



Review of policies and current situation in Slovenia

August 2010

Local Development Centre Pivka, Slovenia (PP11)

INTERREG IVC

Interregional Cooperation Programme

European Regional Development Fund 2007-2013



Review of policies and current situation in Slovenia
Local Development Centre Pivka, SLOVENIA

TABLE OF CONTENTS

1.	Policy on natural areas in Slovenia	3
1.1	The national legislation of SLOVENIA governing the functioning of natural areas.....	3
1.2	The existing management structures of natural areas	5
2.	Policy on entrepreneurship and SMEs development in Slovenia and Slovenian regions.....	10
2.1	Judicial forms of business conduct in Slovenia	10
2.2	Entrepreneurship in Slovenia	11
3.3	Entrepreneurship in Slovenian regions.....	14

1. POLICY ON NATURAL AREAS IN SLOVENIA

Map of Slovenia



Source: European Commission <http://europa.eu/abc/maps/>

1.1 THE NATIONAL LEGISLATION OF SLOVENIA GOVERNING THE FUNCTIONING OF NATURAL AREAS

List of policies (e.g. for UK the Environmental Protection Act 1990)

- The Environment Protection Act
- Waters Act (OJ RS, No. 67/02)
- Nature Conservation Act (OJ RS, No. 56/99)
- Management of Genetically modified organisms Act (OJ RS, No. 67/02)
- Act on protection against ionising radiation and nuclear safety (OJ RS, No. 67/02)
- Resolution on The National Environmental Action Programme 2005–2012 (Neap)
- Convention on access to information, public participation in decision-making and access to justice in environmental matters - Aarhus Convention (OJ RS, No. 62/04)

(up to 1000 characters)

Brief description

ENVIRONMENT PROTECTION ACT (ZVO-1) SOP-2004-01-1694

This Act regulates the protection of the environment against burdens, which is a basic condition for sustainable development, and within this framework lays down basic environmental protection principles, environmental protection measures, environmental monitoring and environmental information, economic and financial instruments for environmental protection, public services for environmental protection and other issues related thereto.

The purpose of environmental protection is to promote and direct such social development that ensures long-term conditions for human health, well-being and quality of life, and conservation of biological diversity.

NATURE CONSERVATION ACT (OJ RS, No. 56/99)

(1) This Act shall lay down biodiversity conservation measures and a system for the protection of valuable natural features with the purpose of contributing to nature conservation.

(2) Biodiversity conservation measures shall be measures by which the protection of wild plant and animal species (hereinafter referred to as plant and animal species), including their genetic material and habitats and ecosystems, is regulated; the sustainable use of biodiversity components facilitated; and the maintenance of natural balance ensured.

(3) The system for the protection of valuable natural features shall be a system which lays down procedures and methods for the designation of the status of a valuable natural feature and the implementation of their protection.

Other acts:

- Waters Act (OJ RS, No. 67/02)
- Management of Genetically modified organisms Act (OJ RS, No. 67/02)
- Act on protection against ionising radiation and nuclear safety (OJ RS, No. 67/02)
- Resolution on The National Environmental Action Programme 2005–2012 (Neap)
- Convention on access to information, public participation in decision-making and access to justice in environmental matters - Aarhus Convention (OJ RS, No. 62/04)

(up to 4000 characters in total)

1.2 THE EXISTING MANAGEMENT STRUCTURES OF NATURAL AREAS

Brief description of the designation (e.g. for UK National Parks, in France – Grand Sites)

Slovenia is one of the countries with the greatest biodiversity in Europe. This is the result of special natural circumstances, such as the diversity of geographical, climatic and other specific factors, and of different historical circumstances in the last two hundred years. In Slovenia protected natural areas are divided into different internationally recognized categories (IUCN categories). The basic division is into **large and small protected areas**.

a) Large protected areas are:

1. National park- A national park shall be a large area possessing numerous valuable natural features and great biodiversity. Nature in its original state, with preserved ecosystems and natural processes, is present in the major portion of the national park. In the smaller portion of the park there may be areas where human influence is relatively large, but in harmony with nature.

