



Integrated Country Strategy

SLOVENIA

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Table of Contents

1. Chief of Mission Priorities	1
2. Mission Strategic Framework	4
3. Mission Goals and Objectives	6
4. Management Objectives	13

1. Chief of Mission Priorities

The United States and Slovenia share a close relationship rooted in our shared interests, democratic values, economic ties, and our longstanding military cooperation as NATO Allies. As Slovenia forms a new government following the April 2022 elections, it is critical that we engage Slovenia's new political leadership to advance U.S. political, economic, security and climate change objectives in the region and globally. Embassy Ljubljana will partner with Slovenia to strengthen its ability to respond to internal and external security challenges, to support efforts to modernize and open the economy to U.S. trade and investment, and to promote shared transatlantic values that foster prosperity, equity, and human dignity for all. At the same time, Embassy Ljubljana will endeavor to promote diversity and inclusion internally and externally, to include in our hiring practices, our engagement with contacts and the Slovenian public, and in our reporting.

Occupying a strategic location between Central Europe and the Western Balkans, Slovenia's relationship both within and outside the region are critical to U.S., European, and transatlantic security. Slovenia is active in international organizations and enthusiastically supports policies that uphold the rules-based international order. Slovenia's successful execution of its EU Council presidency in 2021 elevated its international profile, and its support for EU accession for the Western Balkans and defense of democratic movements in Eastern Europe has garnered praise. Embassy Ljubljana seeks to increase Slovenia's ability to address hybrid and emerging threats while meeting its commitments as a NATO Ally. Slovenia has made great strides towards increasing defense spending and modernizing the Slovenian Armed Forces but needs to continue its trajectory towards meeting its Wales Pledge to spend two percent of GDP on defense. Slovenia must also increase force interoperability with NATO and address hybrid and emerging threats, including cyber. The COVID-19 pandemic was an external shock in which Slovenia, like most nations, struggled to balance public health with civil society needs.

Slovenia has made great strides in reducing the number of state-owned enterprises, but more than 30 percent of the economy remains state-owned. Opportunities for U.S. trade and investment could expand with further privatization and increased transparency in the public

Approved: April 8, 2022

procurement process. Enacting labor, tax and pension reforms would also increase Slovenia's competitiveness. Slovenia has a small domestic market and is heavily dependent on foreign trade, 75 percent of which is with the European Union. Bank of Slovenia data indicates that U.S. companies accounted for 9.75 percent of foreign direct and indirect investment in 2020 – 3rd overall. Slovenians are proud of their country's natural bounty – 60 percent of the territory is forested – and are ardent conservationists, making them natural partners to work on the global stage to mitigate climate change and transition the economic architecture to a sustainable future. Slovenia has taken a lead in the EU to advocate for low-carbon and carbon-neutral energy sources, including nuclear. The U.S. will partner with Slovenia to mitigate the effects of climate change and transition to a low-carbon economy.

Slovenia needs to be vigilant and strengthen its institutions to ensure that the cornerstones of democracy – a free press, an independent judiciary, and citizen confidence in government – can thrive. While Slovenia is an EU partner and a NATO Ally, the Slovenian government has taken steps in recent years that have called into question the independence of key institutions in Slovenia such as the press and the judiciary. Embassy Ljubljana will engage more deeply with the media in order to strengthen its capacity to provide accurate information and act as a watchdog for the public interest. Embassy Ljubljana will work with Slovenia to enhance cooperation between our judicial and legislative branches to help Slovenia address such issues, streamline its judicial bureaucracy, and enable the drafting of legislation that withstands judicial scrutiny. We will increase bilateral law enforcement cooperation on issues such as transnational crime and corruption, which will help bolster public confidence in government institutions.

