



Mojca Kunšek, M.Sc.,  
Director of the Agency of  
the Republic of Slovenia  
for Public Legal Records and  
Related Services (AJPES)

**Interview:** Mojca Kunšek, M.Sc.  
Director of the Agency of the Republic of Slovenia  
for Public Legal Records and Related Services (AJPES)

# 10.9% of registered sole proprietors have an address abroad and 17.4% of registered companies have foreign owners

By Tina Drolc, M.Sc.

*The Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES) performs the following basic tasks: (I) registry keeping, (II) collection, processing and publication of annual reports, (III) statistical research and data collection and (IV) credit rating operations and other commercial activities. Mojca Kunšek, M.Sc., Director, explains that the vision of AJPES is to be the primary source for business information, including data and information for a transparent business environment.*

**Q** How would you describe, according to the data of the Slovenian Business Register (PRS), the situation in Slovenian business entities? Which are the business segments that are in good condition and have potential?

**A** PRS is a central database containing information about all business entities involved in a profit-making or not-for-profit activity, having their principal place of business located in the territory of the Republic of Slovenia (RS), as well as information on their subsidiaries and other divisions of business entities performing business activities in Slovenia. On 1 April 2014, PRS recorded 79,777 sole proprietors and 68,418 companies. We could say that the main problem of Slovenian companies is a relatively high average indebtedness as measured by EBITDA. Due to the credit crunch we can expect a reduction in future borrowing in all segments. We can

emphasise that not all companies have problems with their operating and economic position, especially not those companies which get the majority of their revenue from foreign markets – for example those in the pharmaceutical and vehicle industries. We can say that the main positive impact on GDP have been these exporters. The worst situation is in those companies whose main market is the domestic market due to lower domestic demand, the high rate of unemployment and high taxes. We should also be aware of the problems of domestic banks which make it difficult for companies to get fresh operating and financial capital.

**Q** What is the situation in profit-making and not-for-profit activities in Slovenia?

**A** Regardless of whether we are talking about the profit-making or the not-for-

The credit crunch and financial crisis led to an increase in the number of bankruptcies and liquidations. The data in the business register shows that, **although the number of registered business entities in 2013 increased by 4% in comparison with the previous year, the number of deleted companies was stable.**

profit segment, all institutions have the same problems – the more market oriented they are, the more vulnerable they are. Therefore, less vulnerable are companies those with state positioned prices such as institutions in the health system, utilities, social welfare institutions, etc. Statistically, the status of not-for-profit organisations remains roughly at the same level as the previous year. At the end of 2013, 504 voluntary organisations were recorded in the register.

**Q** *The number of unemployed increased by more than 12,000 (13.5%) in the 2012-2013 period. Consequently, many people decided to start a sole proprietorship however the situation now is that many sole traders are closing their companies.*