In a national park at least two protection areas shall be defined, so that in the major, usually unbroken, portion the protection area with a more strict protection regime is defined while taking into account international protection standards and criteria.

The national park, the purpose of protection, development orientations, protection areas, protection regimes, the manager, etc. shall be laid down by the law.

- Slovenia has **Triglav National Park**

2. Regional park- regional park shall be an extensive area of ecosystems and landscapes characteristic of the region with large portions of nature in its original state and areas of valuable natural features interwoven with parts of nature where human influence is relatively large, but in harmony with it.

In the regional park at least two protection areas shall be defined and the extent of the protection area with a stricter protection regime shall be smaller and locally defined.

The detailed rules of conduct in the area of a regional park shall be laid down by the instrument of protection.

In Slovenia are known:

- Škocjan Caves Park
- Notranjska Regional Park
- Kozjansko Regional Park

3. Landscape park- A landscape park shall be an area with emphasised, high-quality and long-term interaction of people and nature and with a high ecological, biotic and landscape value.

The detailed rules of conduct in the area of a landscape park shall be laid down by the instrument of protection.

*Review of policies and current situation in Slovenia
Local Development Centre Pivka, SLOVENIA*

Landscape parks in Slovenia are:

- GORIČKO Landscape Park
- KOLPA Landscape Park
- SEČOVLJE Salina Landscape Park
- LOGARSKA DOLINA Landscape Park
- LJUBLJANSKO BARJE Landscape Park
- STRUNJAN Landscape Park
- LAHINJA Landscape Park
- RADENSKO POLJE Landscape Park

b) Small protected areas:

- 52 nature reserves (IUCN: IV in I)
- 1217 natural monuments (IUCN: III).

c) NATURA 2000 in Slovenia

Natura 2000 is a comprehensive ecological network of areas designated by the European Union member states. Wild plants and animals and their habitats that are rare or endangered in Europe require protection. The main objective of the network is to conserve valuable biodiversity for future generations.

In April 2004, Slovenia designated the Natura 2000 sites and undertook to suitably protect them. It defined 26 sites for bird conservation and 260 sites for the conservation of habitat types and species. Thus there are 286 Natura 2000 sites in total, encompassing approximately 35 percent of the country.

d) Biosphere Reserve

(text limit: 2000 characters by designation)

How it relates to other administrative structures (hierarchy of responsibility)?

National Park

Creation of a National Park and changing its borders or disposal, is in hands of Ministry of Environment. Ministry also specifies the name of the Park, area and immovables of the State Treasury.

Manager of the National Park is a public institution. Founder of the public institution is the Republic of Slovenia. The public institution has the following authorities:

- council of the institute
- council of experts
- director

Triglav National Park- Triglav National Park (TNP) was established in 1981 by the State on the basis of the act of Triglav National Park.

Landscape Park

The Government shall specify the landscape features and landscape diversity important for biodiversity conservation and the guidelines for conserving biodiversity in a landscape which have to be taken into account in the spatial planning and use of natural assets.

NATURA 2000

Slovenia has designated 286 Natura 2000 sites: 260 according to the Habitats Directive (pSCI) and 26 according to the Wild Birds Directive (SPA). The sites in total encompass 36% of the country, which is the highest (terrestrial) rate in EU.

The Natura 2000 sites were adopted by the Government of Slovenia on April 29, 2004 (Regulation on special protection areas – Natura 2000 sites), based on article 33 of the Nature Conservation Act.

The Government shall specify special protection areas and ensure their protection through the measures for the protection of valuable natural features taken pursuant to the law.

Small protected areas

Government of the Republic of Slovenia adopted a management plan with regulation under the Nature Conservation act.

For the management of a small protected area a concession may be granted or such area may be managed directly by the establisher. A concession shall be granted to a natural or legal person on the basis of the provisions on the granting of concessions referred to in the act governing public utility services. The manager of the protected area shall perform protection, specialist, control and management tasks in the protected area.

