



Rural development in Slovenia - a brief overview

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»Evropski kmetijski sklad za razvoj podeželja: Evropa investira v podeželje«



I.

A brief overview of agriculture & rural development in Slovenia



A brief overview of agriculture & RD in Slovenia

Conditions for agriculture in Slovenia



- Rural areas occupies **89 % of the territory** and **57 % of all population** is living there (the data is comparable only with Austria and Ireland).
- Slovenia has rather **unfavourable natural conditions** for agriculture, **agricultural area represents 27.8 %** of the country territory, **forests cover 66 %**, more than **72.5 % of agricultural area is located in less favoured areas**
- Structural changes in agriculture: reduction of the number of farms and growth of agricultural holding size (**86,467 farms in 2000** and **75,340 farms in 2007**, the average size of agricultural holding in 2000 was 5.6 ha and in 2008 6.4 ha).
- **Utilised agricultural land** amounts around **498,466 ha** (175,035 ha of arable land, 297,284 ha of grassland, 26,147 ha of permanent crops) – 0.32 % of total area of EU-25



Geographic diversity in Slovenia

4 Geographic Regions:



- Alpine
30%



- Dinaric
30%



- Mediterranean
10%



- Pannonian
30%



Main geographic feature - Karst:

- covers 42% of land - over 8500 known caves !






LFA areas cover 85 % of the territory

Less favoured areas cover 85 % of the whole national territory, whereof nearly 72 % are mountain areas.

72.5 % of all UAA is located in LFA areas.

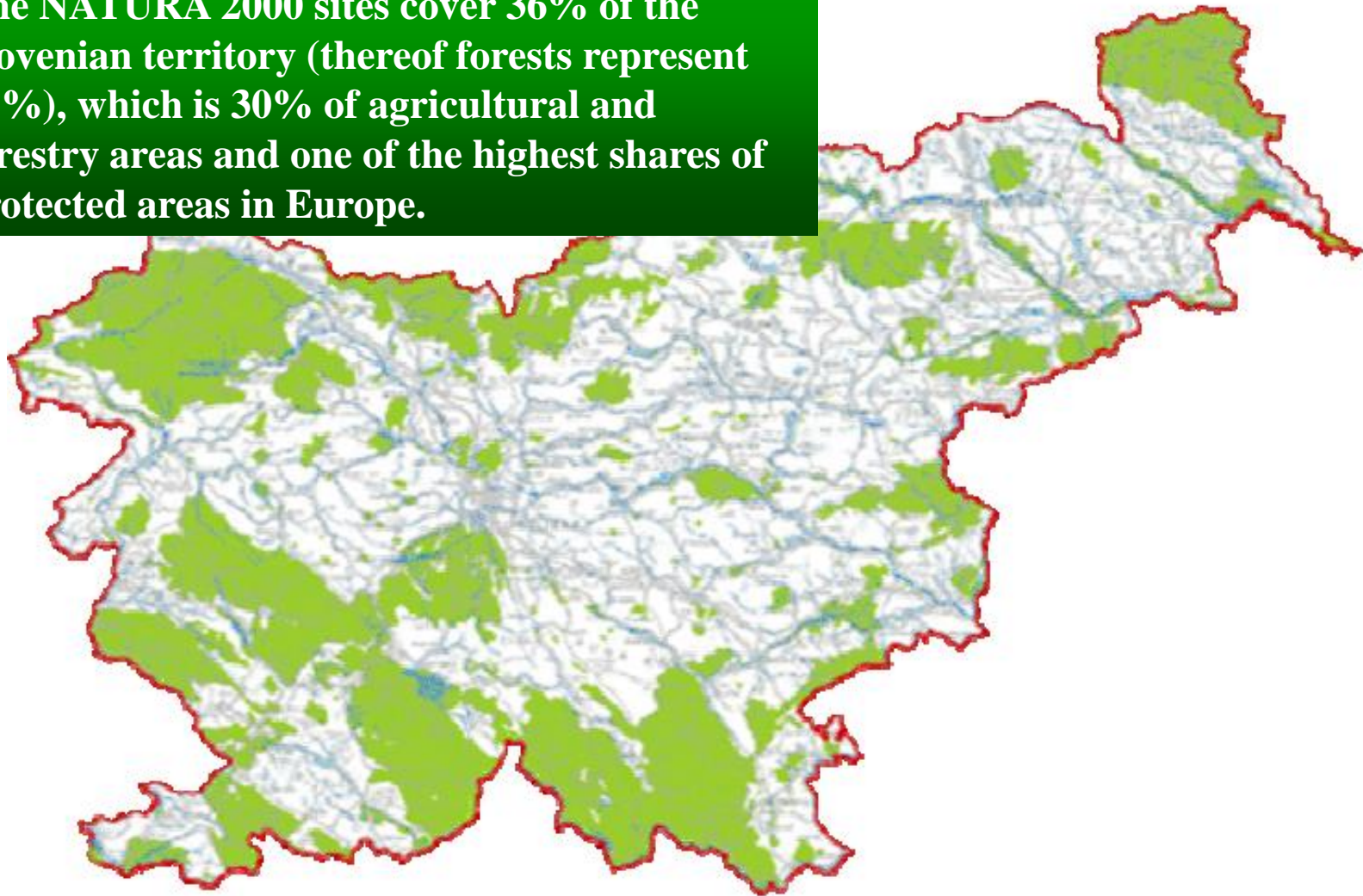
Legenda:

