</p>	Indefinite	<p>Republic of Slovenia has the the Trade and Cooperation Agreement with the EU and both sides are currently in preparations to conclude Association Agreement which will gradually liberalize market access and abolish limitations on national treatment</p>
Audiovisual Services	<p>Measures applied for the implementation of and in conformity with existing or future co-production agreements and which provide for national treatment to the works covered</p> <p>Measures applied for the implementation of and in conformity with support programmes such as the Council of Europe Convention on Transfrontier Television, Eureca, Media and Eurimages to audiovisual programmes and supplies to these programmes meeting specific origin criteria</p>	<p>Parties to the agreements</p>	Indefinite	<p>The promotion of cultural links between the parties concerned.</p> <p>The promotion of cultural exchange among European countries based on traditional cultural links</p>

REPUBLIC OF SLOVENIA (continued)

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
	Preferential treatment of audiovisual works meeting European origin criteria regarding screen-time access	European countries	Indefinite	Promoting common cultural links and protection of common cultural heritage
Road Transport Passenger and Freight	Measures applied under existing or future agreements and which reserve or limit the provision of transport services and specify operating conditions, including transit permits and/or preferential road taxes of a transport services into, in, across and out of the Republic of Slovenia to the parties concerned.	All countries with which agreements are or will be in force	Indefinite	To protect the integrity of road transport infrastructure and the environment and to regulate traffic rights in the territory of the Republic of Slovenia and between the countries concerned
Computer Reservation System and Marketing of Air Transport Services	Provision of Article 7 of Regulation (EC) No. 2299/89 as amended by Regulation (EC) No. 3089/93, whereby the obligations of CRS systems vendors or of parent and participating air carriers shall not apply where equivalent treatment to that applied under the Regulation is not accorded in the country of origin of the parent carrier or of the system vendor	All countries where a CRS system vendor or a parent air carrier is located	Indefinite	The need for the exemption results from the insufficient development of multilateral agreed rules for the operation of CRS.

REPUBLIC OF SLOVENIA (continued)

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Financial Services	Authorization for a service supplier of another Member to establish a commercial presence or conduct new activities may be denied in cases when Slovenian suppliers are denied such access and treatment in the country of origin of the service concerned	All countries	Indefinite	To obtain equal market access possibilities for Slovenian suppliers

NOTES ON THE DRAFT SCHEDULE OF SPECIFIC COMMITMENTS RELATING TO
THE REPUBLIC OF SLOVENIA

GENERAL DESCRIPTION

1. Restructuring of the Slovenian economy

One of the extremely important tasks in the process of transition is the privatisation of former socially owned property. In accordance with the Law on Privatisation all socially owned companies should be transformed into private or public ownership by the end of 1994 in line with agreed principles.

Of current socially owned companies, around 19 per cent are in the field of financial, technical and business services, 14 per cent in trade, 5 per cent in construction, 5 per cent in catering and tourism, 2 per cent in transport and 1 per cent in education, science, culture and information.

The Law on Ownership Transformation of Companies does not apply to:

- companies or other juridical persons performing activities of special social importance or commercial public services regulated by law,
- banks and insurance companies,
- companies whose activity involves the organisation of games of chance,
- companies being transformed in accordance with the Law on Cooperatives,
- companies being transformed in accordance with the law regulating forests,
- companies in bankruptcy proceedings from the moment the resolution on the commencement of bankruptcy proceedings comes into force.

Two laws to regulate the ownership transformation of some of the companies referred to above are currently undergoing parliamentary procedure. These are the Law on the Privatisation of Legal Entities which have Transferred Their Social Capital to the Development Fund of the Republic of Slovenia, and the Law on the Privatisation of Legal Entities and Property Owned by the Republic of Slovenia.

A total of 570 ownership transformation programmes had been submitted to the Agency for Restructuring and Privatisation by the month of August 1994, at a total value of SIT 450bn. This is estimated at around 41 per cent of all social capital whose ownership should be transformed in accordance with the Law on the Ownership Transformation of Companies.

The most common form of distribution of social capital in companies is the obligatory transfer of shares to the funds (compensation, pension and development funds), internal division, which represents some 19.8 per cent of all social capital in approved programmes out of a legally possible 20 per cent, and internal purchase.