(up to 2000 characters)

How is it governed?

A protected area shall be managed by the managers of protected area in compliance with the instrument of protection.

- **Large protected areas** may be managed by a public institute or a concession may be granted for the management.
- For the management of a **small protected area** a concession may be granted or such

area may be managed directly by the establisher.

- A concession shall be granted to a natural or legal person on the basis of the provisions on the granting of concessions referred to in the act governing public utility services.
- The manager of the protected area shall perform protection, specialist, control and management tasks in the protected area.

The manager shall perform the following tasks as a public service:

1. the drawing-up of a management plan proposal;
2. the adoption of annual management plans and the carrying-out of tasks laid down in the plan or ensuring their implementation;
3. the co-operation with local communities in achieving the purpose of protection and the set protection objectives and the development of the protected areas;
4. the continuous monitoring and analysing of the state of nature and valuable natural features in the protected area;

Funds

The excess of revenues over expenditure which is the result of manager's actions shall be allocated for the activities related to the protection of the protected area.

The manager shall acquire funds for its activities from the state budget, by selling its services, by grants and donations and from other sources.

- The Government shall specify the categories of valuable natural features and the protection and development orientations for their protection.
- The organisation responsible for nature conservation shall draw up an expert proposal for the designation of valuable natural features and for their classification into valuable natural features of national or local importance after the parts of nature had been registered and evaluated.
- The minister shall designate valuable natural features and classify them into valuable natural features of national or local importance and shall prescribe in detail the protection and development orientations for the protection of a valuable natural feature.
- The minister shall by the regulation lay down for each valuable natural feature:
 - **the name of a valuable natural feature;**
 - **classification into a valuable natural feature of national or local importance;**
 - **short description of a valuable natural feature;**
 - **definition of a category;**
 - **geographic location of a valuable natural feature indicated in an enclosed map;**
 - **protection and development orientations.**

(up to 2000 characters)

Is there a link to the legislation in 2.2 above?

All the given information is based on The National Environmental Policy, Nature Conservation Act and Environment Protection Act. Those documents are described in 2.2 chapter.

(up to 1000 characters)

Highlight activity that is good and why (e.g. partnerships working, management plans, autonomy of activity)

By managing nature parks we provide for nature conservation and for the development of local communities that is adapted to it. Consequently, nature parks constitute part of measures for sustainable development policy. Not just as an instrument of environmental policy but also as a domain for creating new development patterns and searching for solutions to the challenges brought on by unpredictable and fast globalisation processes.

Maintaining the traditional way of life and use of natural resources with new development forms contribute to the symbiosis of humans and nature. The specific, Europe-oriented approach to managing protected areas is clearly directed towards integrating nature protection objectives with concern for the existence and social development of local communities. Therefore, the process of establishing parks and consequently managing them is associated with the attitude of the community or wider public towards the particular park.

There are examples of both **good and bad practices in managing Triglav National Park in Slovenia**. Good practices:

- we have limited and marked the area of Triglav National Park
- we avoided certain projects which could have lasting effects on the area
- we have created an internationally known brand

We were unable to:

- avoid the emigration of the population from this area

There are still many parts of nature that should be included in the network of nature parks in Slovenia in order to preserve the most representative and exceptional natural environments and strengthen their importance as guardians of natural wealth we can still witness.

(up to 2000 characters)

2. POLICY ON ENTREPRENEURSHIP AND SMES DEVELOPMENT IN SLOVENIA AND SLOVENIAN REGIONS.

2.1 JUDICIAL FORMS OF BUSINESS CONDUCT IN SLOVENIA

Slovenian regulations allow the following legal forms of businesses in Slovenia:

1. **Enterprise run by a natural person (Self-Employment)**
2. **Commercial companies that operate as legal entities**
3. **Legal entities governed by private law**
4. **Societies and foundations**

A commercial company is a legal person which independently pursues an activity with a view to profit in the market as its exclusive activity.

An entrepreneur is a natural person which independently pursues an activity with a view to profit in the scope of an organised company.