-  Hribovska in gorska območja
-  Druga območja z omejenimi možnostmi za kmetijsko dejavnost
-  Območja s posebnimi omejitvami

Natura 2000 sites – 36% of the entire territory or 30% of agricultural and forest areas



The NATURA 2000 sites cover 36% of the Slovenian territory (thereof forests represent 71%), which is 30% of agricultural and forestry areas and one of the highest shares of protected areas in Europe.



Characteristics of agriculture in Slovenia



- **Livestock farming** is an important branch: 45,2 % of agricultural output in 2007
- Agriculture, hunting and forestry contributes around **1.2%** to **GDP** and employs **9.9 %** of the total working population.
- **Age and educational structure** of farms is unfavourable (around **50%** of farmers are older than **55**)
- **General orientation** of agricultural production is **production of high quality and safe agricultural products**
- Slovenia is a traditional **net importer of agri-food products** (main export products: beverages, meat and meat products, dairy products)





II. Rural Development Programme 2007-2013



Majority of the territory declared as rural area under OECD definition



URBAN

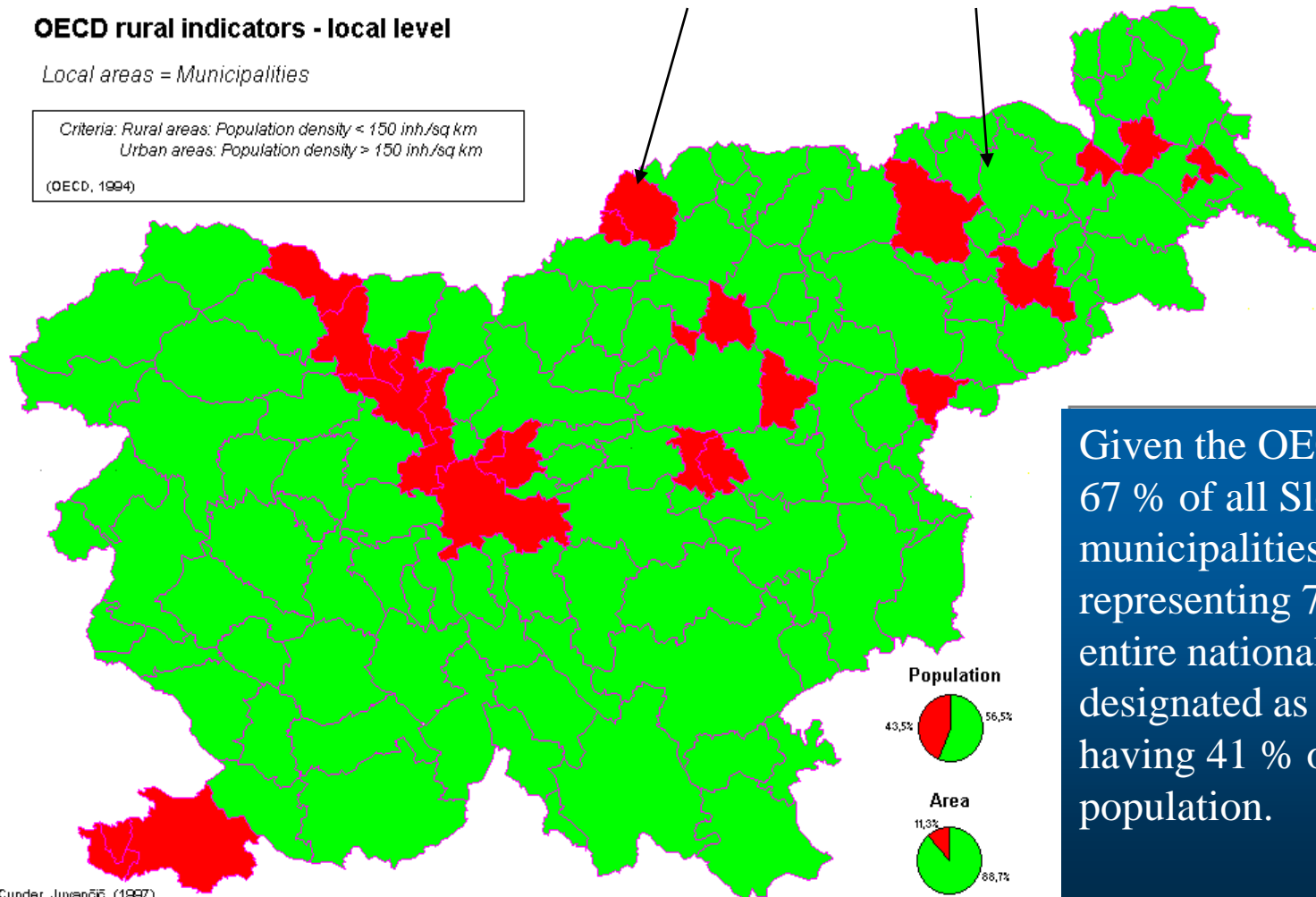
RURAL

OECD rural indicators - local level

Local areas = Municipalities

Criteria: Rural areas: Population density < 150 inh./sq km
Urban areas: Population density > 150 inh./sq km

(OECD, 1994)



Cunder, Juvančič (1997)

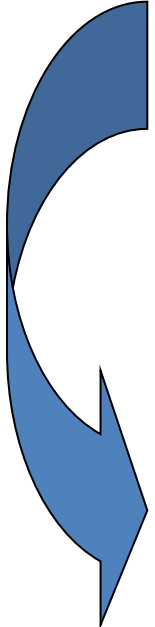
Given the OECD criteria 67 % of all Slovenian municipalities (NUTS 5), representing 77 % of the entire national territory, are designated as rural areas, having 41 % of the total population.

Rural Development Programme 2007-2013

Value of the programme



- Majority of funds dedicated to Axis 2.



Axes	RDP 2007–2013	
	Public funds	Of that EAFRD
Axis 1 competitiveness	402.023.150	302.798.029
Axis 2 environment, LFA	592.890.844	474.312.675
Axis 3 diversification	136.308.025	102.871.352
Axis 4 LEADER	33.760.006	27.008.005
Technical Assistance	12.003.557	9.002.668
Total	1.176.985.582	915.992.729

