

***SLOVENIAN NATIONAL  
REPORT  
ON HABITAT AGENDA IMPLEMENTATION  
- Draft -***

***Republic of Slovenia  
Ministry of the Environment and Spatial Planning  
National Office for Physical Planning***

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# Preamble

At the second United Nations Conference on Human Settlements - Habitat II, which took place in Istanbul in June 1996, was also the World Plan of Action: Implementation Strategy adopted in the frame of the principal document of the conference Habitat Agenda.

As a member of the UN, Slovenia undertook, at this conference, the obligation to prepare and implement its own National Programme for the Habitat Agenda Implementation, based on this document, as did other countries. Slovenia set forth its outline for the national programme of the Habitat Agenda implementation in the Slovenian National Report, Habitat II. In 1996/1997, the action plan was broken down in detail, supplemented and made operational with concrete tasks and activities in the Programme of the Habitat Agenda Implementation in Slovenia. It defines the tasks and actions to be performed by individual participants at the national and local levels in 1996 – 2001, as follows:

- At the national and international level, we establish and improve mechanisms for the operation of all levels of authority which influence the access to housing and control the sustainable development of cities and settlements,
- We promote actions and tasks defined in the Habitat Agenda relating to the topics of "adequate shelter for all" and "sustainable development of human settlements", so supporting the work of institutions responsible for the implementation of these tasks, particularly the local authorities,
- We encourage the exchange of information on the provision of suitable shelter for all and the sustainable development of human settlements by, among other things, sharing, best practices and also by encouraging research activities pertaining to sustainable approaches and methods related to construction materials and technologies,
- In implementing the Habitat Agenda we follow up our progress by analysing the activities of all the groups – ministries, local authorities, their associations, relevant non-governmental organizations, and the private sector,
- We develop procedures and methods for the participation of local administrations and civil society in the planning and development of policies which are designed to enable partnerships and collaboration between the authorities and civil society in the development of human settlements,
- We encourage companies to act in accordance with investment and other policies contributing to the development of towns, other settlements and housing, and
- We support academic and research institutions with their participation in human settlement development and housing construction programmes. We provide for independent, unbiased, and objective monitoring of the development of towns, settlements and housing construction, particularly by collecting, analysing and distributing information and initiatives on adequate shelter for all, and on the sustainable development of human settlements.

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With respect to the topics of separate chapters the below mentioned key questions are either logically included in the contents or dealt with in separate sub-chapters:

- Progress made since 1996 (current conditions, new trends, emerging issues, and major areas of concern)
- Policy and legislative changes since 1996
- Institutional weaknesses and obstacles encountered
- Lessons learned

- Recommendations for future (priority) action



# ***Chapter 1:***

## ***Shelter***

According to the census of 1991, Slovenia had 640,195 households and 652,422 housing units. It could be concluded from these data that there is no housing shortage in Slovenia, but the actual situation is different. At least 60,000 of these dwellings are inadequate since they lack even the most basic sanitary facilities, and 27,000 units are not intended for residential purposes at all (secondary or weekend homes, dwellings used as offices etc.). Consequently there is a housing shortage in Slovenia. It is particularly prevalent in towns, where demand for unoccupied dwellings greatly exceeds supply. As a result, the prices of dwellings and the cost of rents are high, the lists of applicants long, and the associated waiting periods for social and non-profit dwellings for rent lengthy.

### ***1.1. Providing Security of Tenure***

The owners of residential houses and flats, in which they live with their families, enjoy the maximum security of tenure. If children (and their families) live with their parents, their situation also cannot be described as endangered. In many cases, the housing issue is solved by building an extension to the residential house.

Tenants in social, non-profit as well as for-profit flats provide their security of tenure by means of lease agreements. Mandatory elements for a lease agreement are stipulated by the Housing Act.

The housing unit owner may cancel the lease agreement solely for reasons stipulated in the Housing Act. The Act also stipulates that it is not possible to give notice to any tenant who is in social distress. If the tenant cannot pay the rent in full, the community provides the difference up to the amount of rent stipulated in the lease agreement, or provides the tenant with an adequate alternative social housing unit to let ("council flat").

It can be stated that tenants, who have (any kind of) lease agreement signed, enjoy a high level of security because the lease agreement stipulates both the rent and the duration of the lease. The maximum security is provided with the rent of social and non-profit flats because the law stipulates that they be leased for indefinite period of time and a non-profit rent.

The majority of lease agreements (more than 80,000) have been concluded for an indefinite period of time and non-profit rent. The amount of non-profit rent is regulated by a decree adopted by the Government of the Republic of Slovenia in 2000. The decree stipulates the ceiling of the rents that non-profit housing unit owners may charge their tenants. At the same time the law provides for subsidies to all tenants of social and non-profit flats whose income is below a defined level.

### ***1.2. Providing the Right to Adequate Housing***

The Constitution of the Republic of Slovenia stipulates that the state is to establish opportunities for citizens to acquire adequate housing. This area is regulated by the Housing Act which has assumed, in a completely modern and appropriate way the "enabling approach" to the provision of housing as opposed to the "providing approach". This is in conformity with the "Global Strategy for Shelter to the Year 2000" charter. With this Charter the international community acknowledges the general right to adequate housing and it is therefore the obligation of every government to appropriately contribute to the resolution of its citizens' needs for housing.

The Housing Act defines the adequacy of dwelling, stating that a dwelling is adequate if it has in addition to the living room, kitchen, bathroom with toilet, a hall, also adequate sleeping room to meet the needs of the owner or tenant and their family members, i.e. residents living in the same household.



However, in connection with the quality of habitat in particular, the construction and technical quality of erected flats and residential houses should be highlighted, because these issues are always connected. Only both together, i.e. technically correct construction concept and the use of high quality and sustainable construction elements and technologies, can provide the durability of flats and residential houses, their cost-effective maintenance and, last but not least, the preservation of the well-planned and aesthetic appearance of buildings and neighbourhoods. From this aspect the many bad as well as exemplary examples produced earlier indicate that past experience should be taken into consideration.

However, in a situation when apartment blocks are constructed mainly for sale on the open market and not for a known and qualified investor – which normally means that flats are acquired through trade transactions and not construction-related legal transactions – the state has no leverage on the construction to ensure the influence of future residents or their qualified advisors or representatives as to the quality of housing architecture and urban planning. The protection for consumers in this area is inadequate. There are no construction inspection commissions to protect the public interest in the name of the (unknown) future owners or users of flats. Even banks, when granting housing loans, do not make these loans subject to any specific requirements regarding the quality and durability of flats or buildings for which they lend money. The Executive Board for Construction and Technical Matters of the Housing Fund of the Republic of Slovenia is currently the only authority in the country to systematically inspect and revise the architectural and urban-planning characteristics of at least that small part of housing construction which is allocated for non-profit housing providers.

The minimum technical requirements for construction are regulated by the Rules on the Minimum Technical Requirements for Construction of Residential Buildings and Flats, adopted in 2000. The standards concerning the housing area in relation to the number of family members are defined by the rules applicable for the renting of non-profit housing units (council flats).

The citizens can solve their housing problem by building or purchasing their own flats or by renting a social, non-profit or for-profit housing unit. The citizens who build or purchase flats, can obtain a loan from the Housing Fund of the Republic of Slovenia, from communities or commercial banks, or they can join the National Housing Savings Scheme.

Housing units with the status of non-profit and social flats are allocated to tenants on the basis of a priority list or public tenders. Both the adequacy of housing with respect to the number of family members and their income bracket are taken into consideration to the maximum extent possible.

According to the Slovenian communal estimates, approximately 6,900 social and 4,000 non-profit housing units are required to cover the current demand for rentable housing units, which means that waiting periods for renting social and non-profit flats are relatively long. Effective normative and financial (systems) incentives and assistance from communities and the state are therefore required. For this purpose, and taking into consideration the basic principles and policies of the Habitat Agenda in the field of housing management, the Act Amending the Housing Act, and the two sets of rules for the social and non-profit housing units were prepared and adopted in 1996, 1997 and in 2000. In addition, the Parliament has also adopted the following documents:

- The National Housing Programme, as one of the most important documents in the area of housing. This Programme forms the basis for the development of the active housing policy of the state and communities by 2010.
- The Programme of Combating Poverty and Social Exclusion was adopted in February 2000, envisaging, among other things, the expansion of the circle of beneficiaries of social welfare supplements for the rent of housing units, and the acquisition of provisional shelter from the funds for housing.
- The development and adoption of regulations concerning settlement planning and design, construction and renovation of housing units is in preparation. These regulations deal with the strict elimination of built-in obstructions in dwellings and apartment houses, in buildings for public use and in settlements; the construction of small-size neighbourhoods, designed in a careful and resident-friendly manner, with rational use of land; a more diverse range of various types of housing units, also taking into consideration the needs of the elderly and other persons with disability, and the compatibility of new residential areas and buildings with the features of particular natural, cultural and architectural landscapes.

### ***1.3. Promoting Equal Access to Land***

Since July 1997, the provision of housing construction land has been based on the new Construction Land Act. The new legislation provides communities with significantly better opportunities for fulfilling their responsibilities related to the provision of social or non-profit housing. The community or the state has a pre-emptive right to undeveloped construction land where the construction of social or non-profit housing is envisaged by the detailed physical plans. The construction of these flats allows for expropriation for the benefit of communities or the state, no public utilities planning contributions need to be paid for the construction of social and non-profit dwellings, and the community may sell or let land for the construction of social and non-profit or co-operative flats and residential houses.

The Act also directly encourages communities to provide for faster development of construction land by signing contracts with interested private sector investors instead of performing this by themselves as the sole investors.

The above mentioned levers, however, are not sufficient for a more active role of the communities in acquiring, developing, and letting construction land for the needs of housing construction. For this reason, the new spatial planning regulations will have to expand these instruments, introduced by the Construction Land Act, by adding new ones; less compulsory and therefore also more acceptable to the owners of land that can be used for housing construction.

By 2004, some of the measures, which the Government of the Republic of Slovenia began to implement in the period between the first and second hearing of the proposal of the National Housing Programme by the National Assembly of the Republic of Slovenia, will significantly increase the amount of funds for the construction or purchase of self-owned housing units. Therefore, it will be imperative to have a sufficient number of housing units either under construction or on the market at that time, or at least construction land provided with public utilities available. Unless the quantities available exceed the demand, the market prices will reduce the real purchasing power on the housing market.

The objectives of the National Housing Programme are therefore not only the implementation of instruments in the area of land policy, but also providing communities with access to earmarked low interest rate funds for housing construction – including funds for the acquisition of construction land and the provision of public utilities, or in other words, for the implementation of local community actions aimed at balancing the construction land market.

### ***1.4. Promoting Equal Access to Credit***

Before 1995, Slovenia had no budget funds allocated for crediting the housing construction. In 1995, SIT 2.28 billion was allocated to the Housing Fund of the Republic of Slovenia from the Slovenian budget, mainly for providing credit to non-profit oriented housing organizations for non-profit rentable housing units, and also for loans to citizens for the purchase of their own flats. This represented the first significant direct intervention by the state in the area of housing since the adoption of the Housing Act. The capital increase of Housing Fund of the Republic of Slovenia continued in 1996, but the national budget funds were reduced to SIT 1.5 billion in 1997 to SIT 1 billion, and in 1998 and 1999 the budget was SIT 1.5 billion each year.

