

# European Cohesion Policy in Slovenia

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The European Union (EU) comprises 27 Member States forming a community and single market of 493 million citizens. However, great economic and social disparities still remain among these countries and their 271 regions. European Cohesion Policy is at the centre of the effort to improve the competitive position of the Union as a whole, and its weakest regions in particular.

Through the European Regional Development Fund (ERDF) and the European Social Fund (ESF), otherwise known as the Structural Funds, as well as the Cohesion Fund, it invests in thousands of projects across all of Europe's regions to achieve its primary task: to promote economic and social cohesion by reducing these disparities between Member States and regions. With a budget of **€347 billion** for 2007–13, Cohesion Policy represents the single largest source of financial support at EU level for investment in growth and jobs, designed to enable *all regions* to compete effectively in the internal market.

However, as the challenges facing Europe's regions have changed over time, so too has the policy. Against a background of momentous change in the Union as a result of enlargement and of increasing globalisation, concerns about energy supplies, demographic decline, climate change and more recently, world recession, the policy has evolved, in step, as a key part of the response to meet these new realities.

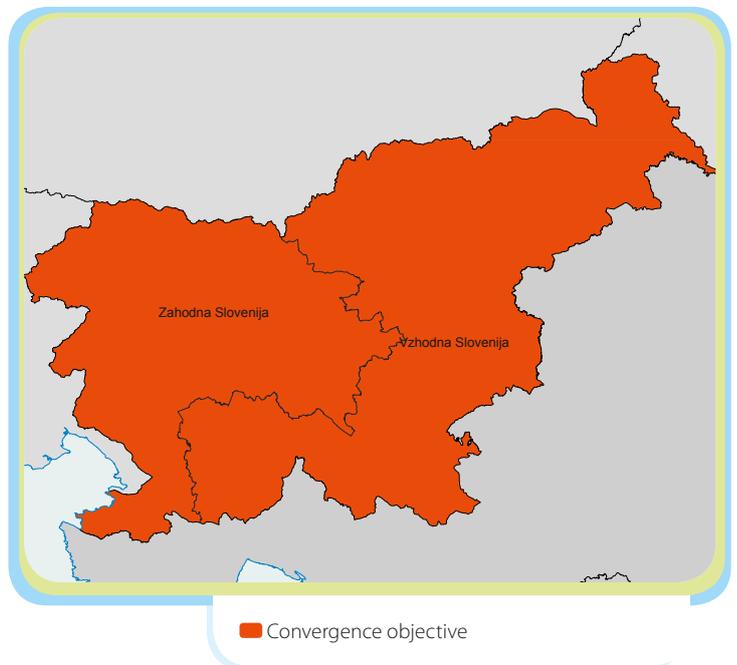
## IMPACT AND RESULTS OF COHESION POLICY IN SLOVENIA

In the period 2000–06 **almost 6 000 small and medium-sized enterprises (SMEs) received support and 21 business zones were co-financed by structural funds.**

There was a strong focus on investment promoting the development of an innovative business environment, with projects supporting registration of **64 innovations and patents** and over 550 registered research hours by the end of 2007.

A total of **28 Cohesion Fund projects** (including the former Instrument for Structural Policies for Pre-Accession projects) were

## Cohesion Policy 2007–13



implemented in the period 2000–06, including 16 environmental projects, eight transport projects and four technical assistance projects.

In the field of transport, a total of **27.4 km of new motorway was constructed.**

In the environmental sector, the Cohesion Fund assisted in **constructing 167 km of new sewerage system infrastructure and providing access to new or upgraded waste water facilities for 144 000 inhabitants.** Three new **regional waste management centres** were constructed, **providing 445 000 inhabitants with modern waste disposal facilities.**

### A SNAPSHOT OF ACHIEVEMENTS

- Support for nearly 6 000 SMEs
- 27.4 km of new motorway built
- New or modernised waste water facilities for 144 000 people



European Union  
Cohesion Policy

## EUROPEAN INVESTMENT IN SLOVENIA – 2007–13

For the 2007–13 period, Slovenia has been allocated more than **€4 billion** of Structural Funds and Cohesion Fund financing under the Convergence Objective<sup>1</sup>. To complement the EU investment, Slovenia's national contribution is expected to reach around €724 million.