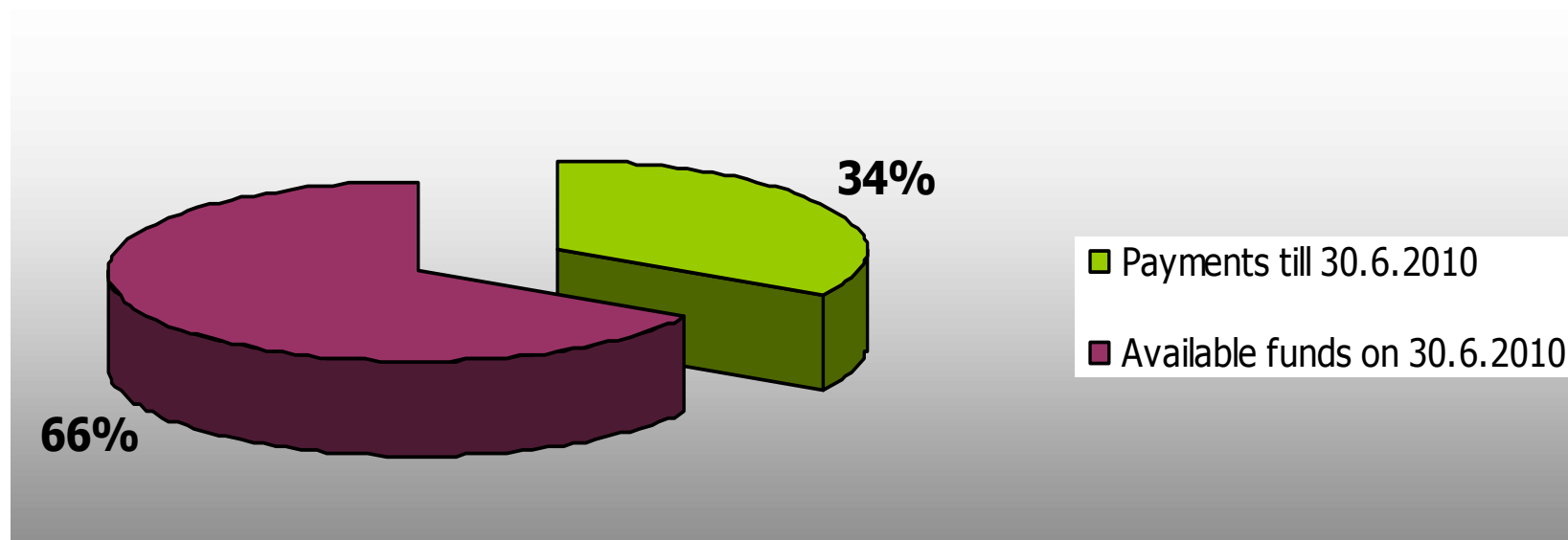


Rural Development Programme 2007-2013

Value of the programme



- Value of RDP 2007-2013: 1.18 bn €
- Execution of payments: 395 mio € (till 30/6/2010) = 33,59 %