Embassy Ljubljana remains committed to providing first-rate consular services to U.S. citizens visiting or living in Slovenia and facilitating legitimate travel of Slovenians and third-country nationals to the United States. Our top management priority is to increase wages for Locally Employed (LE) Staff. We will review our current LE Staffing profile to ensure that our staffing level enables the Embassy to successfully accomplish our foreign policy goals. Post will also ensure that Diversity, Equity, Inclusion and Accessibility (DEIA) factors are taken into considering in all hiring decisions. The Chancery and Chief of Mission Residence were both built

Approved: April 8, 2022

in the early 1900s and require extensive preventative maintenance. Given the lack of physical security measures, the lack of an adequate HVAC system to ensure proper ventilation, and its proximity of 70 feet to the Russian Embassy with a shared perimeter wall, we will work with OBO to acquire a new compound for Embassy Ljubljana.

Approved: April 8, 2022

2. Mission Strategic Framework

The Mission's top priorities are to (1) enhance Slovenia's ability to respond to internal and external security challenges in support of the transatlantic relationship; (2) Support Slovenia's efforts to ensure that its economic architecture is prepared to meet the challenges and opportunities of the 21st century; (3) Advance shared transatlantic values to promote prosperity, equity, and human dignity for all; and (4) Maintain hiring and retention of embassy staff and improve Mission physical infrastructure.

Mission Goal 1: Enhance Slovenia's ability to respond to internal and external security challenges in support of the transatlantic relationship.

- **Mission Objective 1.1:** Slovenia partners with the United States on initiatives in international organizations and institutions and champions EU accession for the Western Balkans.
- **Mission Objective 1.2:** Slovenia modernizes its defense forces while increasing its overall defense capacity, NATO interoperability, and participation in NATO activities to address global security challenges.
- **Mission Objective 1.3:** Slovenia curtails regional transnational criminal trends and combats undue and pernicious foreign influence and interference.
- **Mission Objective 1.4:** Deliver consular services to U.S. citizens in Slovenia that safeguard their security and well-being; facilitate legitimate travel of Slovenians and others to foster economic and social ties, while securing U.S. borders.

Mission Goal 2: Support Slovenia's efforts to ensure that its economic architecture is prepared to meet the challenges and opportunities of the 21st century.

- **Mission Objective 2.1:** Slovenia updates laws and regulations that hamper U.S. trade and investment.

Approved: April 8, 2022

- **Mission Objective 2.2:** Slovenia advances energy security and clean energy and transitions to zero greenhouse gas emissions by 2050 and a clean energy economy.
- **Mission Objective 2.3:** Slovenia develops robust cyber security defense and data privacy policies.

Mission Goal 3: Advance shared transatlantic values to promote prosperity, equity, and human dignity for all.

- **Mission Objective 3.1:** Slovenia defends and protects human rights and dignity, addressing discrimination, inequity, and marginalized populations.
- **Mission Objective 3.2:** Slovenian media bolsters its resilience against internal political influence and foreign disinformation and plays a constructive role in society, providing both objective information and accountability.
- **(U) Mission Objective 3.3:** Increasing mutual understanding and cooperation on shared transatlantic priorities enables Slovenians to advance areas of common interest domestically and in international fora.

Management Objective 1: Maintain hiring and retention of Embassy staffing to carry out Mission objectives.

Management Objective 2: Improve security and safety infrastructure, and embassy cohesion and morale, by working with the Office of Overseas Buildings to identify options to relocate and consolidate the Chancery and current GSO Annex.

3. Mission Goals and Objectives

Mission Goal 1 | Enhance Slovenia's ability to respond to internal and external security challenges in support of the transatlantic relationship.

Description | Ensuring a Europe whole, free and at peace is a cornerstone of our transatlantic policy. Bolstering Slovenia's capabilities and capacity to partner with Allies to meet global security challenges and support common NATO and EU positions on European security in the face of external aggression will protect American interests by strengthening NATO and promoting U.S. security and economic interests in Central Europe and the Western Balkans. As a likeminded country Slovenia can play a leadership role in confronting challenges to the international rules-based order and join with the United States and other partners in tackling global security challenges.

Objective 1.1 | Slovenia partners with the United States on initiatives in international organizations and institutions and champions EU accession for the Western Balkans.

