

REMOVAL OF THE ADMINISTRATIVE BARRIERS FOR INVESTMENTS IN SLOVENIA



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"Hurry up with the transition! Do what the most stable economies are doing. Lower taxes, reduce the public deficits, reduce the state debts, control inflation, carry out deregulation and decentralisation, get rid of everything that is hindering private enterprise, reduce the state bureaucracy."

**Nobel prizewinner Robert Mundell's
advice to Slovenia**

High political consensus among the coalition parties/ coalition agreement 2000

...to work towards “liberalising the economy and reforming the state to make its work transparent and free of unnecessary administrative barriers, so that services will be accessible and administration effective, with cooperation with non-governmental organizations in managing public matters being the rule and not the exception”

Basic programme goals of the Slovenian government in running a stable, development-oriented macrofiscal policy

- ✌ knowledge-based society;
- ✌ **further strengthening of the competitiveness of the economy;**
- ✌ inclusive society whose principal values are tolerance, solidarity and greater social security;
- ✌ **more efficient, more people-friendly state administration;**
- ✌ sustainable development;
- ✌ information society;
- ✌ membership of the EU and NATO.

Comprehensive modernization of the public administration includes:

- a new legal framework for the organization and work of the public administration,
- administrative simplification,
- quality improvement of the public administration,
- introducing e-gov (E-delivery of public services, access to public information, e-democracy),
- training and education of employees,
- decentralization.

Modernization aims

“The aim of the modernization programme is to perform better and to cost less”

- Efficient and effective administration,
- high-quality,
- open,
- transparent,
- accountable and
- citizen-oriented public administration.

Governmental committee for administrative simplification:

- Set up in April 2001
- Members of the committee are the representatives of different ministries.
- Role of the committee: to coordinate, direct and make initiatives concerning administrative simplification horizontally.
- Role of the line ministries: they have to do the work.

Programme aims

“The aim of the modernization programme is to perform better and to cost less”

- to provide easier administration for citizens, business and the public sector,
- to assure better legislation and regulation.

Main areas of activities for businesses

- Setting up companies and sole traders,
- Land and Site development,
- Expatriate Work Permit,
- Employment Regulation.

Achieved so far

Setting up companies and sole traders

- General registration and approvals:
 - abolition of the Business Activity Permit,
 - period for registration of a company shortened from three months to one month;
 - reduction of up to 50% in the fee for setting up a company ;
- Simplification of the procedures for setting up the sole traders.

... forthcoming

- project “ONE STOP SHOP” - setting up the company in one place instead in 17 places in a few days – e-link between state institutions
- relieve the companies of unnecessary paper work (in the field of Taxation and Custom System, Foreign Exchange, Employment) and introduce the e-delivery

... forthcoming

- reorganisation of the Tax Administration and centralisation of the tax registers, and a new method of carrying out operations with clients (e-Personal Income, e-Corporate Income Tax)
- preparation of a new Income Tax Act

Achieved so far

Land and Site Development

- Instructions from the Minister which simplify the procedures for obtaining location permit and building permit;
- Appointment of a special gvt. working committee to prepare the issuing of gvt. approval for a spatial planning act of a local authority within 45 days
- New Spatial Planning Act and a Building Act – simplification, shortening and combining procedures for obtaining permits (including procedures for amending municipal spatial planning acts)
- Connecting the administrative units to the land register.

Achieved so far

Employment

- Reorganisation of the work of the offices of the Employment Service of Slovenia – faster, selective management of procedures for the employment of foreigners
- New Employment Act.
- Amendments to the Aliens act – simplification and shortening the procedures for obtaining residence permit (combining two permits).

“PROPOSALS WITH REASONS” PROJECT

Cooperation of citizens and state administration employees in state or public administration reform

“Proposals with reasons” project

- **Aim of the project:**

- To actively include citizens and state employees in the process of designing an efficient, open and citizen oriented administration.

- **3 campaigns:**

- Collecting proposals from employees in the state administration
- Selecting the friendliest employee
- Collecting proposals from citizens

- **Start of campaign: 15 January 2002**

Still missing:

- freedom of information act (in the parliamentary discussion)
- rules on participation and consultation of citizens (building open government)
- RIA

Key success factors:

- alteration of the fundamental values and expectations
- leadership
- change processes should be viewed as an on-going processes
- misunderstanding and lack of communications
- too many initiatives for reforms

Conclusion

- The Government is dedicated to further modernize the public administration environment and remove the burdens to make Slovenia globally one of the most competitive countries (strong political support).
- The cooperation with non-governmental organizations and private sectors is the rule and not the exception.
- Efficient horizontal co-ordination is the pre-condition for the achievements.
- Modernization of public administration is not a one-shot exercise. It is

“a journey rather than a destination”.