In 1996, for the first time since 1990, the area of housing was allocated SIT 1.7 billion of guaranteed (today: adequate) funding from community budgets, equalling 2.1% of the total guaranteed funding in communities. In 1997, these funds amounted to SIT 2.1 billion, or 2.4%, and in 1998 SIT 2.2 billion, equalling 2.3% of the total guaranteed funding in communities. It is estimated that with these funds it has been, or will be possible to provide an additional number of about 250 to 300 social housing units each year, and subsidise the payment of rent for approximately 2,000 tenants in non-profit or social flats.

Housing loans are provided by commercial banks, some communities, and the most favourable and most significant loans are provided by the Housing Fund of the Republic of Slovenia. The Housing Fund of the Republic of Slovenia was established with the Housing Act in 1991. Its main financial sources were funds obtained by the privatization of housing units, and later on the Fund also received funds from the national budget. The Housing Fund of the Republic of Slovenia is a financial institution providing by far the most

favourable housing loans for the construction or purchase of housing units. The loan can be obtained by all citizens who are solving their housing problem for the first time, citizens living in inadequate housing units, or citizens improving their housing conditions by renovation, alteration or extensive maintenance of the existing housing units. Priority is granted to young families, families with many children, families with few employed members, invalids, and citizens with many years of service. So far the Housing Fund has published 22 public invitations for loan applications, and has granted long-term loans in the total amount of SIT 51.2 billion.

In addition to crediting natural persons, the Housing Fund of the Republic of Slovenia also grants credits to non-profit housing organizations. The reason is that the Housing Act has assigned an important role to non-profit housing organizations, particularly in acquiring and renting out non-profit housing units. On the basis of the Rules on the Specific Terms of Operations of the Non-profit Housing Organizations, the Ministry of the Environment and Physical Planning has so far registered 57 non-profit housing organizations. In the five public invitations for loan applications, the Housing Fund of the Republic of Slovenia has provided these organizations with low-interest rate loans in the total amount of SIT 6.6 billion to finance the construction of over 1,900 non-profit rentable housing units.

The amended legislation has provided for the communities to directly take loans for the construction or purchase of social dwellings under favourable conditions from the Housing Fund of the Republic of Slovenia.

The National Housing Savings Scheme Act was adopted in 2000, providing a systems basis for encouraging long-term saving with a premium,, aimed at increasing the volume of positive long-term housing loans. The saving period is either 5 or 10 years. Every year a premium is added to the saved amount. At the end of the saving period the saver is able to take a favourable housing loan of twice the saved amount. Currently there are 41,000 savers already. All citizens may take part in this saving plan, the only limitation is the tendered amount of funds, and the invitation for loan applications takes place once every year.

Mortgage banking is inadequately developed in Slovenia and it is still in the implementation phase. The reason for that lies particularly in the lagging-behind property records and land register keeping, and the unreliable system of property foreclosure in cases when the debtor fails to settle his obligations. All this is reflected in the rather unfavourable terms offered by the banks for this type of loans (high interest rates, short repayment periods), thus making this type of loan unattractive. In addition, Slovenian legislation as yet provides no adequate legal basis for mortgage lending.

### ***1.5. Promoting Access to Basic Services***

The majority of housing units in Slovenia are provided with drinking water supply, sewage facilities, electricity and telephone. Almost all housing units are provided with these installations (97% telephone, 97.6% sewage facilities or cesspits and water supply, and 99.6% electricity).

Changes are also occurring in the network of central settlements, improving access to and meeting the basic needs of the population for services and supply. On one side, a small number of more significant macro-regional centres is growing stronger and expanding their gravitation impact, and on the other side there is a large number of small micro-regional centres, satisfying the basic needs of the local population. As a result, mezzo-regional centres are becoming weaker, thus changing the classic hierarchy of the functional spatial organization. Changes are largely brought about by the innovations related to transport (new communication links and technologies), improved accessibility and progress in telecommunications.

### ***1.6. Recommendations for Priority Action***

To improve the housing supply in Slovenia, priority action will undoubtedly need to be focused on providing available housing. It will be necessary to improve accessibility and to encourage various methods of acquiring housing in parallel with providing assistance to those who are unable to cover the cost of the use of housing by themselves.

The National Housing Programme, adopted by Parliament in 2000, is a key document defining the implementation of the housing policy in the next ten years. The main objective of this Programme is to increase the housing supply, i.e. to achieve the acquisition of 10,000 housing units per year, either by new construction or renovation of the existing housing units. The planned Programme aims to preserve the volume of private housing construction (private houses or privately owned flats) at the level of 5,000 housing units/year, and particularly to increase the acquisition of non-profit housing to 2,500 units/year, social flats to 2,000 units/year, and to acquire 500 for-profit flats/year.

The objective of the proposed actions is to increase the implementation of market laws in the area of housing, to establish an effective national system of earmarked housing savings, to qualify communities for fulfilling their responsibilities in the area of housing, as well as to encourage private investment in housing.

## ***Chapter 2:***

# ***Social Development and Eradication of Poverty***

The Constitution of the Republic of Slovenia guarantees its citizens rights social security, health and pension insurance, protection of those who are incapable of working, as well as other forms of insurance, such as the protection of socially endangered groups. Social security rights in the case of death and those concerning the loss of earnings during sick leave, for the old age population, for those who are incapable of working, and for the unemployed are guaranteed by the system of paid contributions for social security and health care of the employed and their family members. The minimum wage is also guaranteed for socially and materially endangered individuals, particularly the older ones and those who are incapable of working. The social security level in Slovenia is relatively high, especially if we take into account the issues brought about after Slovenia gained its independence and after the new state was constituted. If a state wishes to provide and implement an adequate level of social security and health care, it has to make sure that there are sufficient financial resources available.

### ***2.1. Providing Equal Opportunities for a Healthy and Safe Life***

Equal opportunities for a healthy and safe life are not measured only by the poverty rate, but also by the accessibility of health care, employment, social security, education, and shelter.

Slovenia belongs to a group of countries with a compulsory health insurance scheme for all the inhabitants who are permanently resident on the territory of the country, i.e. for the inhabitants who are gainfully employed or who deliver gainful services in Slovenia. All the inhabitants are insured regardless of their material situation; they have absolutely equal rights regarding health care from the compulsory health insurance scheme. Contributions for those who have no earnings are paid by municipalities i.e. by the state from its Budget. The results of the seven-year period of implementation of the Health Care and Health Insurance Act have proved that the current system offers equal opportunities to the entire population as to asserting their rights of treatment, and that treatment expenses do not endanger the health and social security of the population. In addition, the location of health care facilities offers to all those insured an as equal as possible access to health services. There are, however, minor discrepancies, since according to the principle of rationalization and due to the nature of some health services (specialist outpatient departments) it cannot be expected that all health care capacities will be equally distributed at the local level as well (in Slovenia there are 192 municipalities and 2 million inhabitants).

Each employee is entitled to receive compensation for the period of temporary absence from work due to illness. Unlike many other countries in Europe, there are no time limits in Slovenia, so that sick leave can last even several years. This is why receiving salary compensation does not usually result in poverty.

Work and employment are important because this is a way of earning money for living. However, it is also one of the factors of social inclusion into society and of personal growth. This is why the state is trying to introduce numerous measures and programmes for labour market regulation and education. Consequently, those who cannot earn enough by working or in any other active ways, get support at the subsistence level under certain conditions, by reason of the Social Protection Act. They are entitled to receive this support only while their social position is endangered, for at least for 6 months; however, this support can be granted several times. It has to be checked and verified whether the existing system of determining the amount of paid contributions for social security is sufficient to ensure a decent life for individuals and their families. Material exclusion is just one part of the integrated anti-exclusion programme which also has to contain anti-exclusion programmes in the following areas: employment, education, health, shelter, and social security. In each of these fields, groups of inhabitants at risk have to be identified and measures for the prevention of individual sorts of exclusion have to be planned. In this respect the current programmes from certain areas have to be checked and, if necessary, supplemented or completed.

As far as social security is concerned, measures of family policy are also extremely important. By means of direct contributions to families the state aims to cover a part of the burden for raising children. The Family

Income Act states that the overall child allowance is paid for that purpose; the amount differs depending on the age and number of children in a family, and it will total 1.1% of the GNP per annum.

In 1996, the Slovenian Parliament passed new school legislation which provides greater diversity and flexibility in the forms and types of schooling, openness of the schooling system and easier transition within it as well as systemic opportunities for life-time education by changing the contents of programmes and curricula. Regarding the basic principles and objectives it has particularly emphasized that equal opportunities in education should be guaranteed, that in view of social integration, the role of school should be increased, that children, young people and adults should be included in education to an increasing extent, and that students should be prepared for quality life, life-time education, and profession. In this respect, the dropout issue is particularly significant; it can be prevented by offering the possibility of vertical and horizontal transition among various programmes.

Eight-year elementary school education is compulsory in Slovenia; this concept is very well supported by a network of elementary schools which cover 5,000 of the population required to attend school. There is a good spatial distribution of vocational-technical and other secondary schools, so that various programmes are available for pupils within easy distance, so that they do not have to leave their homes.

An active policy to provide adequate housing is also necessary. Living conditions cannot be provided according to market principles only; this is why special programmes for providing living conditions for especially vulnerable groups are essential. The Social Protection Act defines the public social services providers which, among others, provide institutional protection for the following especially vulnerable groups: old people's homes, special social services providers, and centres for mentally and physically handicapped people, homes for children and young people, social welfare institutions for the education of children and young people with moderate to severe mental retardation, a home for mothers with children who have housing problems or problems in their family. The National Social Protection Programme, which is now being adopted by the Parliament, states that capacities for each of the above mentioned groups are to be gradually increased by the year 2005.

## ***2.2. Promoting Social Integration and Supporting Disadvantaged Groups***

On 3 February 2000, the Government of the Republic of Slovenia adopted the Programme of Combating Poverty and Social Exclusion. Prevention of poverty and social exclusion has become one of the fundamental objectives of the social policy of the country; the programme represents an integrated national strategy in this field. The aim of this programme was to overcome partiality in solving this multidimensional problem; this is why the programme includes all areas covered by the Ministry of Labour, Family and Social Affairs which has co-ordinated the programme, as well as all the other areas (health care, education, fiscal policy, free legal aid, shelter). In addition to the Ministries, there were also other participants in the preparation of this programme: municipalities, non-governmental organizations, experts, and representatives of the media.

Each Ministry has analyzed in detail the currently effective regulation of its area, from the viewpoint of poverty and social exclusion; a list of effective strategic or programme-related documents of national significance has been prepared or has been in preparation, and relevant measures have been suggested. Some measures stated in the programme are already being implemented in Slovenia. The measures, which are being prepared, and the measures which should be additionally defined on the basis of this programme have the following joint aims:

1. to prevent poverty and social exclusion and to enable all those who are confronted with these problems to find a solution as soon as possible;
2. to prevent exclusion of all those who live on the margin, so that they would not slide down in to poverty and social exclusion.