So far 34 companies have opted for public sale of their shares, of which 14 have had their programmes confirmed. Some of these have already concluded their public share offer. Social capital intended for public sale of shares makes up 11 per cent of all the social capital in approved programmes.

2. Services in the Republic of Slovenia

Services account for around 52 per cent of the country's GDP, 18 per cent of total exports, and 14 per cent of imports. The balance of international trade in services is positive. Services account for around 55 per cent of employment.

The share of foreign investment in service activities in the Republic of Slovenia is relatively low.

In accordance with the Law on Foreign Trade (Official Gazette of the Republic of Slovenia, no. 13/93), the export of services from and import into the Republic of Slovenia is free. Article 20 of this law empowers the Government of the Republic of Slovenia to prescribe additional conditions and criteria under which foreign persons may perform individual services in the Republic of Slovenia, i.e.:

- foreign persons may only perform or offer certain services on condition of reciprocity,
- foreign persons may not perform certain services in the Republic of Slovenia unless they establish a juridical person with a head office in the Republic of Slovenia or conclude an appropriate contract with a domestic person registered to perform such services,
- when performing certain services in the Republic of Slovenia foreign persons may employ a maximum percentage of foreign citizens.

The Government of the Republic of Slovenia has not yet prescribed such conditions and criteria.

I. HORIZONTAL COMMITMENTS

3. Special legal features of firms, subsidiaries and representative offices in the Republic of Slovenia.

Foreign companies may perform a service activity in the Republic of Slovenia via their own company or through a subsidiary whose registered head office is located in the Republic of Slovenia (Law on Commercial Companies, Official Gazette RS, no. 30/93). Pursuant to Article 31 of the law, a subsidiary is not a juridical person, but under Article 8 of the Law on Banks and Savings Institutions it is a juridical person. Foreign companies cannot, therefore, perform service activities in the Republic of Slovenia through branch offices or representative offices.

The representative of a subsidiary of a foreign company must have permanent residence in the Republic of Slovenia. In accordance with the Law on Foreigners, a permanent residence permit may be issued to a foreigner who has lived in the Republic of Slovenia for at least three years without interruption on the basis of a

temporary residence permit and on fulfilling the conditions of the said law.

A foreign person which does not have a registered head office or other registered form in the Republic of Slovenia must declare the start of performing a service to the relevant tax authority when carrying out certain services in the territory of the Republic of Slovenia.

4. Investing in the Republic of Slovenia

In accordance with the Law on Commercial Companies and the Law on Foreign Investments (Official Gazette SFR Yugoslavia no. 77/88) a foreign investor may establish a company in the Republic of Slovenia. At this time, companies with exclusive foreign ownership are not allowed in the following fields: manufacturing and trading in arms and military equipment, rail and air transport, communications and telecommunications, insurance, publishing activities and the area of mass media.

In accordance with the Law on Banks and Savings Institutions (Official Gazette RS no. 1/91) a permit from the Bank of Slovenia is required for a foreign bank to establish a subsidiary, whereas for the establishment of a branch or a representative office, only its consent is required.

Certain foreign investments in the Republic of Slovenia must be declared to the relevant national agency. Contracts are recorded in a special register.

A new foreign investment law is being prepared which will be more liberal than the one currently in force. The number of off limits activities to foreign investors will be reduced. A resolution on Slovenia's foreign investment strategy has been adopted, which is the basis for the preparation of the new law. By comparison with the current arrangements, the draft of the new foreign investment law signifies a continued liberalisation of foreign investments in the Slovenian economy.

Stipulation of special conditions: With the aim of stimulating or restricting foreign investments, regulations governing individual activities and other regulations or nonstatutory acts issued on the basis thereof may stipulate special conditions for foreign investments in a company or other form of performing an activity in the field of banking, insurance, public commercial services, public institutes, gambling, transport services, legal aid and legal advisory services, oil refinement, detective services, security services, real estate trading, agricultural activities and activities connected in any way with intervention in the natural and cultural heritage.

Foreign investments will not be permitted in a company or other form of performing an activity in production of or trade in armaments and military equipment, retirement insurance or basic education, which are financed from the budget, irrespective of the legal organisational form in which they are carried out.

There is a proposal for consent to be required for construction

in the border areas (10 km).

It is anticipated that permission will be required for investment in existing firms whenever the investment entails the purchase of more than 10 per cent of the value of the firm if the book value of the firm exceeds SIT 760m. This same limitation of the share is anticipated for mergers and divisions of firms.