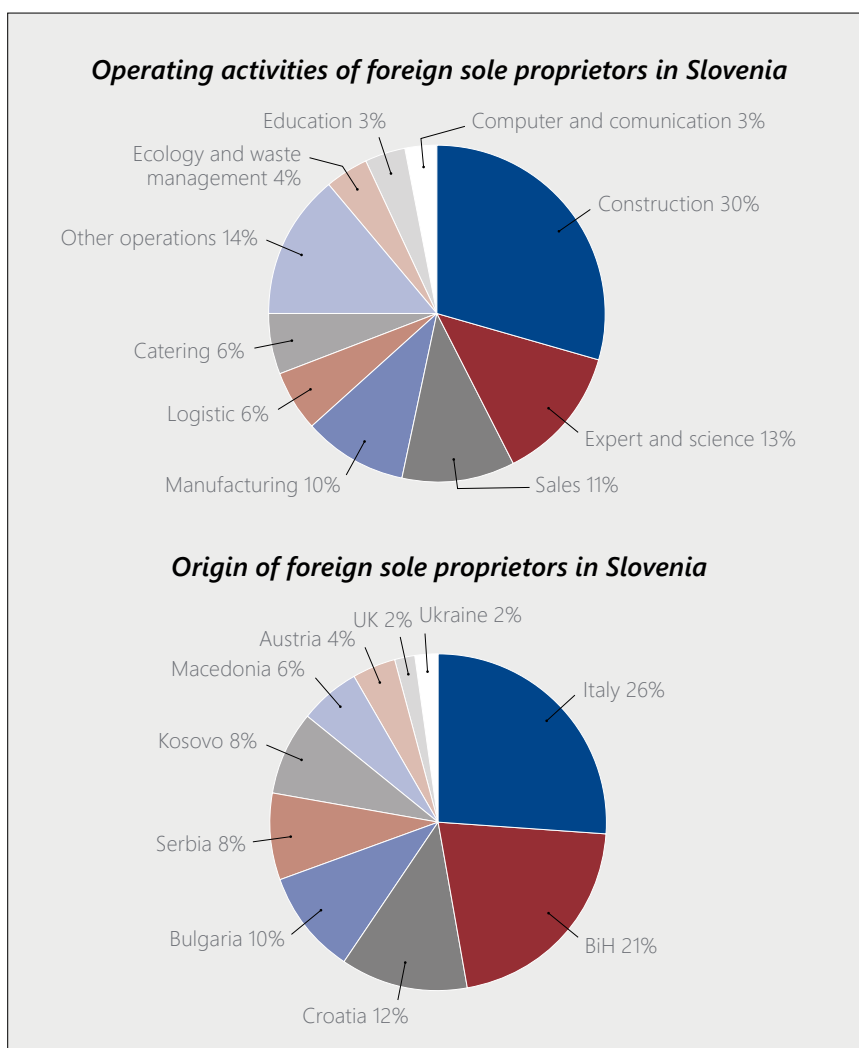
**A** The credit crunch and financial crisis led to an increase in the number of bankruptcies and liquidations. The data in the business register shows that, although the number of registered business entities in 2013 increased by 4% in comparison with the previous year, the number of deleted companies was stable. For example, the number of deleted sole proprietors in 2012 rose 25% from 2011, but in 2013 the numbers of deleted entities fell 9% from 2012. The situation of registration and deregistration of companies is, over the last three years, almost the same.

**Q** *As in January 2013, in January 2014, too, turnover from the sale of services increased at the monthly level, this time by 2.4%. It increased the most in information and communication activities, by 3.1%. How is this being reflected in AJPES?*

**A** For January 2014 compared to January 2013, the statistical data for non-payers shows a declining number of entities defaulting. According to this data, the share of entities defaulting fell from 12% to 11.7% with the greatest improvement in the information and communication segment of 12%.

**Q** *AJPES also provides credit assessments for Slovenian companies. Which are the companies with the best credit rating in Slovenia?*

**A** AJPES collates credit rating reports on the credit standing of individual business entities on the S.BON AJPES platform and online credit rating report S.BON, which complies with Basel II and categorises companies in 10 credit rating categories according to their credit risk. The reports are based on a large database of official data and also indicates a company's ability to settle its obligations over a 12 month period from the date of the most recent financial statements and also information on a company's short term payment discipline and other important information



about the company and its operations. These reports are available in Slovene, English, German, Italian, Hungarian and Croatian.

According to the data from S.BON AJPES, the entities with the best credit rating are those registered for social welfare, healthcare, information and computer sciences, accounting and consulting and veterinary. AJPES also provides an analytical tool, FI-PO AJPES, which allows an overview of data from annual reports for all kinds of entities from 1994 until today and offers numerous options for comparing data both at the individual and aggregate level, for regions and municipalities.

**Q** *AJPES offers access to the European Business Register (EBR) which includes over 20 million European companies. The EBR network currently includes 28 members, 21 of which are members of the European Union. How are Slovenian companies positioned in European Business Register? What is the percentage of foreign entities that decide to register their business in Slovenia? Which segments are the most popular here?*

**A** Based on the size of the Slovene economy, the percentage of Slovenian

companies in the EBR is about 0.5 % but foreign entities or entities with foreign owners in Slovenia have greater importance. According to the data in PRS, 10.9% of registered sole proprietors have an address abroad and 17.4% of registered companies have foreign owners. Of these foreign sole proprietors, 30% have operated in construction, 13% in expert, science and technical fields, 10% in sales, etc. For companies with foreign owners, 26.3% operate in sales, 23.6% in construction and 13.0% in expert, science and technical fields. For both groups, the next are companies operating in manufacturing and then all other business activities. <<



Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES)  
Tržaška cesta 16  
1000 Ljubljana, Slovenia  
T: +386 (0)1 477 41 00  
E: info@ajpes.si  
www.ajpes.si