- **Justification** | Slovenia makes an ideal partner for the United States due to a significant set of shared values, yet Slovenia has limited capacity to engage proactively on multiple multilateral fronts. By working together to advance foreign policy objectives in international institutions and organizations we can achieve mutually beneficial outcomes. Embassy Ljubljana will cultivate relationships with key government and civil society leaders, facilitate meetings with U.S. counterparts for new Slovenian government officials, and prepare media and information campaigns. We will also partner with Slovenia on emerging threats to the international system, such as defending free and open cyberspace, mitigating climate change, and defending human rights.
- **Linkages** | EUR-E&E JRS Goal 1: Revitalize European Alliances & Partnerships and EUR-E&E JRS Objective 1.3: Strengthen democracy within the EU, in candidate countries, and work to expand it outside of Europe.

Approved: April 8, 2022

- **Risks** | International organizations are not able to withstand foreign influences that seek to radically alter the existing international architecture. Western Balkans give up on the idea of EU accession and look to a future within the spheres of the Russian Federation and the PRC.

Objective 1.2 | Slovenia modernizes its defense and security forces while increasing its overall defense capacity, NATO interoperability, and participation in NATO activities to address global security challenges.

- **Justification** | Slovenia has participated regularly in NATO missions since joining in 2004. However, more than a decade of minimal investment in defense has taken a toll on the readiness of the Slovenian Armed Forces. In 2020, the Slovenian government passed a multi-year defense appropriation bill focused on its NATO capability targets, which brings Slovenia closer to the Wales Pledge, but progress will depend on continued effort and additional necessary investment. While the government recognizes the importance of addressing new threats such as cyber, it is still necessary to engage the Slovenian government as well as its citizens to ensure new and emerging threats are appropriately addressed and the Alliance strengthened.
- **Linkages** | EUR-E&E JRS Goal 1: Revitalize European Alliances & Partnerships; EUR-E&E JRS Objective 1.1: Strengthen U.S. and Allied commitment to NATO, including Article 5, ensure NATO's deterrence and defense posture is fully and equitably resourced, and equip the Alliance to handle contemporary and evolving threats and challenges.
- **Risks** | Failure to modernize force capabilities and increase NATO interoperability weakens the alliance and increases Slovenia's vulnerability to peer competitors.

Objective 1.3 | Slovenia curtails regional transnational criminal trends and combats undue and pernicious foreign influence and interference.

- **Justification** | Slovenia has an excellent record of participating in a range of military and civilian training initiatives, engaging in security dialogues, and coordinating on law enforcement and security efforts. However, sustaining Slovenia's EU integration and

capacity-building efforts by providing Slovenia with increased knowledge, skills, and capabilities to manage and mitigate crises will enhance our strategic partnership and advance broader U.S. security interests.

- **Linkages** | EUR-E&E JRS Bureau Objective 2.3: Strengthen the ability of partners and Allies to resist and counter influence operations and disinformation, particularly from Russia and the PRC.
- **Risks** | Transnational organized criminal organizations and malign actors increase their presence and/or efforts in Slovenia.

Objective 1.4 | Deliver consular services to U.S. citizens in Slovenia that safeguard their security and well-being; facilitate legitimate travel of Slovenians and others to foster economic and social ties, while securing U.S. borders.

- **Justification** | One of the top mission goals of the Embassy is the well-being of American citizens resident in and visiting Slovenia. In addition, the Embassy prioritizes facilitating travel for residents of Slovenia while securing U.S. borders. The Embassy will continue to deliver quality consular services to both customer groups.
- **Linkages** | JSP Strategic Objective 5.1: Support and serve American citizens traveling or residing abroad; JSP Strategic Objective 5.2: Advance U.S. interests by facilitating legitimate travel to and from the United States.
- **Risks** | A major natural disaster, such as an earthquake, could inhibit the ability of the Embassy to deliver consular services.

Mission Goal 2 | Support Slovenia's efforts to ensure that its economic architecture is prepared to meet the challenges and opportunities of the 21st century.

Description | Slovenia must enact reforms, improve the business climate, level the playing field for U.S. companies, safeguard the Slovenian economy from transnational threats, accelerate

clean energy transformation, and further strengthen transatlantic economic ties for sustainable growth.