The Programme of Fight against poverty and social exclusion includes in particular certain international initiatives and orientations which were the force behind its preparation; the programme defines in detail some indicators for objective and subjective measurement of poverty and social exclusion, it analyses the current situation in certain fields, and proposes a system of additional measures in strategic, programme-

related, and legal documents. There is a special chapter devoted to methods of monitoring this programme.

### ***2.3. Promoting Gender Equality in Human Settlements Development***

One of the significant issues which influence gender equality, is surely that of employment opportunities. In Slovenia there are no significant differences between the unemployment of women and men. The results of the opinion survey, both on unemployment and on the registered unemployment rate, indicate a slightly better position for women in the labour market up to 1996, since unemployment affected women to a considerably smaller extent than men during that period. Due to a crisis in the processing industries (e.g. mechanical engineering and metal-working industry), where the male workforce was predominant, the proportion of the unemployed women gradually decreased until 1993, and in 1994 it started increasing again; however, in the second quarter of 1997 the opinion survey results showed that for the first time the unemployment rate of women exceeded that of men by 0.2 percent, which still does not indicate a significant discrepancy. The increased unemployment rate for women was in particular influenced by a crisis in the textile and footwear industry, with a predominantly female workforce; these branches experienced recession with a delay of a few years. It seems likely that the renewal and restructuring of these companies will stop the trend of the increasing proportion of unemployed women.

Slovenia has introduced a series of measures and instruments to mitigate the effects of unemployment. Unemployed persons are included in them regardless of their sex; however, some measures of the active employment policy (particularly public works and subsidized employment) give priority to the following categories: (1) older unemployed persons, (2) those who have been unemployed for a long time, (3) young population without any vocational qualification, (4) the disabled, (5) unemployed persons who receive cash compensations, financial support, or any other social security assistance, (6) single parents. Consequently, if an unemployed woman belongs to any of these groups, she is given priority regarding the respective measure of the active employment policy.

A special measure of the active employment policy, which is primarily intended for women, is the Programme of Enhancing Professional Recognition of Women; it was prepared as a sub-programme of the Programme of Active Employment Policy of the Republic of Slovenia. This programme is financed by the Ministry of Labour, Family and Social Affairs and by the Ministry of Small Business and Tourism; the Ministry of Economic Affairs is also expected to join them soon.

In all the other fields related to social security and prevention of poverty at the formal level (legislation) there are no signs in Slovenia of discrimination or exclusion due to sex, ethnic group, age, etc.. There is also no positive discrimination for any of the above mentioned groups. However, the situation is different when we check actual accessibility to the sources which guarantee social security. The first analyses of social exclusion were carried out in Slovenia only after 1996. The results show that the following groups of women belong to the most excluded social categories:

- women who experience physical, mental, and sexual violence;
- women who have found a shelter from violence, but whose former partner still threatens them with violence;
- women who take care of their children themselves;
- women with no children, with no employment and no shelter;
- single unemployed women with provisional shelter which they pay for by offering unpaid housework and sex;
- women who are not Slovenian citizens;
- women who move with difficulty, who are mentally retarded, or who have been distressed for a long time;
- women who belong to ethnic minorities (mainly Romany women),
- older women who cannot take care of themselves any longer and who live either alone or with inadequate support.

With respect to these and other excluded social groups which have not been fully discussed here (the young, Romanies, old people, refugees, etc.), the state is preparing a series of programmes and activities

to improve their health, employment status, education, cultural activity, and living conditions, such as: better access to information about their rights and possibilities, employment programmes, implementation of various health care and education programmes, providing adequate housing supply, etc.



## ***Chapter 3:***

### ***Environmental Management***

On the basis of spatial development so far - comprising the social and political policies, normative regulations, the development of this branch of science, information systems, and progress towards integration in the European Union - the basic objectives of the Slovenian spatial development, This includes environmental protection and management. These objectives assure the quality of living not only for the present but also for future generations. Systematic land use planning is intended to ensure the rational and economic use of land and investments in land; protection of architectural substance in cities and rural areas; protection of natural and cultural heritage, renewable and non-renewable resources; as well as conservation of the environment in general. The implementation of new technologies and products, as well as the establishment of new institutions, instruments and tools need to ensure such spatial development activities as are (and will be) environment- and man-friendly.

#### ***3.1. Promoting Geographically Balanced Settlement Structure***

The population of Slovenia has been stagnating in recent years, and it is unevenly distributed. Slovenia is characterized by a moderate degree of urbanization (approximately 65 %), and by a moderate concentration of the urban population (approximately 50 %), and above average in suburban areas (two thirds of the population live on 12% of the land, and have more than  $\frac{3}{4}$  of the jobs). Statistical projections show that in 2020, Slovenia will have 1.89 to 2.21 million inhabitants. Development trends are: spontaneous development in urbanized and suburbanized areas, stagnation or decline in weakly urbanized or non-urbanized areas, weak migration trends, declining internal mobility of the population, a changing network of central settlements, depopulation and economic stagnation in remote rural areas. Further population growth can be expected in urbanized areas, plains, and valleys (according to optimistic estimates even at the annual rate of + 0.5 %), while in the rural areas the population will continue to decline (at up to – 2 % annual rate). The ageing and stagnating population of Slovenia is (and will be) a structural weakness in two thirds of the Slovenian territory.

The main feature of the Slovenian settlement structure is the large number of relatively small settlements, adaptation to the mountainous nature of the land, and a traditional attachment to the rural hinterland. These circumstances are also reflected in the deep-seated process of agricultural decline, associated with intensive daily migrations to work and school, and in the sixties and seventies, the expansion of construction of new private (family) houses, which have always represented the prevailing type of housing construction. For all these reasons Slovenia is also characterized by a high degree of suburbanization. Suburban areas occupy almost one third of the Slovenian territory, with almost 70 % of the population living there. Dispersed settlement is characteristic of these areas, which generally also means wasteful land use and, much too frequently, unreasonably large single-family houses. These houses are uneconomical in terms of functionality, transport accessibility, public utilities planning and energy consumption, and usually inadequately equipped with these facilities, and very frequently also not fully utilized with respect to the number of people living in them. They are unsustainable in terms of their direct (emissions) and indirect environmental impacts. There are also many illegally or semi-legally constructed buildings.

The mass phenomenon of housing constructions without building permits means not only that the owners of these houses have illegally taken spatial rights and in some cases also land, but also that they have largely avoided paying the requisite contributions which have thus been shifted onto lawful builders. At the same time, particularly in the case of illicit construction in the most attractive areas (e.g. on the coast or in protected natural areas), they have illegally acquired significant property rights, and avoided administrative control and inspection of the technical adequacy and safety of such constructions. Dispersed building construction, including illicit building construction that the state was late to challenge, has grown to such an extent and with such characteristics as to seriously threaten development options and potential for sustainable and balanced future land use, and also put a disproportionately high pressure on the environment, and particularly to threaten drinking water reserves.

Slovenia has a legal framework (Environment Protection Act, Urban Planning and Other Forms of Land Use Act, Construction Land Act, Natural and Cultural Heritage protection Act, and others), the aim and principle of which is sustainable development, but the secondary legislation for implementation and implementation monitoring is lagging behind. With respect to the changes in the political and economic system and the period of transition from the self-management type of socialism to a market democracy, various physical planning acts are under preparation to harmonize this activity as a whole with the new constitutional provisions, such as political pluralism, private ownership, market economy as well as new relations between local communities and the state.

The preparation of a new physical planning act is important in order to put even more emphasis on sustainable development policies. The Istanbul documents, with the Habitat Agenda, present an important starting point and guidelines for all the mentioned acts as well as for the preparation of ministerial development policies and programmes in the area of housing management, power generation and distribution, traffic, agriculture, demographic development, etc. The main actions planned include: more effective spatial monitoring of the implementation of relevant legislation, increasing the national budget for investments in the environment, elimination of administrative and other bottlenecks in the preparation of new legislation, and the improvement of economic instruments.

In order to implement the settlement policy, the Government of the Republic of Slovenia will prepare and enforce a complex group of normative and stimulating actions. The principle normative instruments will be new laws and regulations regulating spatial development and its management, construction, ownership relations, taxation, management terms, etc. As stimulating instruments, the Government of the Republic of Slovenia will introduce financial incentives by means of credit-providing policy, tax allowances, and subsidies, as well as providing appropriate information, training, establishment of development centres, etc. The legal system will present the basic framework for the operation of the system on the basis of market laws, and it will also set up the framework for economic motivation which, however, may not cause social, ecological and other consequences.

### ***3.2. Managing Water Supply and Demand in an Effective Manner***

Slovenia has a relatively high quantity of precipitation and is on the average well supplied with water. However, in many places the supply is inadequately distributed in terms of time and place. The adequacy of the water supply should be observed from the viewpoint of nature's needs as well as man's needs for water. The major part of Slovenian territory lies in the source area of alpine water streams of torrential character which produces an undesirable ratio between high and low waters. The rest of the streams are of Karst origin. For this reason the water supply is extremely demanding.

In Slovenia, 75% of the population are supplied with water from organized public water supply systems. In general, the quality of water sources is reasonably satisfactory but the quantity is already threatened in some places. The reason is that water sources are not adequately protected, because only 36 of the 126 recorded significant sources for drinking water supply are protected by local authority decrees. Apart from that, there is almost a 50% loss of water from water supply systems attributed to the network being worn-out. In addition, many industrial plants still release wastewater into to water streams without any prior purification. The accelerated search for a solution is influenced by a regulation issued in 1995 concerning taxes imposed for environmental pressures on waters, applying economic mechanisms to force the groups responsible for such pressures to find adequate solutions.

The problems concerning the quality and quantity of waters, dealt with at the beginning of the 21<sup>st</sup> century, are different and causing more anxiety than those in the past, which some decades ago gave rise to pioneer environmental and water resources management policies. The initial approach based on the local and partial treatment of individual water resources no longer meets the need of contemporary development for the protection and optimum use of water and waterscapes. We have to provide for a harmonized fulfilment of the real and sustainable needs of power generation, industry, the utilization of natural resources, traffic, agriculture, forestry, tourism and others, which may still be exploited after we have provided for the primary needs (drinking water) and the conservation of nature. The policy of control and risk reduction as a part of optimum water resources management helps to find a compromise between continuing the activities on waters – under certain conditions – and, by compensation of negative impacts,

reducing the possibility of their occurrence. The guideline in planning various activities is to adapt them as closely as possible to the nature of water.

The positions of water resources management is oriented primarily towards fulfilment of the obligations arising from international agreements and from the Water Framework Directive. Within the profession, the term "Water Resources Management" denotes in particular the activity of sustainable, comprehensive management of waters, comprising the management and use of water potentials (quantity, quality, and spatial placement of water).

The state, being the caretaker of the entire natural wealth of the Republic of Slovenia, is responsible for the implementation of general principles of water resources management on the basis of ecosystems and the economy, and considering water as a decisive factor of sustainable development:

- to reduce emissions from point sources– waste waters from industry, livestock farms and municipal sewage waters.
- to reduce emissions from dispersed sources – intensive farming, dispersed settlement without regulated waste water treatment, traffic.
- to remedy old encumbrances threatening water environment.
- to restore and prevent inappropriate and unacceptable interventions in water environment.