Special provisions are envisaged for foreign investments in privatised companies in accordance with the Law on Privatisation. The limit on the foreign-held share in such firms is 10 per cent.

There is no restriction on the share in the capital of a company held by foreigners, although foreigners may not establish companies of which they would be the exclusive (100 per cent) owners in the area of insurance, publishing, auditing and communications.

5. Cross-border supply of money and securities

The Law on Foreign Exchange Operations (Official Gazette RS, no. 41/91) regulates international payment transactions, the disposal by natural persons of foreign exchange and other monetary instruments and the taking out or bringing in of domestic currency, domestic and foreign securities and other means of payment. In a positive approach (it prescribes what is permitted), the law stipulates:

- foreign juridical and natural persons who earn an income through permanent activity in the Republic of Slovenia, are treated as domestic persons
- exchange office operations may be performed by authorised banks and other domestic persons registered to perform such operations and who have signed with an authorised bank a contract on the performing of exchange office operations,
- the Bank of Slovenia stipulates the operations which may be performed by domestic and foreign juridical and natural persons in connection with international payment transactions,
- domestic natural persons who acquire foreign exchange in accordance with the Law on Foreign Exchange Operations may freely dispose of such funds and in accordance with the same law may transfer them and make payments abroad,
- the carrying into or out of the country of domestic currency and securities denominated in the domestic currency is permitted in denominations, amounts and under the conditions stipulated by the Bank of Slovenia,
- foreign currency may be carried out under conditions prescribed by the Bank of Slovenia,
- savings booklets of domestic banks nominated in the domestic currency but not registered in a personal name, may only be taken or sent out of the Republic of Slovenia with the permission of the Bank of Slovenia,
- domestic securities denominated in foreign or domestic currency, other than cheques and bills of exchange, when they are performing a payment function may only be taken or sent out of the Republic of Slovenia with the permission of the Bank of Slovenia,
- foreign securities may only be taken or sent out of the Republic of Slovenia with the permission of the Bank of Slovenia,

6. Deviation from MFN principles (bilateral agreements)

The Republic of Slovenia inherited a range of international agreements (and has signed new ones) granting various rights to foreign countries. The process is underway to coordinate the rights granted to various countries for the same types of agreement, but this process will take a time.

For these reasons the Republic of Slovenia is reserving the right to temporarily retain certain deviations from MFN principles for existing bilateral agreements.

7. Operating conditions of private persons in Slovenia, managers and experts from foreign firms in Slovenia, conditions of residence in Slovenia

The residence problems of foreigners living in Slovenia are very complicated, since a large number of people who were born and had permanent residence in other republics of the former Yugoslavia remained in Slovenia after the break-up of Yugoslavia. The majority of these inhabitants did not wish to return home when the federal state broke up, and those who were entitled applied for Slovenian citizenship.

There are several types of foreign worker in the Republic of Slovenia:

a. Workers employed by employers with their registered head office in the Republic of Slovenia need a work visa. A work visa is issued upon presentation of proof that the worker will sign an employment contract in Slovenia or perform certain work in accordance with the conditions stipulated in the Law on Foreigners (Official Gazette RS, no. 1/91).

• The Law on the Employment of Foreigners (Official Gazette RS, no. 33/92) requires such workers to have a work permit, which is issued by the National Employment Institute. Generally it is the employer with whom the employee concludes an employment contract who makes the application for a work permit. The permit is issued on condition that in the records of the Employment Institute on unemployed people in the given area, there is no suitable candidate who, in addition to fulfilling the general conditions, also meets the special conditions required by the employer and who is prepared to accept the employment. The work permit is the proof which the foreigner or the employer must submit in order to obtain a work visa.

- a business visa acts as a permit for temporary residence and for unlimited visits to the country. It is issued on the basis of proof that the foreigner will perform an activity envisaged by regulations governing the area of foreign investment and foreign trade operations, or perform professional work stipulated by a contract on business and technical cooperation, on long-term production cooperation or on technology transfer (Article 8 of the Law on Foreigners). This is considered as a personal work permit. An individual who has a business visa may perform work in the Republic of Slovenia on the basis of a concluded employment contract with an employer whose registered head office is located abroad.

b. Tradesmen (in Slovenia this means individuals performing a commercial or professional activity independently and can include foreign natural persons) may perform such activity if they acquire a trade licence, i.e. a licence to perform an independent professional activity, which is issued to a foreigner by the competent administrative body. This licence is considered as a personal work permit and applies for the duration of the performance of the activity.

c. management staff in company which is fully or partly foreign owned may work in the Republic of Slovenia:

- on the basis of a business visa and provided they meet the conditions laid down by the Law on Foreigners,
- on the basis of a work permit if the employer's registered head office is located in the Republic of Slovenia.

