The Development Report monitors developments according to the strategic orientations set out in the Slovenian Development Strategy 2030 (SDS) adopted by the government of Slovenia at the end of 2017.

Slovenia’s economy saw a quick rebound in 2021 with the help of government measures that kept the material and financial situation of the population relatively stable. However, narrowing the development gap with the EU average remains a challenge, as the shift to innovation-driven economic growth with a highly productive low-carbon circular economy is slow. The COVID-19 epidemic has severely affected the health status of the population and has exacerbated the problem of access to healthcare and long-term care.

**RECOMMENDATIONS FOR THE ECONOMIC POLICY**

Development policy measures should focus on accelerating the inclusive transition to innovation-driven growth with a highly productive low-carbon circular economy.

**Priority tasks:**
- Accelerating productivity growth
- Faster transition to a low-carbon circular economy
- Inclusive social development and intergenerational solidarity
- Strengthening the developmental role of the government and its institutions

**Economic convergence continued in 2020 and 2021**

**Growth of total disposable income and stable financial situation of the population during the epidemic**

**The at-risk-of-poverty or social exclusion rate is among the lowest in the EU but higher for certain population groups**

**A significant burden of the epidemic was borne by the government**
The transition to innovation-driven economic growth has been slow since the global financial crisis.

Economic transformation is limited also by human resources-related factors.

Slow decoupling of economic growth from resource use and GHG emissions.

Deepening of challenges in health and long-term care.

The epidemic has a negative impact on the health status of the population; low availability of health services.