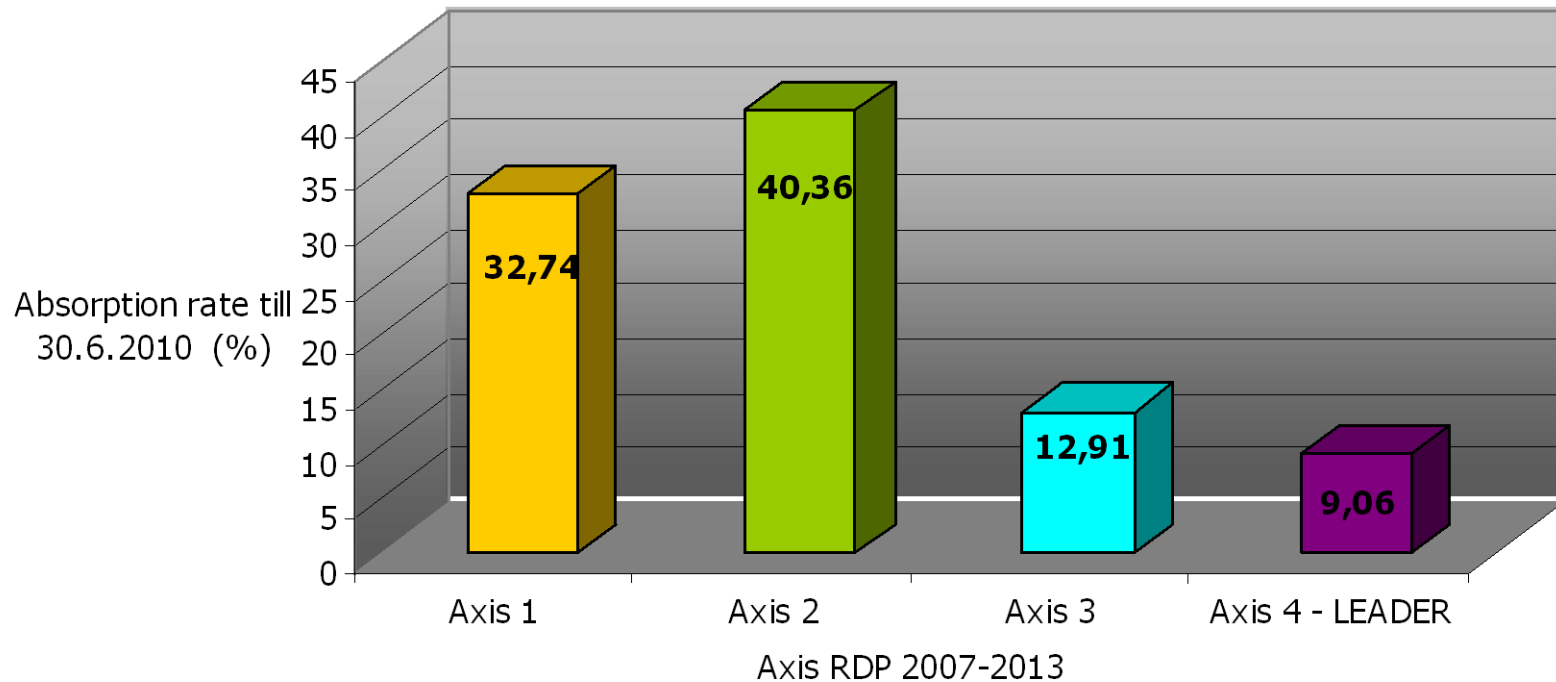


Rural Development Programme 2007-2013

A brief overview of implementation



- High absorption rate for Axis 2 measures (LFA, AEM).
- Slower take-up for Axis 3 and 4 measures (longer investment cycle).





Slovenia's considerations for a discussion on the **Common Agricultural Policy** after 2013



General considerations



- Starting point: **strategic national objectives** also in relation to the objectives of the Europe 2020 Strategy and the modern understanding of the role of agriculture.
- The future CAP should create an **effective framework for the management of EU agricultural policy and the implementation of strategic national objectives of agricultural development**, while **offering responses to new challenges**.
- Faced with new challenges **the sustainable agricultural production in Slovenia without effective CAP support could be jeopardised**.
- Further strengthening of the European agro-food model is vital and the **primary role of food production** should be clearly emphasised.
- At the same time it is necessary to enhance the **multifunctional role of agriculture** in terms of providing many public goods of agriculture.



General considerations



- The future CAP should also contribute to the creation of **comparable and long-term stable economic conditions for all producers in the EU common market**.
- **Adequate income and income stability**, ensured by Pillar I, are of great importance to achieve multifunctionality of agriculture, as well as **one of the basic conditions for forward thinking and action** in what measures of Pillar II should be addressed more closely.
- Therefore, Slovenia supports **the maintenance of the CAP's current two-pillar structure, with common rules and mechanisms**.



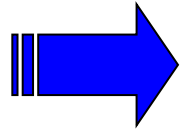
Rural development policy



- RDP has become **crucial for attaining the future CAP objectives**. **Certain policy aspects to addressing new objectives and of the concept of sustainable agriculture** should be reviewed.
- Policy objectives also after 2013 should continue to be aimed at:
 - **competitiveness in agriculture and related branches (R&D)**,
 - **delivering agriculture-related public and environmental goods**,
 - **enhancing the vitality of wider rural community**.
- Upgraded with the following **priorities**:
 - supporting **small farms**,
 - **appropriate use of resources** and a successful integration of challenges of nature protection with **economic activity** in mountainous and hill areas and protected areas of nature,
 - upgrading LFA measure with **development measures**.



Rural development policy (RDP)



= **appropriate combination** of measures within LFA areas and **agri-environmental** measures + measures promoting competitiveness and social measures (for small farm).

- RDP should be made more consistent, whereas ensuring **synergy with other policies** in the countryside.
- Starting point: this policy has developed the **necessary micro sensitivity** to promote the **overall development** of villages and rural economies.
- Conservation of RDP within the **European context**. However, MS should be allowed to adjust the implementation to **their specific situation**.





THANK YOU FOR YOUR ATTENTION

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