### ***3.3. Reducing Urban Pollution***

The settlement pattern or the concept of settlement network development should also be evaluated from the environmental point of view. In Slovenia, towns and urban settlements in particular present the basic productive source of economic and social development, and at the same time use a large amount of space (building), energy and raw materials; produce numerous solid, liquid and gaseous emissions, which contribute to the global, transborder, regional and local environmental pressures and the reduction of self-purification abilities. The priority objectives of Slovenia in this area are:

- to successfully complete the targeted programmes concerning the protection of air and to supplement them with the programmes of reducing emission concentrations of tropospheric ozone and other harmful substances, and hotbed gases,
- to improve the water environment condition,
- to implement modern methods of waste control,
- to preserve and protect biodiversity and genic sources, and
- to strengthen the environmental protection institutions at all levels.

In Slovenia, air pollution from stationary sources has been significantly reduced in the last few years, but the pollution due to traffic has increased. With the gradual revitalization of industrial activities, emissions from these sources will increase again, although – according to estimates – at a much slower pace. The basic policy for the next ten years is to develop actions for simultaneous control of stationary and mobile air pollution sources. The basic long-term task in the field of air quality is the effective protection of people against health hazards due to air pollution, and reduction of hotbed gas emissions. The priority objectives in the area of air protection by 2008 are:

- to reduce air pollution from industrial sources,
- to reduce air pollution from thermal power plants,
- to control air pollution due to traffic,
- to reduce emissions from individual and communal (boiler plants) heating units in settlements,
- to reduce causes of photochemical smog and tropospheric ozone,
- to eliminate the use of substances which threaten the ozone layer,
- to reduce hotbed gas emissions,
- to control the problems of long-distance air pollution,
- to provide conditions for the replacement of ecologically unacceptable raw materials,
- to encourage effective and economic use of all types of energy,
- to introduce remote heating and gasification, and to introduce fuels of ecologically acceptable quality,
- to increase the share of renewable energy resources.

Waste management and control is one of the most inadequately answered issues in the framework of Slovenian environmental protection. Waste disposal to local (municipal) dumps is in practice the only

possibility for managing municipal and most industrial wastes. These dumps, however, are often inappropriately located, technically inadequate (not sealed, not de-gassed, located in flooding areas or within reach of underground water, etc.), and in addition almost full already. The export of some types of hazardous waste (e.g. old paints, lacquers, solvents, etc.) in accordance with the Basel Convention is the only possibility for many branches of industry. In Slovenia there are 50,000 – 60,000 “wild” (illegal) waste dumps. Separated municipal waste collection from households is organized only in some of the communities. The issue of separately collected waste treatment (recycling) has not as yet been adequately solved.

A significant step in the direction of improvement is the document Strategic Guidelines of Slovenia in Waste Management (part of the National Environment Protection Programme), defining the basic waste management policies and objectives and the hierarchy of possible waste management methods:

- to reduce waste generation and potential risk at the source,
- to increase the utilization of wastes for material and energy and to reduce hotbed gas emissions,
- to establish an effective waste management system,
- to gradually eliminate old burdens.

In Slovenia, the out-of-door living environment is under a moderate pressure from noise. Noise is caused primarily by traffic and production activities. The development of less noisy means of transport, restriction of speed and traffic density (e.g. at night), construction of new transport routes, remote from residential areas, and the erection of noise prevention barriers at noise-production points (roads, railway, factories) have a favourable impact on the average noise pressure reduction. There are still problems with old means of transport on old transport routes, which generally lead through settlements, and also with the growth of personal and freight transport. Our regulations concerning noise in the natural and living environment are more or less in compliance with the generally recognized international standards, but we are lagging behind the EU development regarding noise emissions at work. The priority objectives concerning protection against noise in the following period are:

- to reduce noise generated by road traffic,
- to reduce noise from other sources.

### ***3.4. Preventing Disasters and Rebuilding Settlements***

Between 1976 and 1984, professional institutions in particular, and much less the state, exceptionally actively participated in the implementation of the principles of rebuilding and protecting of old settlement cores, which were then already agreed upon in a number of international documents and recommendations. The standpoint that economically justifiable, new or rebuilt housing units could be acquired while also protecting the cultural heritage, was slowly becoming accepted. Two hypotheses emerged in Slovenia during that period. According to the officially adopted one, the rebuilding plans should be possible only in the framework of formal legislation in the form of designs for execution for certain complexes of buildings, but they should have the character of final development plans. The second premise continued to defend the methodological procedures as recommended by Unesco or as developed and tested in the countries of Western Europe. The experience gained so far shows that the simultaneous implementation of renovation and protection of the architectural heritage has been reasonably successful, despite certain methodology- and execution-related difficulties. Hence the rebuilding has started in several cities in Slovenia (Tržič, Radovljica, Škofja Loka, etc.).

Recently, particular concern has been focused on the degraded urban areas, which present one of the opportunities in the modern development processes for the re-planning of industrial towns. The professional interest has been redirected from the historic city reconstruction issues to those related to the development of suburbs and reuse of grey zones within the compact conurbations. In this context the view of degraded urban areas as a permanent deformation of urban development has been replaced by a different view, according to which they are a transitional development form of the internal rearrangement of activities which are passing from a closed zoning to an open urban structure.

In Slovenia, the protection of people, animals, property, cultural heritage and the environment against natural and other disasters is regulated by law. The objective of the protection against natural and other disasters is to reduce the number of disasters and to prevent or reduce the number of victims and other consequences of these disasters. The state, municipalities, and other local communities organize the

protection against disasters as a comprehensive and integrated system in the country. This system comprises programming, planning, organization, implementation, monitoring and financing of measures and activities for preventing disasters.

### ***3.5. Promoting Effective and Environmentally Sound Transportation Systems***

The analysis of the transport infrastructure status and trends shows without a doubt that, despite different planning definitions, Slovenia gives distinctive priority to road infrastructure as a result of the intertwined influences of its geographical position, distinctive daily migrations, outward openness of traffic and the car's role as a status symbol. In the period 1985 – 1998 the number of personal cars increased from 500,000 to around 800,000, i.e. by 60 %, and the road network by 6 %. In the last ten years the use of public transport has progressively decreased and the use of personal cars has increased.

From the environmental aspect this preferential and increasingly emphasized reliance on road transport is particularly negative. It is crucial to reduce traffic-generated emissions, to accelerate the modernization of rail traffic (for passenger and freight transport), and to make public transport and cycling more attractive. The environmental pressures of road transport could be more evenly distributed in space and reduced over time by the modernization of the secondary road network, giving support to other means of transport, more evenly spread telecommunication development and more balanced regional development. It is mandatory to establish a sufficiently dense network of high quality passenger transport, as well as the regional and local transport network. The construction and maintenance of transverse links among Slovenian regions is seriously delayed due to the motorway network construction.

Peak traffic density in urban areas of Slovenia frequently exceeds the capacities of the transport infrastructure, space and environment, thus threatening the living environment and urban ecosystems. There is a continuing trend towards private car passenger transport growth as opposed to other forms of traffic; the surface area used by traffic in cities is growing, urban and suburban public passenger transport is decreasing, the construction of cycling lanes is seriously lagging behind, while denser traffic and lower travelling speeds in cities increase gas and noise emission. The pressures of traffic on the atmosphere, and of noise, are increasing as well as the size and proportion of areas under use by traffic. The restructuring of urban, suburban and rural economies in the spatial sense proceeds to the advantage of personal vehicles, thus increasing urban traffic-related pressures. Without a fundamental change in both transport and urban planning policies, the urban road and transport-generated environmental pressures will increase, also causing more and more damage to the economy.

Slovenia will implement the following basic objectives concerning transport infrastructure development:

- Planning and construction of the infrastructural network within the framework of spatial and environmental limitations, and taking into consideration the principle of the minimum possible environmental pressures as the spatial evaluation instrument for large infrastructural projects (particularly for transport),
- Harmonized planning and development of various infrastructural networks in common infrastructural corridors,
- Encouraging planning and development of infrastructural systems characterized by their economical use of space and energy, generating lesser pressures from emissions, and using renewable sources of energy to a greater extent,
- Improving the infrastructure in border regions as well, and preserving the minimum level of services in small and medium-sized towns in the countryside, where emigration and economic retardation is present,
- Controlling congested traffic axis, e.g. by means of toll collection and by including environmental costs in the total cost of transport,
- Encouraging multimodal and combined transport in EU corridors, including the port for maritime transport,
- Improving the accessibility of areas, which are not directly linked with the main networks, by means of increased density and quality of the secondary road network, transverse links among regions and transport links within closed geographical areas,
- Encouraging the implementation of measures aimed at reducing the dependence on cars and encouraging regional public transport (with the assistance of the state) and non-motorized forms of transport,

- Modernizing the railway network, and redirecting freight transport to railway and multimodal transport,
- Increasing the energy effectiveness and providing more environment-friendly energy sources (solar energy, geothermal energy, biomass, etc.) as the most important primary energy sources on a long-term basis,
- Decreasing energy consumption and requirements by better co-ordination of planning among settlement, economic activities, and energy consumption, as well as by energy-saving building construction ,
- Expanding and improving the municipal utilities network (water supply, power supply, sewage systems) and wastewater treatment,
- Improving accessibility to information technologies in remote regions by means of state supported tariff adjustment,
- Preserving the minimum level of services and improving minimum accessibility to higher education, research and innovation centres in the border regions or sparsely populated areas.

### ***3.6. Supporting Mechanisms to Prepare and Implement Local Environmental Plans and Local Agenda 21 Initiatives***

The beginnings of the environmental protection policy in the world were based on legislation and direct control. Practically the only partners were the state on one side and the polluters on the other. This phase has been replaced (world-wide) by the concept of shared responsibility, requiring active participation and collaboration of all relevant groups: state authorities, public and private enterprises and the public. The National Environmental Protection Programme is designed so as to define the basic actors in environmental protection: the state, private and public enterprises, non-governmental organizations and the public.

In Slovenian, local communities have the opportunity to prepare and adopt their Local Environmental Protection Programmes, if they so wish and consider them to be feasible. The contents of local community programmes are related to those environmental protection issues for which they are competent, and measures available to local communities in accordance with relevant regulations. Local communities with the status of municipality have a specific role. They are obliged to prepare and adopt their environmental protection programmes as well as operational plans. Urban development is a specific and complex issue, and for this reason the municipality needs to have its own mechanisms for environmental planning. According to a survey, conducted by a non-governmental organization SEG in 1999, there are 7 local communities in Slovenia with a completed and adopted Local Environmental Protection Programme. The majority of these plans include long-term and strategic components of environmental protection and, as a rule, they also include key partners at the local level.