An activity with a view to profit is any activity pursued in the market for the purposes of obtaining a profit.

Commercial companies (hereinafter: company) shall be organised in one of the following forms:

- as **“personal companies”**: an unlimited company, a limited partnership and a dormant partnership
- as **“companies with share capital”**: a limited liability company, a public limited company a limited partnership with share capital and a European public limited company.

Companies under the preceding paragraph shall be deemed to be companies also if, pursuant to the law, they pursue wholly or partly an activity without a view to profit.

A company or an economic interest grouping may be founded by any natural or legal person, unless otherwise provided by law.

Companies are classified as **micro, small, medium-sized and large** on the basis of the following criteria:

- average number of employees in a financial year,

- net sales income,

- value of assets.

All companies other than dormant partnerships are legal persons. As legal persons companies may own movable and immovable property, may acquire rights and assume obligations and may sue and be sued.

(up to 3000 characters)

2.2 ENTREPRENEURSHIP IN SLOVENIA

Structure and survival rate

There were **152,541** enterprises registered in 2008; 53.3% of them were natural persons and 46.7% were legal persons. Among the companies there were **93.3%** micro, **5%** small, **1.5%** medium and **0.20%** of large enterprises. Large enterprises generated most of the turnover (34.9%) and employed the largest number of persons employed (33.2%). Of the total turnover of EUR 95,786 million, most was generated by enterprises in the Osrednjeslovenska region (44.3%), and much less in the Podravska (11.4%), Savinjska (10.5%) and Gorenjska regions (7.5%).

Of the total of **881,598** persons employed, most were employed in manufacturing (**26.4%**), wholesale and retail trade, repair of motor vehicles and motorcycles (**13.5%**) and construction (**10.4%**).

Survival rate of business registered in 2006 (we have no recent information), which remained on the market by the end of 2007 was 92.84%:

- Above average- Construction (96.68%), real estate, renting (93.29%), production of electrical equipment (94.64%), mining.
- The lowest survival rate- production of textile and leather clothing (87.69%), catering (89.50%).

The survival rate of business (created in 2002) after 5 years is 62.89%. The legal persons proved to be more stable (70.36% remained active), while the survival rate of self-employment ventures accounted 59.18%.

National experts saw entrepreneurial capacities, financial support and government programmes as the key **advantages** of Slovenia for the development of entrepreneurship while unsupportive cultural and social norms and the co-dependency of political, institutional and social frameworks, which do not acknowledge the proper role of entrepreneurship, were seen as the main **disadvantages**.

*Review of policies and current situation in Slovenia
Local Development Centre Pivka, SLOVENIA*

Despite the factors which hinder the development of entrepreneurship in Slovenia, national experts believed that Slovenia has certain advantages which could be exploited for the promotion of entrepreneurship. Although social norms and values are not inclined towards entrepreneurship, national experts were of the opinion that diligence, creativity and ingenuity of individuals in Slovenia are the principal advantages for the promotion of entrepreneurship. The emphasis was laid on young generation, which is better educated and more entrepreneurship oriented.

Sources and methods of data collection

The source of data on enterprises in Slovenia is the Statistical Business Register (SBR), which is kept and maintained by the Statistical Office of the Republic of Slovenia (SORS).

The basic source for the SPR is the administrative Business Register of Slovenia (PRS), which has been kept on the basis of Article 71 of the Payment Transactions Act (OJ RS No. 30/02) since 15 July 2002 by the Agency for Public Legal Records and Related Services.