Objective 2.1 | Slovenia updates laws and regulations that hamper U.S. trade and investment.

- **Justification** | Slovenia is a market economy that is actively engaged in international organizations. Unlike most EU countries and other modern democracies, one-third of the economy is still state-owned. This leads to opaque processes that can make it difficult for U.S. companies to enter the market and effectively bid on tenders from state-owned enterprises. The non-transparent business practices of state-owned enterprises also create an inviting environment for malign actors and their activities.

Linkages | EUR-E&E JRS Goal 3: Promote deeper trade, investment, and energy cooperation, and collaborate with the EU and European partners to counter non-market and coercive economic practices.

- **Risks** | Failure to modernize the economy will mean fewer opportunities for U.S. products and services and the loss of job opportunities for American workers and markets for U.S. made goods and services.

Objective 2.2 | Slovenia advances energy security and clean energy and transitions to zero greenhouse gas emissions by 2050 and a clean energy economy.

- **Justification** | The current Slovenian government has committed to increasing its reliance on clean renewable energy by announcing the closure of a coal-fired electric plant by 2033 and supporting the building of a second nuclear reactor. Officials advocate for EU funding for sustainable energy sources and have also indicated they would like to diversify petroleum suppliers. Embassy Ljubljana will engage with any government that may emerge from April 2022 elections to encourage Slovenia to continue on this path.
- **Linkages** | EUR-E&E JRS Bureau Objective 3.4: Expand partnership with Europe to increase energy security, promote the clean energy transition, and prevent Russia and other malign actors from using energy as a weapon.

Approved: April 8, 2022

- **Risks** | A new government could emerge from the April 2022 elections that is less favorable toward nuclear energy. This does not necessarily mean less favorable to clean renewable energy, but it could mean the loss of opportunity for American business in the field of nuclear energy, and increased dependence on Russian gas in the interim. It should be noted that the Ukraine-Russia crisis has invigorated the current government to source alternative supplies to Russian oil and gas.

Objective 2.3 | Slovenia develops robust cyber security defense systems and policies.

- **Justification** | As a member of the EU, many of Slovenia's cyber security defense and data privacy policies stem from EU regulations. However, Slovenia has not invested enough in protecting its infrastructure from cyberattacks and lacks the trained workforce necessary to protect from and reduce vulnerabilities. Public institutions lack the capacity needed to procure, upgrade, and protect cyber systems. Slovenia is eager to develop its cybersecurity capacity.
- **Linkages** | EUR-E&E JRS Bureau Objective 4.3: Counter Russian, PRC, Iranian, and other state, and non-state actors' strategic, conventional, and hybrid threats and emerging disruptive technologies that threaten U.S. and European security in Europe and beyond.
- **Risks** | The lack of robust cyber protections and data privacy policies creates vulnerabilities for U.S. businesses, EU Allies and NATO.

Mission Goal 3 | Advance shared transatlantic values to promote prosperity, equity, and human dignity for all.

Description | The United States' relationship with Slovenia is based on shared interests, but also shared values. Slovenia is a like-minded partner in international organizations, supporting a market-based international order, democracy, and human rights. Yet at home concern is growing over perceived threats to the rule of law, impingements on media freedom, and the failure to provide equitable treatment of and opportunities for minority groups. Therefore, while there are opportunities for the U.S. to partner with Slovenia in international organizations

to advance human rights and prosperity, we must also seek opportunities to work with Slovenia to shore up its own institutions so they effectively serve all Slovenians.

Objective 3.1 | Slovenia defends and protects human rights and dignity, addressing discrimination, inequity, and marginalized populations.