## ***Chapter 4:***

### ***Economic Development***

The characteristics of contemporary economy and future forecasts require competitive behaviour from Slovenian enterprises (micro-competitiveness), local communities (mezzo-competitiveness), and from the state (macro-competitiveness). On the micro-level, restructuring of the Slovenian economy should be completed; this requires: financial consolidation, improved marketing (integral approach), innovation activity (most Slovenian enterprises do not support innovations), flexibility (organizational and cultural changes of enterprises), team work, use of contemporary technology (information technology, production), changed role of management, and networking (strategic links, joint actions, connection with educational organizations, connections with the scientific-technological sphere, other forms of connections). The biggest problem in Slovenian enterprises is the issue of suitable sites and obtaining the necessary permits. Companies are also dissatisfied with the long-lasting and complex procedures of obtaining permits, and with the lack of suitable sites. These are either not available, or they are not located along the main communication facilities. In addition, relations between administrative units (state administration) and local communities are sometimes bad. Thus, a local community is often not aware of the importance of enterprises for its prosperity; therefore, enterprises make investments elsewhere or do not make any investments at all. Today, time is the crucial factor and the demands of the world market require an extremely fast response. For this reason the inflexibility of the state and local administration, as well as rigidity of the existing system of spatial planning represent a huge obstacle for enterprises. They will adapt themselves by moving their activities outside their local community and possibly outside the state. This results in a loss of jobs and taxes as well as contributions for the state and local community and furthermore in a drop in the standard of living of the population.

#### ***4.1. Strengthening Small and Micro-Enterprises***

Economic growth is brought about by small enterprises which exist because of the entrepreneur's idea of a new product i.e. innovation. In the first few years after Slovenia gained independence there was an extraordinarily strong wave of new enterprises: at its peak in 1992, as many as 14,094 new enterprises were established. Since then the number has been decreasing, so that in the last 5 years (after deducting the enterprises which have collapsed) on the average 1500 new enterprises emerge in Slovenia every year. In recent years it has been characteristic that the process of founding new enterprises is dying and the enterprises which have already been established are increasingly being liquidated, resulting in complete stagnation in this area.

The peak period of founding new enterprises was between 1990 and 1993, when the net increment was 30 percent of all the enterprises i.e. 5.5 units per 1000 inhabitants. In the following years the percentage dropped and in 1996 it amounted to only 6.2 percent of all the existing enterprises. This is why the new generation of enterprises is too limited to contribute decisively to increasing the number of jobs as well as to the technological rise and general level of the complexity of products.

Conditions for founding small enterprises are getting worse each year. The bureaucracy of municipalities and towns is hostile to them. This is why many of those who have ideas abandon their plans. The main obstacles to founding enterprises are that there is no risk capital available to launch an enterprise at a low rate of interest or even free of interest, and that there is no tax exemption in the period of major initial difficulties (first three to five years). These problems cannot be overcome by 70 percent of the enterprises, so they fail. Quite a few good ideas, skilful technologists and lots of money are lost in this way. In 1996 alone there was an estimated capital loss of 185 million DM with 5175 failed enterprises.

Research performed in enterprises has shown that the government has to tackle the following problems in order to stimulate and give rise to a fast growth of entrepreneurship: to cut taxes and contributions, which means a more stimulating tax system; to make positive changes to the regulations, which should be more favourable for entrepreneurs; to provide quality training of staff according to the needs of enterprises; to cut contributions imposed on salaries, since they do not stimulate employment and fast growth; to reduce interest rates and provide opportunities for obtaining short-term and long-term loans; to change the

attitude of the government, state officials, and managers of public enterprises towards entrepreneurship to much more positive (53 percent of entrepreneurs find it negative); and to improve the attitude of the public to entrepreneurship by promoting a different attitude among the media (one half of entrepreneurs find it highly negative).

Analyses prove that the development of small business rapidly changes the structure of the Slovenian economy and in this way also its efficiency; however, at the same time they prove that the share of small enterprises is far too small. Technologically advanced entrepreneurial potential has to be transformed into economic units of economy to a greater extent. Thus, the strategy of economic development has to be focused on promoting the emergence of such enterprises, on their promotion, and elimination of obstacles in their operations.

In the field of Promotion of Entrepreneurship there will be some core activities in the following years intended to raise the entrepreneurial orientation of various target groups of the population, particularly of the young people, women, and countryside population. In addition to various forms of training, this involves primarily creating conditions for the implementation of entrepreneurial incentives. Measures which are to be taken in this field will connect several sectors: apart from the Ministry of Labour, they include mainly the Ministry of Small Business and Tourism, the Ministry of Science and Technology, and the Ministry of Economic Affairs. This applies to the national executive institutions such as the Employment Office of the Republic of Slovenia and the Slovene Development Corporation, but primarily to the Small Business Promotion Centre which has to become the core institute for co-ordination and execution in implementing the targets of this pillar. The Promotion Centre has to be restructured entirely and it needs a new administration system so that it can deal with this important task. The efficient implementation of this pillar is not possible without well-organized integration of employers' associations, in particular of the systems of the Chambers of Trade and of the regional network of the Chamber of Economy of Slovenia, into a promotion system. Furthermore, if these objectives are to be accomplished, the closer co-operation of local communities should be guaranteed, which will happen if the promotional network at the local and regional level is conclusively established and strengthened, as well as the management of developmental processes decentralized.

#### ***4.2. Encouraging Public-Private Sector Partnership and Stimulating Productive Employment Opportunities***

As in other countries all over the world, there are numerous measures and instruments which mitigate the effects of unemployment in Slovenia as well. Although the measures of the passive employment policy which include mainly temporary financial assistance for the unemployed (unemployment benefit and financial assistance for the unemployed) do mitigate the effects of unemployment for a short time, nevertheless, in the long run they do not contribute significantly to reducing unemployment; this is why Slovenia is endeavouring to replace the passive measures with active ones.

Thus, in the post 1990 period we have paid great attention to and also substantially supported the development of the active employment policy as a system of target-oriented measures and programmes for influencing the labour market with the following aims: (1) to create new jobs; (2) to increase professional, sector-related and spatial mobility of the workforce; (3) to adjust the knowledge and proficiency of employees to the modified conditions of production which are dictated by the market; (4) to encourage the development of entrepreneurial incentives and self-employment as well as other work re-integration of employees; (5) to prevent marginalization of certain groups of the unemployed (the disabled, Romanies, former prisoners, etc.); (6) to co-ordinate supply and demand in the labour market. Since 1996 the Government of the Republic of Slovenia has been passing annual, and recently also two-year programmes of active employment policy measures. It must not be forgotten here that the amendment to the Employment and Insurance Against Unemployment Act, which came into force in 1998, stipulated that participation in employment programmes is the fundamental right of the unemployed.

There are also quite a few other measures and instruments of the active employment policy in Slovenia worth mentioning. They are divided into four systems or pillars:

- measures and instruments aimed at increasing the employment rate of the population,
- measures and instruments aimed at increasing adaptability of enterprises and employees,



- measures and instruments aimed at balancing employment possibilities, as well as
- measures and instruments aimed at the promotion of entrepreneurship (this pillar has already been described in chapter 4.1.).

All the above mentioned measures and instruments have been gradually developed over the last decade regarding their contents and scope; most of them have been originally carried out as experimental projects. In 1993 there were 50,341 unemployed who were included in various measures of active employment policy, and in 1998 that number increased to 66,166 (an increase of 32 % in the number of participants in comparison with 1993); in 2000 it was planned to include 88,270 unemployed people (an increase of 75 % in the number of participants in comparison with 1993 and 33 % compared to 1998).

The funds allocated to the employment policy have been nominally increased, whereas their share in the GNP fell from 1993 to 1996, and it has been rising again only recently. Thus, the share of the funds in the GNP in 1993 amounted to as much as 2.31 % (1.22 % for passive employment policy measures and 1.09 % for active employment policy measures); in 1998 however it amounted to 1.3 % only (0.89 % for passive employment policy measures and 0.41 % for active employment policy measures).

As far as increasing the employment rate is concerned, measures for preventing a further increase in long-term unemployment, particularly of the young, will be given priority by making it possible to obtain and develop core knowledge and skills. For all the other target groups a further shift from passive measures to active ones is planned. Easier transition from schooling to employment will also be provided by further development of the dual system of education and by a faster development of practically oriented schools of higher and university education as well as by adapting their programmes to newly emerging professional skills and by introducing new forms of preparation for employment within training workshops and training enterprises. Key participants in this field are the Ministry of Labour, Family and Social Affairs and the Ministry of Education and Sport, whereas key operational institutions are the Employment Office of the Republic of Slovenia, the Professional Education Centre of Slovenia and the Slovene Adult Education Centre. All three institutions will have to be given further support in order to carry out the tasks related to increasing the employment rate. Apart from public institutions, further development of a contemporary network of specialized non-governmental institutions will have to be encouraged; they will obtain partial or complete concession for the implementation of employment policy.

For the promotion of the adaptability of enterprises and employees, the key role will be played by the development of active social partnership, which will provide the necessary balance – at the level of enterprises, business line level as well as at the national level - between the demand of enterprises for introducing modern work organization and flexible relations between employees and employers, as well as the demand to establish a corresponding degree of security for employees. In order to assure a steady growth of employment, measures for increasing the competitiveness of enterprises will be given priority. It will not be possible to implement these processes without prior efficient re-structuring of the knowledge and competence of the management, as well as of all the employees. Another prerequisite for implementation of these processes is the introduction of modern forms of work. This calls for the revision and modernization of all existing systems of assistance to the economy. Another necessary step to be taken is the repeated revision of regulations which apply to the forms of economic activities and stipulate conditions for their performance, as well as regulations which apply to relations in the labour market. It is particularly important to clearly define conditions for performance of non-profit economic activities. Core activities in this field will therefore be oriented towards the development of the programmes for redevelopment of information systems, technology, programmes and staff-related issues in enterprises, as well as towards stimulating the process of connecting these processes in various fields. However, first of all more intensive internationalization of our enterprises should be provided by establishing strategic partnerships and promoting new investments. Key participants in these processes are the Ministry of Economic Affairs, the Ministry of Agriculture and the Ministry of Science and Technology, the Ministry of Economic Relations and Development, as well as the Ministry of Labour, Family and Social Affairs, whereas the key operational institution should become the Slovene Development Corporation: in order to carry out this task successfully, it has to be restructured as far as its programme and staff are concerned, and also its system of management should be made more efficient.

As far as balancing employment prospects is concerned, the measures mainly result from the fact that the scope of the so-called risk groups in the structure of the unemployed is constantly increasing. The number of the disabled has been doubled in the last years, whereas those older than 40 years represent almost one half of the unemployed. The share of the unemployed with different limitations regarding employment

represents one fourth of all unemployed. In the coming years this area will be organized mainly by implementing a long-term programme of training and employing the disabled, which was passed by the Government in 1999. By the end of the planning period a new legislation will also be passed which will allow for a more efficient implementation of this programme. In this respect, a key role will be played by new forms of employment which will be closely related to non-profit forms of economic organizations, such as integration enterprises, co-operatives and intermediary workshops; the most important of which will be the introduction of a quota system for employment of the disabled. Implementation of the objectives of this pillar is to a large extent connected with activities related to increasing the employment rate and promotion of entrepreneurship, particularly in connection with local employment incentives. As far as promoting equality between the sexes is concerned, special attention will also be paid primarily to the development of all those supporting mechanisms which will provide a more efficient participation of women in training programmes, of untraditional forms of employment, entrepreneurship and management. In this respect the key role will be played by the Ministry of Labour, Family and Social Affairs, and the key operational institutes will be the Employment Office of the Republic of Slovenia, the Pension and Disability Insurance Institution and specialized institutions for training and employment of the disabled.