The director of a foreign-owned joint-stock or limited liability company must be a Slovenian citizen, or the firm must have a procurator who is a Slovenian citizen. If the board of directors has more than one member, a majority of such members must be citizens of the Republic of Slovenia. The term of a temporary stay by private businessmen in the Republic of Slovenia has not been defined.

Irrespective of their form of ownership, all companies must respect general conditions of operation (safety at work, protection of the environment, etc).

Specific restrictions refer to specific laws (e.g. recognition of foreign diplomas, professional examinations, knowledge of the Slovene language, Slovenian citizenship etc).

8. Real Estate

Foreigners may acquire ownership of immovable property under conditions stipulated by law (the performance of an activity). Foreign persons may not acquire the title to land or other material rights to immovable property other than by inheritance and under condition of actual reciprocity. It is also possible to acquire the ownership of immovable property for performing the activities of diplomatic and consular representation. This restriction does not apply, however, to a foreign person establishing a firm in the Republic of Slovenia as a Slovenian juridical person.

9. Subsidies

It will be necessary to coordinate the system of subsidies in the Republic of Slovenia by agreement with other members. Slovenia does not have a uniform system of subsidies.

A specific transitional form of subsidy has emerged in the Republic of Slovenia as a consequence of the loss of the former Yugoslav market when Slovenia gained its independence and of the transformation of social property. This type of subsidy takes the form of loan guarantees for companies and the granting of guarantees for export-oriented production. Subsidies are also

aimed at promoting development projects.

10. Public procurement

The system of Government procurement (Article VIII) will be coordinated in multilateral negotiations held within the framework of the WTO General Agreement and for the time being is not a problem. It is anticipated that all public procurement will be included.

11. Public services

In accordance with the Law on Public Services (Official Gazette RS, 32/93) certain activities are performed through public services (energy supply, transport and communications, municipal services and water supply and the management of other types of natural resource, protection of the environment as well as laws regulating other areas of economic infrastructure), and the same provision is contained in certain specific laws which govern the specific areas separately. Public services at the national level can be administrative services, economic institutions, public companies, concessions, and the investment of capital in the activities of persons in private law.

For example,

- a concessionaire may be a foreign person unless otherwise stipulated by law,
- the means for investment in the construction of structures and installations intended for the performance of public services may be obtained, under conditions determined by law, from funds invested by foreign persons and from funds obtained through foreign and international loans.

In accordance with the Law on Institutes (Official Gazette RS, 12/91), institutes exist in the areas of education, science, culture, sport, health, social security, child care, care of the disabled, social insurance and in the carrying out of other non-profit activities. They may be established by domestic or foreign natural or juridical persons unless otherwise determined by law for individual activities or for individual types of institute. Public institutes are established for the performance of public services.

II. SECTOR SPECIFIC COMMITMENTS

12. Financial services

For various reasons, particularly because of the small size of the economic area of the Republic of Slovenia, being a country in transition, the process of rehabilitating the banking and insurance systems and adapting to the new conditions following the collapse of Yugoslavia and of commercial ties with the former socialist countries of Eastern Europe, financial services are an extremely sensitive area for Slovenia in which liberalisation needs to be carried through carefully and gradually. Slovenia's most important banks are undergoing a process of transformation.

Stock exchange activities are new to Slovenia (founded in 1990) as well as securities trading in general, which is still somewhat limited.

Slovenia is prepared to participate in further negotiations on the liberalisation of financial services and so make up for its absence from the Uruguay Round of negotiations.

13. Communications services

The following monopoly postal services are envisaged in the draft of the Law on Postal Activities:

- the delivery of ordinary and registered mail up to 2,000 g other than printed matter and the delivery of postcards and braille print for the blind up to 700 g, and the delivery of telegraph messages and telegraph money orders within the country,
- the delivery of all international postal consignments to a weight, size and declared value in accordance with the provisions of the convention of the International Postal Union.