Classification of companies by activity in 2008:

Area of activity	Number of companies
TOTAL	152.541
- Agriculture, forestry and fishing	2.055
- Mining and quarrying	114
- Manufacturing	17.644
- Electricity, gas, steam and air conditioning supply	406
- Water supply, sewerage, waste management and remediation activities	346
- Construction	
- Wholesale and retail trade, repair of motor vehicles and motorcycles	21.056
- Transportation and storage	23.662
- Accommodation and food service activities	9.194
- Information and communication	7.965
- Financial and insurance activities	4.927
- Real estate activities	1.859
- Professional, scientific and technical activities	2.049
- Administrative and support service activities	20.533
- Public administration and defence, compulsory social security	3.823
- Education	2.197
- Human health and social work activities	2.975
- Arts, entertainment and recreation	3.700
- Other service activities	10.580
	17.456

Source: the Statistical Business Register (SBR)

Loans and interest rate

Entrepreneur is facing a problem of financing company already by starting a business. To cover the initial costs company needs sources of founding, human capital, fixed assets, working capital.

Banks in Slovenia did not follow the global reduction of money prices.

From January 2009 the Slovenian interest rate on new loans remain unchanged, as they move throughout the year at 5.9%.

The company, which applies for the investment credit, should exist at least one year, must have at least 20% of its own funds for the investment.

There are no continuously conducted surveys by **trade organizations**.

Economic environment in 2008

- In 2008, enterprises, companies and organisations paid EUR 6,731.4 million for gross investment (new and existing assets).
- The largest share of total gross investment was paid for new and existing buildings and structures, i.e. 53%.
- The largest share of gross investment - new and existing assets (more than 78%) was created by sections C, H, O, G, J, D and K of the Standard Classification of Activities (SKD 2008).
- **Sources of financing of gross investment:** In 2008 the enterprises financed their gross investment mostly by own financial assets and joint assets (49.1%), followed by financial credits and leasing (33.1%). Obtaining assets of funds - mostly from the state and municipalities budgets - and fixed assets without monetary compensation represented 17.8% of gross investment in new and existing fixed assets.

Current economic environment

The research shows that in 2009 3.2 % of adult population in Slovenia owned a company for less than 3 months (nascent entrepreneurs), 2.14 % had a company for more than 3 months but for less than 42 months (new business owners) while 5.6 % of the adult population in Slovenia owned a company for more than 42 months (established business owners). In terms of the early stage entrepreneurial activity (TEA index), these results rank Slovenia 38th among 53 countries worldwide and 10th among the 20 European countries participating in the research.

In terms of the actual number of adult population, it is estimated that in Slovenia approximately 147,000 individuals were entrepreneurially active in 2009. Among these individuals, about 43,000 were nascent entrepreneurs, many of whom will never realize their entrepreneurial intentions to the extent to actually own a running business. In reality, we can therefore talk about a bit more than 115,000 actual entrepreneurs. However, we must bear in mind that this number represents individuals and not registered businesses as

one company may have more than one founder/ owner or one individual may own more than one business.

(up to 4000 characters)

3.3 ENTREPRENEURSHIP IN SLOVENIAN REGIONS

Slovenia is divided into **210** municipalities and **14** regions (two of them cohesion).

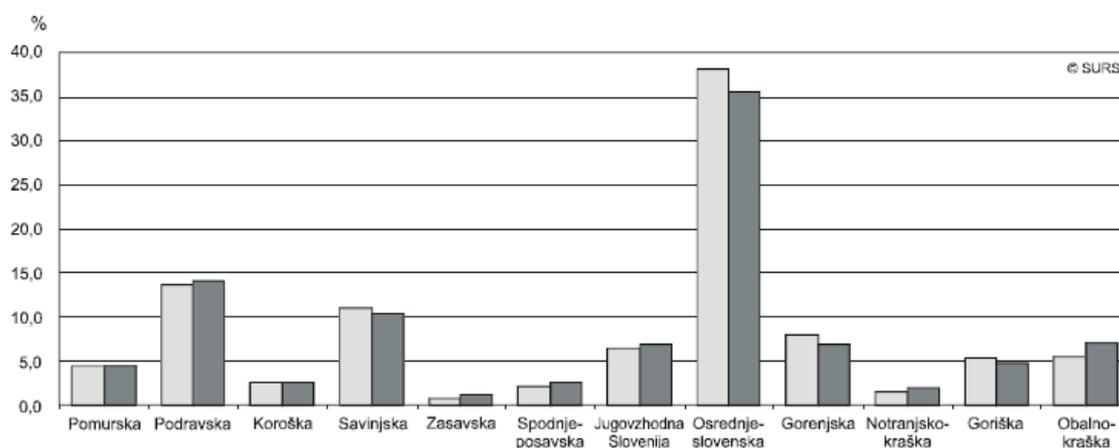
There were **152,541 enterprises** in 2008; most of them (49,653 or **32.6%**) were registered in the Osrednjeslovenska region, followed by Podravska with **13.8%**, Savinjska with **11.0%** and Gorenjska with **9.5%** of all enterprises. The fewest enterprises were registered in the Zasavska (**1.5%**), Notranjsko-kraška (**2.4%**), Spodnjeposavska (**3.0%**) and Koroška regions (**3.0%**).