## ***Chapter 5:*** ***Governance***

The changed role of the state will also have an impact on the assurance and protection of the public interest, particularly as far as the activity of public services is concerned. The state has to start controlling and monitoring the activity of these services more intensively instead of being predominantly the provider of services. This calls for increased efforts and responsibility regarding regulation of the contents, conditions, as well as the standards and norms in connection with the activity of public services, but also the definition of their scope and control of their performance. The state has to make sure that the situation in all the areas for which it is responsible is monitored regularly; it has to provide information systems as well as analytical and specialist documents for development and organization of these areas. A considerably bigger share of the performance itself will in the future be taken by non-state institutions, which will be included in the networks of public services on the basis of concessions. By means of the required supplementary regulation of concession relationships the state will assure that the public interest is protected, that all the users in public services have access to services under the same conditions and that the required quality of services is provided.

Withdrawal of the state from direct governance of public services and from the economic infrastructure is a widespread phenomenon in the world; in Slovenia, however, withdrawal of the state from direct governance of economic enterprises is in the transitional respect a specific, and therefore even more important issue. It is a complex issue and it is indicated by a high proportion of state ownership in economic enterprises, in the political influence and influence of the parties on the choice of board members of large enterprises, in indirect ownership by means of para-statal financial funds, etc. In the long run this problem can be solved definitively only by selling the state-owned shares in economic enterprises and by the privatization of the financial sector.

### ***5.1. Promoting Decentralisation and Strengthening Local Authorities***

The primary role of the state is focused not only on legislation, but also on economic planning and establishing proper conditions for economic development, land use and natural resources, on providing access to information, education, changing conditions in the market (by means of taxes etc.), fiscal policy, and other spheres. The state is also the owner of some enterprises. Industry wants to have the edge on competitors in the market by improving its environmental features and in accordance with that the power of the state is replaced by the power of partnership. Other factors are similarly implemented by means of

the concept of shared responsibility. This requires active participation of all the relevant factors: authorities, public and private enterprises, as well as the public in the role of citizens and consumers. This type of co-operation is one of the conditions in the process of searching for the balance between individual - short-term, as a rule - and long-term interests of the society as a whole. Such balance cannot be brought about by force but only by the participation of all concerned parties and clearly defined sharing of roles and responsibilities.

The success of sustainable development in the economic, social and environmental (spatial) respect will increasingly depend on the capacity of all levels of authority to enforce priority tasks of the community and in this way to give rise to new partnerships between the private, public and official sector. A prerequisite for that is real decentralization to the level of local authorities, mainly regarding the following aspects:

- responsibility,
- carrying out policies,
- competence in decision-making,
- use of resources (human, technical and financial).

The development of one's own capacities has to be oriented towards

- supporting decentralization and strengthening of local authorities which are closest to the will and wishes of people, as well as supporting their associations or networks,
- supporting equal participation of all people in governance of towns and other settlements, as well as active participation of citizens in the affairs of the community they live in.

The aim is to enable all those interested, but primarily local authorities, private sector, trade unions, non-governmental and local organizations, to take an active part in planning and governing flats and settlements. This is why joint efforts should be made regarding the following aspects:

- human resource management,
- institutional reform, development of organization and administration,
- permanent training and acquisition of new equipment.

Strategies for the development of one's own capacities are most easily pursued by national and international associations or networks of local authorities as well as other institutions for the development of their own capacities.

Sustainable development requires a responsive, open, and public authority at the local level and active participation of the public i.e. of the organizations of the civil society. Therefore, institutional and legal baselines have to be available and functioning in order to provide and assure the participation of the whole population.

The decentralization of responsibility and participation of the public are processes which are being developed in our country. As far as the enforcement of democracy and sustainable development of settlements are concerned, it is important that all those involved should be trained adequately and that they should participate to an equal extent. After passing the Agenda 21 in 1992, the activity of non-governmental organizations related to environmental protection increased in Slovenia; with their assistance and within the international co-operation programmes of environmental protection and Agenda 21 for municipalities are being prepared under the supervision of the Ministry of Environment and Spatial planning. There have also been other discussions, workshops, various projects and their presentations in connection with the development of settlements, organized by other organizations, which included a wider circle of the public. However, when planning activities, identifying problems and tasks, mobilizing resources, and implementing programmes, more should be made for better connections among and participation of all the actors, so that apart from the representatives of national and local authorities, various interest groups are included (various non-governmental and other organizations), as well as local enterprises, scientific and research institutions, inhabitants of local communities, financial institutions, environmental funds and those media which have an important role in giving information and making the public aware of the problems.

## ***5.2. Encouraging and Supporting Participation and Civic Engagement***

Participation is one of those areas of the sustainable development strategy, which is a very sensitive issue from the viewpoint of the transformation of society and social values. In the countries with a well-developed democracy in political decisions, new incentives for including the population in the processes of decision-making are rapidly developing. These incentives are a huge challenge for this field and for the experts; at the same time the development of the modern information and other technology alienates them from direct contact with the interests of people regarding living in this space.. Because of that, issues of specialist and professional ethics and deontology are brought into focus in the well-developed countries; they are the sole issues that can contribute to consolidating the reputation of this field.

Participation of the public has gone through very interesting stages – together with the development of the institutions of the civil society and the episode of the socialist self-management system – and it has become a powerful force of influence upon spatial decisions at all the levels of the political life. In the period up to the first democratic elections, a delegate system was developed in the self-management interest communities and socio-political communities which included an extremely high number of people, and in a special way strengthened or supplemented the incentives of the civil society. The collapse of this system and fragmentation of the existing political parties has opened up new challenges which are especially difficult in major towns. In villages, traditional systems of informal decision-making have remained strong. As far as the participation of the public and participation in the process of planning is concerned, they are assured by the valid legislation and implemented in practice.

Quality development of communications with the public has a special significance among other strategic tasks related to strengthening the participation of the public, which is characterized by a permanent confrontation of the deductive and inductive working method, or transition from the level of more extensive, integral approaches to the level of solving the problems arising from the local environment.

Participation can be comprehended as an activity of negotiation prompted by any participant in the process of planning due to his own interests or interests of the group (community) he represents. The basic principle is legitimization of the processes of changing the habitat or any other environment. Possibilities for participation or motives of certain participants for taking part in those processes are proportional to the power regarding the implementation of the idea, responsibility regarding implementation (defined by law or by contract), and interest or influence upon the course of implementation.

Participation also means organization in a responsive “bottom to top” way and as a rule it is then retroactive; it is led by the interests of the community involved and aimed at exerting pressure on local authorities or on the provider of development, so that the locally agreed objectives are attained. A “top to bottom” organization is also possible, if participation is prompted by a national or local authority for the purpose of promoting its agreed objectives. The most democratic form of participation is partnership, where procedure stands for negotiations among all participants in the development of a certain area. Representatives of the public and private capital participate as partners, and so also do local authorities, representatives of the specialist field – their activity is interdisciplinary – (so, a certain representative of this or that technical or social area is not given priority), representatives of the local community, individuals with their own interests, and representatives of local groups.

### ***5.3. Ensuring Transparent, Accountable and Efficient Governance of Towns, Cities and Metropolitan Areas***

When Slovenia gained its independence, a reform of local self-government and national administration was carried out. Since 1995, local self-government has been practised; the previous 60 municipalities which were in a political sense an extension of state administration, were subdivided into 147 smaller local communities. The second division of municipalities took place in 1998 when their number reached the present 192 local communities. The Local Government Act brought about a new distribution of competence regarding different areas between the community and the state. New communities had to take care of planning at the level of communities, whereas state administration became responsible for national planning as well as directing and monitoring the implementation of laws. By transferring the responsibility to communities, the decisions were brought closer to the people, but numerous problems also emerged. A demand for integration and connection of the development interests of communities into wider local communities or provinces/regions became obvious.

In accordance with their possibilities and encouragement of investors local communities are primarily in charge of providing quality drinking water for the population, of waste waters separation and purification, of recreational, cultural and leisure facilities, parks, and other green areas. They are also responsible for maintaining the identity of the community by considering and protecting natural and architectural features, and relationships. The specificity of the relationship between natural conditions and man-made facilities, as well as the protection of the diversity of an area, falls within the competence of spatial planning and construction at all levels.

The main tasks of local communities in connection with spatial planning are: responsibility for rational, combined and sustainable land use as well as more economical land use according to the principles of quality living, work, recreation, and healthy environment. As far as planning and decision-making on investments is concerned, the communities are responsible for direct co-operation of all the inhabitants involved and interested.

The objectives of local government in Slovenia are the following.

- guaranteed right of deciding upon all the problems at the local level;
- better quality of living in local communities;
- delimitation and division of the (administrative) function between the state and local communities;
- establishment and revival of the classical form of local communities and other forms of self-governance;
- equivalent development of all local communities;
- establishment of local government as the basic element of parliamentary democracy which is based on the principles of democratic and decentralized authority.

## ***Chapter 6:***

### ***International Co-operation***

For the purpose of dealing with problems and challenges related to the development of permanent settlements and communities, as well as providing adequate shelter, international co-operation, co-ordination and investments are important so that there could be an effective contribution to improving housing conditions. Providing adequate shelter and healthier, safer, and more productive settlements contributes to international stability, peace, rights, and human solidarity. This is why we are striving to establish international co-operation in development and governance of settlements which will provide for the participation of all the levels of authority, of the private and social sector, as well as for partnership among organizations of the civil society, private sector and local authorities. This also applies to bilateral and multilateral co-operation and co-ordination among the countries, agencies for multilateral and bilateral assistance, international financial institutions, organizations, and various committees of the UN. These programmes also include the exchange of the best practices, constant development of planning tools and instruments, governance and implementation of policies, such as the application of shelter-related and urban indicators, development of human resources and institutional development of one's own capacities.