The Slovenian development priorities will be implemented through three programmes. The first, the programme for 'Strengthening Regional Development Potential', will receive funding from the ERDF. The second, designated as the programme for 'Human Resources Development', will be funded by the ESF. Finally, the programme for 'Environmental and Transport Infrastructure Development' will be funded by both the ERDF and the Cohesion Fund.

### FUNDS FOR SLOVENIA IN BILLION € 2007–13

Objective	Fund	EU	National Public	Total
Convergence	CF	1.4	0.3	1.7
	ERDF	1.9	0.3	2.2
	ESF	0.8	0.1	0.9
<b>Total Convergence</b>		<b>4.1</b>		
Total European Territorial Cooperation*	ERDF	0.1	-	0.1
<b>TOTAL</b>		<b>4.2</b>	<b>0.7</b>	<b>4.9</b>

Figures have been rounded up

\* Each Territorial Cooperation programme includes a minimum of 15% co-financing from each participating Member State.

## DELIVERING THE LISBON STRATEGY FOR GROWTH AND JOBS

The relaunch of the Union's Lisbon Strategy in 2005 aimed to bolster the competitive position of EU regions in the world economy by placing growth, jobs and competitiveness at the top of the Union's agenda. For the 2007–13 period, European Cohesion Policy has attached increasing importance to delivering the so-called 'Lisbon objectives'.

Slovenia is planning to invest 66% of Structural Funds and Cohesion Fund resources in projects aimed at boosting economic growth and creating more and better jobs.

The Slovene programme for 'Strengthening Regional Development Potential' aims to enhance competitiveness, to facilitate job creation and to foster entrepreneurship, information and communication technology, e-governance, innovation and technology development. The programme for 'Human Resources Development' focuses on investing in skills and training to support employability and growth.

## MAIN PRIORITIES OF COHESION POLICY IN SLOVENIA, 2007–13

Slovenia aims to **invest over €1 billion, or 25% of the Community allocation, to improve transport infrastructure**. It is expected that 428 km of railway line will be modernised or constructed with the help of the Funds.

**Over €1.1 billion**, that is 28.5% of Funds, will be dedicated to **investments in research & development (R&D) and innovation**.

In relative terms, **support for entrepreneurship**, especially SMEs, is among the highest in the Member States, at **17.6% of Fund allocations** for Slovenia.

Slovenia will invest some **€156 million in information and communication technologies (ICT) infrastructure and services**. Priority will be given to e-services for business and citizens and modernisation of broadband networks.

Key priorities leading to the development of a comprehensive strategy for the environmental sector will focus on **waste and water management systems**. Some €770 million, constituting 18% of the total Community allocation, directly and an additional €805 million indirectly will be invested from the Funds to improve the environment.

Of this amount, almost **€257 million** (6%) directly and €511 million indirectly will be allocated to measures **for mitigating the consequences of climate change**, with **€160 million** (4%) being targeted at **the use of renewable energy sources and energy-efficiency projects**.

**Some €77 million** is earmarked for **promoting the adaptability of companies and workers**. The expected result is a 10% increase in the average duration of training given to people employed in enterprises supported.

The ESF will especially support **major investments in continuous training to improve skills and knowledge**, with **€318 million** or 45% of the overall ESF investment.

**Increasing participation in the labour market** remains one of the main investment priorities under the programme for 'Human Resources Development' with **€182 million** set aside for this purpose.

**€41 million will be allocated to address poverty and social inclusion**. Slovenia aims to include 6% of all education institutions in accessibility and equal opportunities programmes and ensure that 30 000 children with special needs benefit from these programmes.

Slovenia has opted **for strong and comprehensive cooperation with the JASPERS initiative**<sup>2</sup>. The focus will be on preparing high-quality projects.

Approximately **€62 million** is planned for **measures supporting urban regeneration**.