Because of the geographic situation and the relatively high level of development of individual types of telecommunications service, such services would be very interested in greater participation as an observer in the negotiations on telecommunications services. The telecommunications system in Slovenia is undergoing systemic and organisational changes. A new telecommunications law is being prepared.

The draft law is expected to introduce a temporary monopoly status for:

- public telephones, cable and non-cable TC network,
- PCN network and public telephones,
- SIPAX X.25

No monopoly services are anticipated in telecommunications, but in the proposal for the reorganisation of PTT Slovenija it is expected that it will be temporarily financed (up to five years) from Telekom funds.

14. Audiovisual services

In view of the country's size, special national features and protection of the national identity, the area of audiovisual services is very sensitive for Slovenia and in the future all liberalising efforts will be monitored very closely in this field.

15. Transport

Transport is a very important field for Slovenia because of the country's geographical position. Slovenia wishes to cooperate intensely in the liberalisation efforts in transport, in the negotiations on maritime transport as well as in other negotiations on liberalisation in both land and air transport.

The already passed Law on the Manner of Performing and Financing Transport on the Existing Railway Network and the Reorganisation and Ownership Transformation of the Slovenian Railways Public Company (Official Gazette RS, no. 71/93) stipulates that:

- services for maintenance and development of the railway infrastructure,
 - services of railway passenger transport,
 - services of combined rail transport,
 - safety and order in rail transport,
- will be guaranteed by the state in view of public interest, and that these services shall be performed by a public company in the form of Slovenian Railways joint-stock company on a contractual basis. The Government may, by law, grant a concession to other contractors for the performance of these services.

Rail cargo transport, which the Government does not guarantee and which will depend on supply and demand in the transport services market, will be carried out by the Slovenian Railways public joint-stock company.

16. Business services

For the time being the Republic of Slovenia does not have a unified legislation regulating the area of business services. This applies particularly to business services for which, in certain cases, laws from the former Yugoslavia are still in force, which, besides the strict division between social and the private sector, in the majority of services simply does not envisage the possible participation of foreigners. Slovenia is preparing a reform of the present legislation in this area.

Statement pertaining to conformity of legislation of the Republic of Slovenia with the requirements of the Agreement on Trade-Related Investment Measures (TRIMS)

The Government of the Republic of Slovenia has prepared a draft law, dated July 27th, 1994, which is presently being read in the Parliament, titled "Law on Foreign Investments". This draft and the currently applied law are available in an English translation.

This legislation will be the key regulation of foreign investments in Slovenia by the time of the implementation of the WTO Agreement with all other Uruguay Round legal instruments.

The above draft law does not contain any provisions which would directly or indirectly bear on the trade of goods in connection with foreign investment. The core of the law are provisions governing the facilitation of foreign investments in the Republic of Slovenia, related procedures and conditions, rights and obligations of foreign investors.

Discretionary authority in the draft law is limited to the stipulation of special conditions for foreign investment in certain areas in conjunction with requirements to safeguard national and public interest. In no way does this authority enable the Government to restrict or impose conditions on the trade of goods contrary to the requirements of the Agreement on Trade-Related Investment Measures.

The draft law prohibits foreign investment in activities and companies conducting production and trade in the area of armaments and military equipment.

In all respects, the law maintains national treatment of foreign investments in correspondence with paragraph 4. of Article III of GATT 1994 and does not impose any quantitative restrictions contrary to Article XI of the GATT 1994. Further, the draft law does not contain any import or export restrictions connected to investment, local content or any other specific requirements in connection with foreign investment based production. Access to foreign exchange attributable to enterprises with foreign investment is fully guaranteed.

Apart from the quoted draft law, there is no other legislation or regulation or administrative practice in the Republic of Slovenia which is or could be seen as inconsistent with the GATT 1994 and the Agreement on Trade-Related Investment Measures. With regard to transparency requirements, all regulations, as soon as they are enacted, become public knowledge through the official journal, and are enforced eight days after publication.

The Foreign Investment Office of the Government of Slovenia shall be responsible for the provision of access to general information regarding guidance on conditions, rights and obligations of foreign investors, apart from assigned administrative functions in the area of implementation of the law.