#### ***6.1. Enhancing International Co-operation and Partnerships***

Since Slovenia gained its independence, it has been striving for international co-operation with and integration into international and European associations. Its obligations are subject to numerous international conventions, agreements, treaties, and programmes. This involves several significant memberships and activities connected with sustainable development, and aimed at the programmes of interstate and interregional co-operation:

- participation in the activity of the UN Centre for Human Settlements and of the Committee for Settlements of the UN European Commission for Europe, implementation of Agenda 21 and Habitat Agenda in Slovenia;

- participation in the preparation of the Conference of Ministers responsible for spatial planning and development spatial planning (CEMAT) and in the activity of the Committee of High Officials (CEMAT - OVU), in the preparation of Guiding Principles for Sustainable Spatial Development of "Greater Europe", preparation of technical documents for meetings of working groups and organization of seminars, preparation of joint projects and co-operation in the implementation of the already approved joint projects of the Council of Europe;
- implementation of the PHARE programme which is the key instrument of assistance to the countries of Central and Eastern Europe in approaching the European Union (it includes the national programme, programme of crossborder co-operation, multinational and horizontal programmes);
- collaboration with the Working Group for Transport and Environment in the frame of the Central-European Initiative (SEP), but mainly concerning the implementation of the SEP Delegation on Sustainable Transport;
- participation in the Alpine Convention: the system of observing the Alps has been established which includes all the stages, from co-ordination of indicators to preparation of reports and analyses of individual areas, as well as the interconnection of and accessibility to information systems,
- the Alpine – Adriatic Community, where we take part in the commissions for spatial planning and environmental protection, in working groups environmental protection and for the geographical information system;
- other European regional activities in the framework of which we participate in the preparation of the required positions for collaboration with the neighbouring countries in the area of regional development and spatial planning;
- participation in the implementation of the EU Interreg II.c programme: its main objective is to provide for sustainable spatial development;
- participation in the implementation of the Interreg III.b programme, which is aimed at enhancing international co-operation in enabling sustainable spatial development, and in the process of EU integration;
- joint co-ordination and solving problems related to spatial development t with the neighbouring countries: conferences, workshops, bilateral and trilateral co-operation.

International collaboration in the area of development involves the participation of the national institutions, as well as local communities, various public and private institutions, non-governmental and other organizations, associations, etc. which are integrated in networks.

At the national and local level, institutions and organizations responsible for certain areas also take part in international co-operation.

#### Economy and finance

- co-ordination of macroeconomic policy on all levels in order to establish an international financial system for financing economic and social development, as well as environmental protection, which are integral parts of sustainable development;
- mobilization of national and international financial means providing housing and sustainable development of settlements;
- giving higher priority to the provision of suitable dwellings (adequate shelter) for all, and sustainable development of settlements with multilateral and bilateral donors, as well as obtaining their support should be given higher;
- implementing the agreement from the Habitat Agenda: the average amount of 20 % of the official developmental assistance i.e. 20 % of the national budget should be allocated to basic social programmes.

#### Exchange of Information, Technical and Institutional Co-operation

- enhancing introduction or establishment of global networks among all stakeholders , so that the exchange of information on environment-friendly technologies could be enhanced, particularly those related to shelter and settlements;
- enhancing the ability of national and local authorities to identify and analyse critical issues regarding settlements for the purpose of creation and efficient implementation of policies and programmes intended for tackling these issues, and for efficient management of the process of settlement development at the local level, also with the help of the United Nations Centre for Human Settlements (Habitat) within its competence;

- establishing and strengthening partnerships with international associations of local authorities, non-governmental organizations, and local organizations, as well as with all other parties interested in attaining the objectives of the Habitat II Conference.

#### Spatial development

- organization of international expert seminars and discussions;
- international co-operation in all committees of the OUN, SE, EU in SEP;
- The Office of the RS for Physical Planning is mainly in charge of preparing expert documents and participating in the activities of international and interregional committees which carry out stipulations of the international treaties already passed, or preparing drafts of new international recommendations regarding spatial planning and regional development.

#### Governance and Management of Spatial Data

- international training courses for employees, participation in international expert discussions;
- The Geodesy Administration of the Republic of Slovenia is a member of several international institutions responsible for uniform activity in various specialist, technical, and thematic fields, as well as exchange of information. Co-operation with these organizations is crucial for the small Slovenia so that it could get a better insight into relevant standards, technical, organizational, and other developmental solutions.

#### Meteorology, hydrology, air and water protection

- The Hydrometeorological Institute of the Republic of Slovenia participates in international comparative tests QUALCODANUBE and AQUACHECK as the national reference laboratory within the Environment in the Danube River Basin project (according to the Convention on Co-operation regarding the Protection and Use of the Danube River) and within the project EQUATE, which is a part of the programme of the Helsinki Convention on Water Streams and Lakes;
- The Hydrometeorological Institute implements both international programmes for air protection UN ECE/EMEP within the Convention on Long-Range Transborder Air Pollution (CLRTAP), and GAW (Global Atmosphere Watch), co-ordinated by the World Meteorological Organization. It also carries out activities within the MED POL programme, which supports the Barcelona Convention on the Protection of the Mediterranean Sea. Data from urban measuring stations of national air monitoring are also included in projects and standing tasks of the EU, such as EIONET, Dobris evaluation, etc.
- Co-operation with foreign meteorological services offers many possibilities for exchanging certain products, joint implementation of international research projects, and successful development of numerical meteorological models. When weather forecasts are prepared up to seven days in advance, we co-operate with ECMWF, the German meteorological institute DWD which sends us forecast cards of the basic meteorological areas, as well as with Météo France and LACE for short-term forecasts. In collaboration with Météo France we are developing a numerical forecast model ALADIN/SI which will provide a more precise two-day weather forecast over Slovenia.
- International exchange of meteorological and hydrological data and warnings in the case of natural disasters. Within the implementation of the obligations imposed by international protocols and agreements, the Hydrometeorological Institute carries out transfer and exchange of data within the following systems: GTS (Global Telecommunication System), GRDC (Global Runoff Data Center), AEWS (Accident Emergency Warning System), within the Danube River Protection Convention, High-Water Warning System together with Austria, Croatia, and Hungary.
- The Hydrometeorological Institute participates in various international organizations, such as WMO (World Meteorological Organisation). The Hydrometeorological Institute performs tasks in connection with numerous international conventions, agreements, treaties, and programmes. In some of them Slovenia co-ordinates the activity, participates in the preparation of protocols, etc. The Hydrometeorological Institute co-ordinates the activities of the working group for strategy within the convention CLRTAP HMZ; this group prepares new protocols on reduced emissions. On behalf of the UN, the Hydrometeorological Institute is the co-ordinator and chief performer of the task regarding air quality monitoring, national records on emissions; and it is also responsible for expert evaluations.
- The Convention on the Formation of the Central-European Centre for Medium-Term Weather Forecasts – ECMWF;
- The Convention on the Formation of the European Organization for Meteorological Satellites – EUMETSAT;
- The Hydrometeorological Institute is a member of the LACE project (forecast model for a limited area of the Central Europe), of various COST programmes, and it co-operates informally with the European Environmental Agency;

- The Convention on Co-operation regarding Protection and Effective Use of the Danube River. In this case the Hydrometeorological Institute participates as a national laboratory, information centre, and alarm-communication system within the Environment in the Danube Water Basin programme;
- Participation in the MEDHYCOS project: it is a system of monitoring hydrological cycle in the Mediterranean region;
- Agreement on Joint Hail Protection between the Republic of Slovenia and the Republic of Italy;
- Agreements on interstate waters; the agreement between Slovenia and Austria on water resource management issues regarding the Mura and the Drava river;
- Participation in the international group for tracing underground waters;
- Organization of international specialist seminars and discussions;
- The Hydrometeorological Institute organizes seminars, discussions, and workshops with the topic of weather forecasts, environmental protection, climate and hydrology.

#### Countryside Development

- Programmes for overall development of the countryside and reconstruction of villages have been carried out in collaboration with the foreign partners from the very beginning. The fundamental concept has been based on the Bavarian model. There is a close co-operation with the Bavarian Countryside Academy.
- Regarding regional developmental projects for the countryside we co-operate with the Know-How-Fund from Great Britain and with the EU through Phare programmes. Recently there has been intensive co-operation with the EU, Brussels, for the purpose of adjusting the policy of countryside development in Slovenia.

#### Post, Telecommunications, Railway, Roads

- Slovenia is a member of the following international organizations: UNO (United Nations Organization), ITU (International Telecommunications Union), ISO (International Standardization Organization), UPU (United Post Union), IEC (International Electrotechnical Commission), CEPT (European Conference on Post and Telecommunications), ETSI (European Telecommunications Standards Institute), WTO (World Trade Organization), EUTELSAT (European Telecommunications and Satellite Organization).
- Technical co-operation and data exchange have been successful since the beginning, however co-operation with international organizations has to be intensified as well as preparations for the planned negotiations with the WTO regarding the GATS treaty. This is why before the next round of negotiations (expected in 2000) Slovenia has to prepare and offer such a list of specific obligations for progressive liberalization of basic telecommunication services, which will according to the GATS treaty provide equivalent participation in global competitive activity, which will result in increased efficiency of the entire economy.
- The Ministry of Transport and Communications is responsible for the implementation of numerous conventions and international treaties in connection with air-traffic, maritime transport, railway, roads, and road traffic. The Ministry also takes part in the activity of various international associations and unions related to transport.

#### Health Care

- The Ministry of Health is the central institution for POPs (Persistent Organic Pollutants) in the Republic of Slovenia. Many persistent organic pollutants enter human bodies and in this way endanger the health of present and future generations. The sector will deal with co-ordination of an interdepartmental commission for POPs, and it will prepare official statements of the Republic of Slovenia on persistent organic pollutants. It will also provide for the preparation of the corresponding inventories of persistent organic pollutants. They are a global world problem, thus international co-operation is necessary. In other fields of chemical safety, co-operation with various international organizations is also necessary: e.g. UNEP-United Nations Environmental Programme, UNITAR-Institute for Training and Research.

#### Science and Technology

- international scientific and technological co-operation.



## ***Chapter 7:*** **Future Action and Initiatives**

### ***7.1. Priorities for Shelter Development***

The National Housing Programme is based on constitutional principles, which define the legal and social character of the country, as well as the economic, social, and ecological role of ownership; it also considers the balance of market principles and social principles in the area of housing. Its implementation thus requires a gradual approach to implementing co-ordinated legally grounded economic measures and measures of the social state, based on legislation. The Programme defines starting-points, conditions and measures of shelter policy over the period from 2000 to 2009. The main objectives of the housing policy based on the implementation of the National Housing Programme – which may gradually be accomplished in accordance with the constitutional, legal, and international principles, by means of co-ordinated actions taken by the state, local communities and other factors– are the following:

- to improve accessibility to all sorts of housing units in various ways, depending on financial possibilities and demands of the population, mobility, and other circumstances;
- to facilitate and enhance various ways of obtaining shelter and various forms ways of housing ownership;
- to provide adequate assistance regarding the use of dwellings to all those who cannot manage to do so on their own;
- to improve conditions for of construction land management for the construction of building flats and houses, and managing them;
- to increase the volume of constructing flats and houses, including the renovation of the existing ones;
- to encourage a better quality of housing and living environment and to provide adequate standard of living, also regarding adequate size of housing units;
- to balance housing supply and demand , and to provide a sufficient quantity of units, intended for purchase or lease, in those regions where there is a lack of dwellings or demand for them;
- to encourage demographic development and facilitate the emergence of new households, by improving the entire housing supply;
- to contribute to the welfare of the family, elderly people and the disabled, as well as of other vulnerable population groups by adequate housing supply;
- to enhance the housing market and its beneficial developmental effects.

For the purpose of implementing the National Housing Programme, as well as providing a more precise definition and implementation of its purpose and objectives, the following steps have been defined by resolutions and recommendations:

- direct actions of the state (legislative, organizational, financial intervention);
- indirect actions of the state (taxes, social, and spatial measures) and
  - local community actions (acquisition of social flats, assurance of subsidies, and joint financing of the acquisition of non-profit flats to let, particularly by providing construction land and the required communal infrastructure);.