- **Justification** | Slovenia actively promotes human rights through its foreign policy and engagement in international organizations. Yet Slovenia needs to be more mindful of the treatment of minorities – both groups historically present in Slovenia such as the Roma as well as migrants and asylum seekers – within its own borders. Slovenia’s LGBTI community has adequate legal protections but faces widespread societal discrimination. The judiciary needs to take steps to modernize, to ensure it plays an effective and impartial role.
- **Linkages** | JSP Objective 1.5: Enhance foreign publics’ understanding of and support for the values and policies of the United States. JSP Objective 3.2: Advance equity, accessibility, and rights for all.
- **Risks** | Entrenched prejudices and the failure to effectively protect human rights at home weaken Slovenia’s credibility as a defender of human rights around the world. Lack of confidence in judicial institutions could lead to social unrest.

Objective 3.2 | Slovenian media bolsters its resilience against internal political influence and foreign disinformation and plays a constructive role in society, providing both objective information and accountability.

- **Justification** | Slovenia has an open media environment, but there is a dearth of critical analysis and investigative reporting. As a small media market, Slovenia depends on international media outlets for most of its international news. Some of these outlets are under the influence of authoritarian regimes and have an alternative agenda.
- **Linkages** | JSP Objective 3.1: Promote good governance and defend strong, accountable, and resilient democracies that deliver for their citizens.

- **Risks** | Failure to fully assume its role as a watchdog leaves Slovenia vulnerable to influences from authoritarian regimes.

Objective 3.3 | Increasing mutual understanding and cooperation on shared transatlantic priorities enables Slovenians to advance areas of common interest domestically and in international fora.

- **Justification** | Some segments of Slovenian society remain skeptical of both U.S. policy and Slovenia's Euro-Atlantic trajectory, while others don't fully understand some of the complexities of U.S. society.
- **Linkages** | JSP Objective 1.5: Enhance foreign publics' understanding of and support for the values and policies of the United States.
- **Risks** | Authoritarian actors can play upon misunderstandings to create divisions between the U.S. and Slovenia.

4. Management Objectives

Management Objective 1 | Maintain hiring and retention of Embassy staffing to carry out Mission objectives.

- **Justification** | Given rapid economic growth and falling unemployment rates in recent years, Slovenia's job market is becoming more competitive. To attract and retain highly skilled and trained staff, the Embassy needs to increase wages from the 65th to the 70th percentile target market. Through attrition due to retirements, we plan to re-align full time employment positions, as needed, to continue to further operational goals.
- **Linkages** | EUR-E&E JRS Bureau Cross-Cutting Management Objective 5.1: Develop and implement a Bureau strategy for advancing diversity and inclusion that includes a comprehensive recruitment and assignment process.
- **Risks** | Morale among local staff has fallen dramatically as inflation has continued to rise during the COVID pandemic. A lack of pay increase may spur long serving and loyal staff to seek better paid employment opportunities elsewhere. Lost skills will translate into increased hiring costs and energy to attract and retain the experienced workforce for our operations.

Management Objective 2 | Improve security and safety infrastructure, and embassy cohesion and morale, by working with the Office of Overseas Buildings to identify options to relocate and consolidate the Chancery and current GSO Annex.

- **Justification** | Built at the turn of the 20th century, the Chancery is a historic building with no setback and shares a compound wall with the Russian Embassy. Diplomatic Security has extensive security concerns given our proximity to the Russians. Due to space constraints, the GSO section is located in a separate Annex across town which separates and complicates operations at a small Embassy. The Chancery building requires constant maintenance due to its aging infrastructure and limited space to

Approved: April 8, 2022

house modern building operation systems. Ljubljana is currently number 62 on the Top 80 List for a New Embassy Compound (NEC). To coordinate the regular preventive maintenance needed to maintain the Chancery, GSO Annex, Warehouse and historic Chief of Mission residence and assist with the site survey work, Embassy Ljubljana requires a full-time, on-site Facilities Maintenance Manager.

- **Linkages** | JSP Strategic Objective 4.3: Protect our personnel, information, and physical infrastructure from 21st century threats.
- **Risks** | The chancery is an aging property sharing a wall with the adjacent Russian Embassy, which creates significant risk to our employees. MGT continues to coordinate with OBO and DS to address physical security deficiencies at the chancery identified in the 2019 OIG inspection. Physical deficiencies and security vulnerabilities will only increase in this aging chancery.