

Addendum to the Slovenian Sustainability Bond Report of June 2022

1. Introduction

The Republic of Slovenia issued the inaugural sustainability bond SLOREP 0.125 01/07/31 (ISIN: SI0002104196) in June 2021 and prepared and published an allocation and impact report, based on the mentioned bond, in June 2022 (hereinafter: Report*). The Report allocated EUR 1.05 billion to eligible budget expenditures for the year 2020 and 2021, which represented the total outstanding amount of the bond until the Report publication date.

After the Report was published, two additional issues of the SLOREP 0.125 01/07/31 followed in the total amount of EUR 189.94 million as presented in the following table (taps dated 12.7. and 28.10.).

*https://www.gov.si/assets/ministrstva/MF/Zakladnistvo/Trajnostna-obveznica-slo/Slovenian-Sustainability-Bond-Report-June-2022_final.pdf

Table 1: Issuances of SLOREP 0.125 01/07/31

Issue Date	Issue Amount (EUR)
1.7.2021	1,000,000,000
7.2.2022	50,000,000
12.7.2022	89,946,000
28.10.2022	100,000,000
Total	1,239,946,000

The purpose of this Addendum is to allocate and provide an impact report on the remaining amount of EUR 189.94 million, thus covering the entire outstanding amount of the SLOREP 0.125 01/07/31 as of the date of this Addendum.

Eligible expenditure in the case of SLOREP 0.125 01/07/31 is expenditure which is consistent with the Slovenian Sovereign Sustainability Bond Framework 2021* (hereinafter: 2021 Framework). The Republic of Slovenia subsequently updated the 2021 Framework at the beginning of 2023. Given that the issuances and funding of the projects, covered by this report, had occurred before the 2021 Framework was updated, the report refers to 2021 Framework for the purpose of this reporting.

The proceeds from the inaugural sustainability bond SLOREP 0.125 01/07/31 and subsequent tap issuances were fully allocated as of October 28, 2022.

*<https://www.gov.si/assets/ministrstva/MF/Zakladnistvo/Dolg-RS/Okvir-Republike-Slovenije-za-trajnostno-obveznico.pdf>



2. Allocation

The addendum includes a report on the allocation of the last two taps of SLOREP 0.125 01/07/31 in the amount of EUR 189.94 million and does not change the allocation from the Report. The Addendum also displays the overall allocation of SLOREP 0.125 01/07/31.

According to the 2021 Framework, the eligible projects in case of refinancing are those, where the relevant State Budget Financial Support has been provided within the 36-month period preceding the issue date of the sustainability bond and meets other criteria regarding green and social categories.

In the case of SLOREP 0.125 01/07/31, the last two taps issued in 2022 were used to refinance budget expenditures in 2021 in the Access to Essential Services – Healthcare category.

Table 2: Allocation of the last two taps of SLOREP 0.125 01/07/31 in the amount of EUR 189.94 million

Access to Essential Services Healthcare Projects		Total Value of the Project - all sources of funding	RS Budget Share of Total Project Financing	Total Value of the Project - RS Budget as a source	Total Value of the Project - RS Budget as a source / Regard to Possible Partial Eligibility	2021
NRP Nr.	Project Name	€	%	€	€	€
2711-20-1009	Purchase of medicines for COVID-19	146,447,079	100	146,447,079	146,447,079	63,864,775
2711-20-1011	Stabilization of health care financing	200,000,000	89	178,843,303	178,843,303	126,075,225

Source: MoF

The overall allocation of SLOREP 0.125 01/07/31 by categories, which includes the initial issue and all subsequent taps, is shown in the following table.

Table 3: Overall Allocation of the SLOREP 0.125 01/07/31 in 2020 and 2021

Category	Allocated in 2020 (€)	Allocated in 2021 (€)	Total (€)	Share (%)
Low Carbon Transport	163,177,999	242,544,630	405,722,629	32.69
Access to Essential Services -Education	48,821,588	54,135,083	102,956,672	8.30
Employment Generation and Socio-economic Advancement and Empowerment	6,696,095	7,954,192	14,650,287	1.18
Access to Essential Services -Social Inclusion	1,591,257	2,033,457	3,624,714	0.29
Access to Essential Services -Healthcare	220,573,405	493,436,469	714,009,874	57.54
Total Green and Social Categories	440,860,344	800,103,831	1,240,964,175	100.00

Source: MoF

The following table breaks down allocation amounts according to the different subcategories of Access to Essential Services -Healthcare category. There were no changes in the other categories due to the last two taps of SLOREP 0.125 01/07/31.

Table 4: Allocation of the SLOREP 0.125 01/07/31 in 2020 and 2021 in the **Access to Essential Services – Healthcare category**

Project Category	Sub-Category	Year		Total 2020-21 (€)
		2020 (€)	2021 (€)	
Access to essential services - Health	Health institutions construction, renovation and equipping	10,186,531	35,560,994	45,747,526
	Health care system development	9,583,956	128,625,175	138,209,131
	Health care system development	23,521,912	5,092,151	28,614,064
	Health professionals training	80,000,000	87,168,965	167,168,965
	Covid 19 related measures	97,281,005	236,989,183	334,270,188
	Total	220,573,405	493,436,469	714,009,874

Source: MoF

3. Impact

The addendum includes a report on the impacts of two projects in the field of health, which were financed by the last two taps of SLOREP 0.125 01/07/31 in the total amount of EUR 189.94 million. The impacts of other projects, financed by SLOREP 0.125 01/07/31, are shown in the Report.

Table 5: Impact of two projects in the Access to Essential Services – Healthcare category

Access to Essential Services - Healthcare Projects		Number of beneficiaries benefiting from programme	Brief description of the project/activity
NRP Nr.	Project name		
2711-20-1009	Purchase of medicines for COVID-19	3,782,217	Pursuant to Article 31 of the Intervention Measures Act to Assist in Mitigating the Consequences of the Second Wave of the COVID-19 Epidemic (hereinafter: ZIUPOPDVE), vaccination against COVID-19 is provided for all those who have permanent or temporary residence in the Republic of Slovenia and for persons, who do not have a permanent residence in the Republic of Slovenia, but are employed by an employer with a registered office in the Republic of Slovenia.
2711-20-1011	Stabilization of health care financing	1	Due to the reduction of economic activity as a consequence of the epidemic, the revenues of the Health Insurance Institute of Slovenia (HIIS) from contributions for compulsory health insurance were decreasing, as a result of which the operating conditions of the HIIS were significantly deteriorating. Therefore, HIIS, as one of the public coffers established by the state, must have provided additional liquid funds from the budget of the Republic of Slovenia for the provision of public health insurance, i.e. to cover the rights of insured persons from this insurance and thus to pay obligations to health care providers if the HIIS 'own resources were not sufficient for this purpose. The expenditure enabled more stable operations of the health insurance fund and health care providers in public networks, and thus the smooth implementation of health care activities and access to health care services for the population.

Source: MoF