The Republic of Slovenia fully accepts the provisions of the Agreement on Trade-Related Investment Measures and will fully implement it with respect to all the obligations contained therein, with the aim to facilitate investments across its national frontiers, from the date of its membership in the World Trade Organization.

Statement pertaining to conformity of legislation of Republic of Slovenia with provisions of GATT/TRIPs

Introductory note

The Government of the Republic of Slovenia attaches great importance to the protection of intellectual property rights. The ultimate objective of the Government is to implement, within the shortest possible time, a system of protection and enforcement of all intellectual property rights offering at least the level required by TRIPs Agreement. The majority of relevant legislation is already in force; the rest is already in the process of enactment.

1.) PART I: General Provisions and Basic Principles

Slovenia is member State to the Paris Convention (currently also member of the Executive Committee of Paris Union) and Berne Convention. Rome Convention is under procedure of ratification. A far integrated circuits are concerned, the draft Law on Protection of topographies of Semiconductor Products is prepared in compliance with IPIC and relevant provisions of this Agreement (see below comment to the section 6 of part I).

2.) PART II: Standards Concerning the Availability, Scope and Use of Intellectual Property Rights

Section 1 (Articles 9-14): Copyright and Related Rights

These provisions shall be fully implemented by the new Copyright and Related Rights Act. The draft of this Law as presented for the first reading in the Parliament (scheduled for September 1994) is attached hereto.

Section 2 (Articles 15-21): Trademarks

The Law on Industrial Property (O.G. 13/92 and 27/93) regulates protection of trademarks in a manner which fully complies with provisions of Articles 15-21. The text of the Law is enclosed (see esp. Articles 17-25 of the Law).

Section 3 (Articles 22-24): Geographical Indications

Geographical indications are regulated in the Law on Industrial Property (see Articles 25-31 of the Law).

Section 4 (Articles 25 and 26): Industrial Designs

The Law on Industrial Property is in compliance with the TRIPs provisions.

Section 5 (Articles 27-34): Patents

The Law on Industrial Property is in compliance with provisions of this section. Slovenia has a special "extension" agreement with European Patent Organisation which, instead of filing national application and obtaining national patent, enables to obtain patent protection in Slovenia through European patent if "extension" of its effects to the territory of Slovenia is requested by the applicant at the European Patent Office.

Section 6 (Articles 35-38): Layout-Designs (Topographies) of Integrated Circuits

The Law on Protection of Topographies of Semiconductor Products is in the second reading in the Parliament. The Law (draft is attached) is in compliance with the provisions of this section.

Section 7 (Article 39): Protection of Undisclosed Information

Protection of undisclosed information is regulated by the Law on commercial companies in a manner compatible with provisions of this section.

Section 8 (Article 40): Control of Anti-Competitive Practices in Contractual Licences

Contractual licensing is liberal in Slovenia and there is no provision in Slovenian legislation which would not be in compliance with provisions of this Article. See also Art. 111 of the attached Law on Industrial Property.

3.) PART III (Articles 41-61): Enforcement of Intellectual Property Rights

There is no problem in respect of effective enforcement of IP rights. See esp. Articles 172-180 in Draft Copyright Law and Articles 93-105 of Law on Industrial Property. According to the new Law on Courts, there is only one court competent for all litigations concerning intellectual property (except litigations concerning financial rewards of employed inventors).

4.) PART IV (Article 62): Acquisition and Maintenance of Intellectual Property Rights and Related Inter-Partes Procedures

The Industrial Property Protection Office of Republic of Slovenia operates in full compliance with provisions of this part. By the end of 1994, the Office should be transformed into Intellectual Property Office, being in charge for all IP rights.

5.) PART V (Articles 63-64): Dispute Prevention and Settlement

There is no problem in implementation of provisions of this part.

6.) PART VI (Articles 65-67): Transitional Arrangements

Slovenia can be considered as the Member which is in the process of transformation into a market, free-enterprise economy (par. 3 of Article 65). Nevertheless, Slovenia does not intend to make use of the possibility to delay the applicability of the provisions of TRIPs and shall strive to comply with par. 1 of Article 65. In other words, all required legislative measures should be undertaken and put into operation by the end of 1995.

7.) PART VII (Articles 68-73): Institutional Arrangements; Final Provisions

No comment is necessary in respect of this part.

Ljubljana. September 5. 1994