TOURISM AND GAMBLING INDUSTRY IN SLOVENIA

Marjan Hribar, M.Sc., Director General
Directorate for Tourism

2nd July, 2008
POGLEDA RAŽGELOA MINIATURE SLOVENJE
THE GAZE OF THE VIEW MINIATURES OF SLOVENIA
Good evening...
Slovene tourism in numbers

% of GDP derived from tourism (indirect): 7.7%

Tourism added value multiplicator: 2.01

Number of employee in tourism: 55,000

2007: Record year

Value of exported trips in 2007: 1.614 billion EUR
(13% increase compared to 2006)

Number of overnight stays in 2007: 8,244,349
(7% increase compared to 2006)

Number of tourist arrivals in 2007: 2,672,939
(8% increase compared to 2006)
<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2006</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tourism VA</strong></td>
<td>824 m€</td>
<td>1,088 m€</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>3,82%</td>
<td>4,11%</td>
<td></td>
</tr>
<tr>
<td><strong>Tourism GDP</strong></td>
<td>1,229 m€</td>
<td>1,678 m€</td>
<td>37%</td>
</tr>
<tr>
<td></td>
<td>4,94%</td>
<td>5,50%</td>
<td></td>
</tr>
<tr>
<td><strong>Employment in tourism</strong></td>
<td>30,644 (4%)</td>
<td>32,885</td>
<td>7%</td>
</tr>
</tbody>
</table>

Key tourism aggregates for 2003, extrapolation for 2006

Economic importance of tourism (according to TSA methodology)
### Economic importance of tourism (according to TSA methodology)

#### Assessment of total economic impact of tourism in 2003 (m€)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total output of the national economy due to tourism</td>
<td>2,540</td>
</tr>
<tr>
<td>Value added produced in the national economy due to tourism</td>
<td>1,426</td>
</tr>
<tr>
<td>Share of total national value added</td>
<td>6.60%</td>
</tr>
<tr>
<td>GDP of the national economy due to tourism</td>
<td>1,921</td>
</tr>
<tr>
<td>Share of total national GDP</td>
<td>7.72%</td>
</tr>
</tbody>
</table>

#### Assessment of total economic impact of tourism in 2006 – estimation by extrapolation (m €)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of total national GDP</td>
<td>8.5%</td>
</tr>
</tbody>
</table>
Gambling and Entertainment is one of the most important segments of Slovene tourism.

Slovenia has 13 registered casinos, and 36 gambling saloons. Casinos are run by six companies (Hit, Casino Portorož, Casino Ljubljana, Casino Maribor, Casino Kobarid, Casino Bled, Hit Šentilj). There are two major casino centres, Portorož and Nova Gorica.

Geographic distribution of casinos in Slovenia
Specifics of the casino-gambling industry

1. The price of playing the game is difficult to determine.
2. Supply of gambling is limited in most jurisdictions.
3. Demand is usually higher than supply.
4. High level of taxation and regulation.
5. Potential for regional tourism development?
Gambling and Entertainment

Games and entertainment is one of the most important segments of Slovene tourism by:

- revenues generated,
- value added,
- number of employees and
- tourist turnover.

In this area, Slovenia still has an important European competitive advantage,

and therefore gambling and entertainment tourism represents a tourism development opportunity.
Gambling Industry (TSA)

TSA 2003
(and extrapolation of trends to 2006):

Gambling expenditure of foreign tourists: 196 mio €
- 30% of total tourism service purchases
- 19% of total foreign tourists expenditure

Casino-gambling industry generates the highest value added percentage:
75%

Multipliers for gambling industry are high:
1,43 & 2,05

Source: TSA 2003-2006 and Resort Casino Development and its Linkage to National and International Tourism: A Slovenian Perspective (H.Zagorsek, M.Jaklič),
Gambling and Entertainment


The main objective:

To assure harmonised, optimum and sustainable development of the branch in order to encourage the tourist offer of the tourist destination.

Gambling is important segment of the Slovene tourism, so:

- Development ... Ministry of the Economy
- Supervision... Ministry of the Finance
The system of organising gaming in Slovenia is regulated with the 1995

Gaming Act,

which was amended in October 2001 and in October 2003 (consolidating text is published in the Official Gazette of the Republic of Slovenia, no. 134/03).

Unfortunately the legislation has not been translated yet, so it only exists in Slovene language.
Laws and Regulations

The Office for Gaming Supervision (Ministry of Finance)

supervises all processes directly or indirectly related with gaming organisation, supervises and analyses the implementation of applicable regulations, supervises the ownership structures of concessionaires, and checks and analyses data required for the conclusion of concession agreements and the issuing of licences.
Resolution of National Development’s Projects 2007-2023

Goriška tourist center

To build the first center – entertainment resort in Slovenia and one of the largest in Europe
You are kindly invited to visit and feel Slovenia!

Thanks for attention!

marjan.hribar@gov.si
http://www.mg.gov.si