Entrepreneurship by regions in Slovenia			
	2008		
	Number of enterprises	Number of employees	Income (1000 EUR)
TOTAL	152.541	881.598	95.786.283
EASTERN SLOVENIA	67.870	391.520	36.173.977
Pomurska region	6.702	36.572	2.680.296
Podravska region	21.001	123.632	10.955.343
Koroška region	4.619	25.597	2.283.659
Savinjska region	16.841	104.819	10.013.476
Zasavska region	2.312	12.919	926.541
Spodnjeposavska region	4.519	21.030	2.049.176
Jugovzhodna Slovenija region	8.268	50.213	5.961.848
Notranjsko-kraška region	3.608	16.738	1.303.637
WEST SLOVENIA	84.671	490.078	59.612.307
Osrednjeslovenska region	49.653	326.972	42.402.572
Gorenjska region	14.531	71.699	7.185.299
Goriška region	9.930	47.185	4.448.113
Obalno-kraška region	10.557	44.222	5.576.322

Gross investment by statistical regions

In statistical regions EUR 6,401.4 million was invested in 2008 in new assets, while in 2007 EUR 5,944.6 million was invested. In the Osrednjeslovenska statistical region the largest share of gross investment was created in 2008 (35.6%) and in 2007 (38.2%) – this was revealed by the review of the structure of gross investment in new assets by statistical regions. This region was followed by Podravska with 14.1% of total investment in 2008 and 13.5% in 2007 and Savinjska with 10.5% of total investment in 2008 and 11.0% in 2007.

Structure of gross investment in new fixed assets by statistical regions where investment was created, Slovenia, 2007 and 2008



Source: Statistical Office of the Republic of Slovenia

Census of population, households in 2002

The data about the population and households gives additional insight into the situation at national and regional level in Slovenia. According to results of the National Population and Housing Census in 2002 Statistical Office of the Republic of Slovenia reported the following results:

- **Number of private households in 2002: 684.847** (urban areas- 370.932, rural areas- 313.915). Next census will be carried out in 2012.
- In 2002, Slovenia had a population of **1.964.036**. **50.8%** of Slovenian population lived in urban areas while **49.2%** in rural areas.

*Review of policies and current situation in Slovenia
Local Development Centre Pivka, SLOVENIA*

Number of households in regions, census 2002		Population by regions, census 2002	
TOTAL	684.847	TOTAL	1.964.036
Pomurska region	39.330	Pomurska region	120.875
Podravska region	110.654	Podravska region	310.743
Koroška region	25.048	Koroška region	73.296
Savinjska region	86.973	Savinjska region	253.574
Zasavska region	16.961	Zasavska region	45.436
Spodnjeposavska region	22.832	Spodnjeposavska region	68.565
Jugovzhodna Slovenija region	45.118	Jugovzhodna Slovenija	136.474
Osrednjeslovenska region	174.746	Osrednjeslovenska region	488.364
Gorenjska region	67.332	Gorenjska region	195.885
Notranjsko-kraška region	17.615	Notranjsko-kraška region	50.243
Goriška region	40.924	Goriška region	118.511
Obalno-kraška region	37.314	Obalno-kraška region	102.070

(up to 3000 characters)