### ***7.2. Priorities for Sustainable Urban Development***

The broadest framework of objectives related to spatial planning (rational guidance of spatial development) is provided by the latest documents of the United Nations, particularly by the Habitat Agenda, Istanbul Declaration, and Declaration of the World Council of Towns and Local Administrations (1996, Slovenian publication: MOP-URSPP, Lj. 1997). Next, the fundamental objectives of spatial planning should be mentioned which are defined in the latest documents of the European Union. In connection with the European Spatial Development Perspective (ESDP) it was emphasized, "...that the main spatial planning

policies are still in evolution, like the European society which is also in evolution. Increasing significance of European and continental dimensions of spatial planning should not be considered incoherent with further decentralization and regionalization of activities. Environmental protection and cohesion will be in the focus of spatial planning priorities in future decades.” Certain objectives which are quoted from the EU documents will have to be carefully noted, by taking into account the special features of the Slovenian space and society, and thus indicating realistic possibilities for their implementation. In this respect a considerable amount of work has already been done within preparations of the »resolution« on spatial development of the Republic of Slovenia.

The concept of a central settlement network has been influenced by the development of settlements which is connected with management of vacant areas, construction of social and technical infrastructure, economic development, and their interactions. The following objectives associated with the development of settlements are brought into focus:

- the most important fundamental objective which will result in an even and balanced spatial development is adequate polycentric and balanced development of the entire country;
- more harmonized regional development by promoting activities in less developed and structurally weaker areas, formation of the network of cities i.e. Slovenian conurbation which would be actively integrated with the countryside;
- creation of efficient traffic and other infrastructure networks with easy access to the periphery and with good connections to the broader European/international space;
- overcoming discrepancies among certain regional entities and orientation towards co-operation with the neighbouring countries;
- sustainable development which includes active protection of the natural and cultural heritage.

The implementation of sustainable urban development is possible only if the tasks are successfully accomplished. For that reason the following issues have to be included in the strategic objectives:

- elimination of the consequences of legal disorder i.e. enforcement of new spatial legislation;
- elimination of the effects of impoverishment of specialized service departments, and
- of inefficient administration which originates from spontaneous fragmentation of municipalities and vague division of responsibility between the state (in the 'centre' and in administrative units) and local i.e. municipal self-government;
- establishment of regional articulation of spatial management, especially on the level of strategic decisions regarding sites;
- contemporary conception of market principles in land register management; in this respect it has to be taken into account that space is a limited commodity and that in the area of cities and conurbations, long-term and joint (public) interests have to be protected;
- financial training of communities and towns for competent management of investments regarding construction-land and utilities management;
- providing for political independence of services which must be continuously concerned with spatial planning;
- understanding and developing human and social values related to environment and space, as well as cohabitation in urban or urbanized areas;
- introduction of promotional activity in connection with good spatial solutions and
- efficient participation of the population in decisions related to spatial planning and management, etc.

### ***7.3. Priorities for Capacity Building and Institutional Development***

The objectives of rational management of future spatial development processes cannot be accomplished unless conditions for any kind of implementation strategy are provided: legislative and institutional, financial and economic, ecological, technological and technical, promotional and participation-oriented strategy, strategy of.

Legislation will be supported primarily in those fields which require flexibility and permissibility, as well as restrictive or even repressive regulations. This means that the public and joint interest has to be defined in detail on the basis of constitutional provisions; moreover, the long-term demands of physical communities and surely of the state as a whole have to be considered.

The spatial planning and management system will have to be institutionally articulated and integrated at all levels: national, regional, and local. This continuum has on the one hand democratic participating features, while on the other hand it has to provide more efficient protection of joint and public interest. In this respect all the decisions related to the spatial planning and management are shaped, made and implemented. There are also better conditions for the emergence and profiling of civil society, representing an extremely strong factor in identifying and shaping the public interest and possibilities for the expression of an individual within direct democracy.

The local self-government reform has once again defined competence distribution between the state and the municipalities. Inter-municipal obligations regarding management of utilities and other urban infrastructure, as well as functioning of public transport and other urban services, need to be defined by law. In this respect the state will revise its taxation system and introduce distribution methods which will ensure the activity of the already practised urban services, as well as emergence of the new ones which will be conditioned by the imperative of the increasing complexity of society, and of cities as well.

In the market or social-market economy system the role of the state as a protector of public interest and commodities of overall significance, and also as a promoter of an efficient establishment of joint interests and partnership of the private and public sector can be assured mainly by taxation and financial instruments. These also include the process of providing the conditions for priority purchase of construction land and other types of land, which are required for big development projects, or for socially and ecologically sensitive activities.

In addition to the constitutional and legislative competence of state administration, the intermediary level of provinces will also be provided; they are most competent for dealing with broader developmental tasks, since they are closer to the operational level of economic and service providing sectors. As far as content is concerned, it concerns all the media connected with interstate obligations, either regarding administrative regulative rules for environmental protection and management, functioning of the economy and social services, or regarding co-ordinated construction and management of infrastructure systems.

Within the development of its own capacities and within the institutional development. Slovenia has already taken the following steps:

- a programme of stimulating local employment initiatives has been prepared which promotes development of the infrastructure network and instruments for establishment of development partnerships on the local and regional level. In this way we are endeavouring to introduce an integrated approach to the development of local communities. The programme introduces a 4-level approach by means of foreign technical assistance, as a way of activating the unemployed young people and other groups, unemployed population from the regions with declining economy;
- an amendment to the Employment and Insurance Against Unemployment Act has been drawn up and adopted; it defines public works programmes as local and national employment programmes;
- the public administration efficiency qualifying and restructuring projects are implemented within the PHARE programme – "Institutional building" ;
- in June 1999, the Promotion of Balanced Regional Development Act was passed which defines the objectives, principles, and organization of promoting balanced regional development, the allocation of development subsidies, and criteria for defining the areas with special developmental problems;
- from 1996 to 1999, a number of conferences, seminars, and training courses took place in Slovenia concerning town planning and development, and housing construction; they were all focused on guidelines for sustainable development;
- the promotion of national planning documents is carried out, among other means, via Internet i.e. home page of the Government of the Republic of Slovenia;
- regarding the management and maintenance of (spatial) data, extensive tasks related to updating and modernizing the land register are being performed. A public tender is open for the digitalization of the land register and other real estate registers, co-financed by international institutions (PHARE, World Bank, and others);
- The Agency of the Republic of Slovenia for Regional Development was founded in 1999; it is responsible for promoting balanced regional development, and it collaborates with various agencies for regional development. At the same time agencies for regional development are being founded according to the principle of subsidiarity; and in the case of the state interest s on the initiative of the Agency of the RS for Regional Development;
- The Agency for Agricultural Markets and Rural Development was founded;

- The Housing Fund of the Republic of Slovenia was founded, as well as municipal housing funds; their purpose is financing of the national housing programme i.e. the promotion of housing construction, reconstruction, and maintenance of flats and houses.

## **7.4. Priorities for International Co-operation**

As far as international co-operation is concerned, the problems and tasks of Slovenia are partly similar to those of the neighbouring countries and other nearby countries, and also partly reflect our specific features, as well as political and economic heritage. Regarding the activity of the Slovenian international policy, it is important to be familiar with and to take into account the specific features of the Slovenian situation to ensure that genuine Slovenian interests are put into practice to a sufficient extent. In this respect specific features and national interests must not and cannot be an excuse for any deficiencies or non-fulfilment of international obligations.

Slovenia has to assure a suitable place for itself in the international community:

- by consistent fulfilment of financial and other obligations of the Republic of Slovenia on the basis of its membership or participation in international organizations;
- by ratification of relevant international treaties, which should take place as soon as possible;
- by becoming familiar with and, if possible, by participating in the preparation of new international treaties referring to sustainable development;
- by integrating principles of sustainable development into the strategy of the Republic of Slovenia regarding foreign affairs;
- by enhancing the co-operation between neighbouring countries in border areas and by joint solving of problems with neighbouring countries and others, when necessary.

To become a full member of the EU is the central and priority short-term objective of the Slovenian foreign policy, which guarantees that our country has a suitable position in the free exchange of commodities, services, and know-how among European countries. The prerequisite for this is Slovenia's active participation in developments in the wider international community, and its active role in global distribution of the burden in solving the existing issues and preventing of the new ones. In the global respect, human and financial resources of Slovenia are highly limited. However, this does not release us from the obligation to carefully follow the developments in the international community, and to participate actively in those processes in this area that Slovenia can undertake regarding its human and financial capacities.

Slovenian accomplishments in different areas should win recognition within the international community; furthermore, Slovenian experts and institutions should be included in the international exchange of knowledge and experience.

In a few years Slovenia will be considered to have completed to join the group of well-developed countries, which will also mean a definite halt to its entitlement to various types of development assistance from abroad. It is expected that Slovenia will increasingly provide financial and other help to the developing countries. The predicted contribution to the GEF fund in 1998 is one of the significant steps which will put Slovenia side by side with other well-developed countries in the world community; in this way it will become a competent partner in the process of ensuring sustainable development in the world. In order to maintain and intensify this policy, the aspects of sustainable development have to be taken into account in the development and foreign policy of the Republic of Slovenia.

The geographic position of Slovenia and its economic links to the European space also explicitly determine the priority objectives of its foreign policy. In practice, regions seem to be the most suitable level for such direct co-operation. In seeking for a corresponding partner on the Slovenian side for regions of the neighbouring countries, it should be considered whether *ad hoc* integration of interested Slovenian communities is worthwhile. The regionalization of Slovenia and establishment of the (self)administrative level as a connecting link between the municipalities and the state will undoubtedly contribute to the success of Slovenia's co-operation in such international integrations.

There are good prospects for Slovenia to become an active link between the EU and the countries of former Yugoslavia in various fields. If Slovenia wishes to play this role as well as possible – both in its own interest and in the interest of other participating countries – it is necessary to revive and improve those

former connections, which would in the opinion of potential participants be productive and promising. Such co-operation should be encouraged in the field of scientific and research activities, as well as in business co-operation; while state authorities should primarily act as catalyst in this respect.

The priority developmental tasks of Slovenia within the framework of the global distribution of burden concerning sustainable development are the following:

- to make sure that the demands of sustainable development should be taken into account, just like any other objective circumstances which define Slovenia's orientation regarding development and foreign affairs;
- to win recognition of our own interests in the joint foreign policy of the EU; a balance should be maintained between European and global aspect regarding international co-operation;
- to provide for an active participation of Slovenia in international instruments of assistance to developing countries, particularly IDA (International Development Assistance), GEF (Global Environment Facility), and instruments active for this purpose in other organizations i.e. on the basis of international treaties;
- to promote and activate the flow of our experience within the international community, regarding those areas in which we have valuable experience regarding other countries and regions of the world (the Alpine and coastal area, maintenance of biodiversity, etc.);
- regarding joint foreign policy of the EU, to make other EU members aware, other members should be aware of the relative advantage of Slovenia, which is well acquainted with and understands the situation in the countries of former Yugoslavia; their participation in European integrations should be stimulated and they should be helped to obtain assistance from the existing international resources.

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