### THE ESSENTIALS, 2007–13

- Over €1.1 billion for R&D
- Over €1 billion to improve transport infrastructure
- Over €1.5 billion of direct and indirect investment to protect and improve the environment

<sup>1</sup> The Convergence Objective concerns regions characterised by low levels of GDP and employment, where GDP per head is less than 75% of the EU average as it stood between 2000 and 2002. It applies to 99 regions representing 35% of the EU-27 population and aims to promote conditions conducive to growth and ones which lead to real-time convergence in the least-developed Member States and regions. It should be noted that the rural development and fisheries policy are separate and do not form part of this brochure.

<sup>2</sup> JASPERS is a joint initiative with the European Investment Bank and the European Bank for Reconstruction and Development. It provides specialist assistance to the national authorities of new EU Member States for structuring investments in the main sectors supported by the Cohesion Fund and the ERDF, chiefly roads and rail, urban transport, water, solid waste and energy.

## ● BUILDING BRIDGES BETWEEN NEIGHBOURS

In Europe today, economic success is often dependent on a region's capacity to develop networks with other regions. Cooperation and sharing experience between regions can be a key trigger in stimulating a dynamic, forward-looking regional development process. The EU has an important role to play in brokering and supporting such partnerships, both between regions within the Union, and with neighbouring regions outside. Thousands of projects developed over many years under the INTERREG initiative have demonstrated the benefits for regions of working in partnership, sharing ideas and charting new and innovative ways of harnessing European investment.

The **European Territorial Cooperation Objective** is financed through the ERDF for the period 2007–13 and supports cross-border, transnational and interregional cooperation programmes to encourage regions and cities across the EU and further afield to work together and learn from each other.

Slovenia is involved in 13 programmes under the European Territorial Cooperation Objective, with a dedicated budget of €104 million:

- four cross-border programmes with Italy, Hungary, Austria, as well as with Croatia (under the Instrument for Pre-Accession Assistance – IPA);
- five transnational programmes: 'Alpine Space', 'Central Europe', 'Mediterranean', 'South-East Europe' as well as the 'Adriatic' (under the Instrument for Pre-Accession Assistance – IPA);
- all four interregional cooperation programmes (total budget for all the 27 EU Member States: €443 million)<sup>3</sup>: INTERACT II, URBACT II, ESPON/ORATE and INTERREG IV C.

<sup>3</sup> INTERREG IVC promotes exchange of experience and good practices among the regions, URBACT – thematic city networks, INTERACT – support for cooperation programme management organisation, ESPON – an observation network for spatial planning.

## ● THE EU ON CALL

The **European Union Solidarity Fund** was created after the floods which hit Central Europe in summer 2002. It grants emergency aid to Member States and acceding countries in the event of a major natural disaster.

In September 2007, an extensive part of Slovenia was affected by heavy rain and storms, leading to severe flooding and landslides. The disaster caused significant damage to infrastructure, agriculture and historical monuments: 350 km of national roads and more than 1 600 km of secondary roads were damaged. In response €8.25 million was paid out in aid from the EU Solidarity Fund to reimburse emergency public expenditure related to the floods.



*The European Solidarity Fund helps cover the cost of flooding*

# Slovenia

## €4.2 billion for 2007–13

### Boosting growth, jobs and competitiveness



# Regional Policy on the ground

## CENTRE OF EXCELLENCE IN NANOSCIENCE AND NANOTECHNOLOGY

One of the major obstacles to innovation output in Slovenia has been limited collaboration between the public R&D sector and business. To address this, Cohesion Policy has supported the creation of a 'Centre of Excellence' (infrastructure and R&D projects) bringing together researchers and industry in the area of nanoscience and nanotechnology. The centre allowed early integration of the business sector in the specific research projects. Six research institutes and research units within universities cooperated with the centre, and as many as 26 enterprises. The centre carried out six major research projects, coordinated by representatives from the research institutions. The overall project highlighted the importance of early and regular involvement by the business sector in defining the objectives of research projects so as to deliver results in the areas identified by industry as important for their future development. The project lasted from June 2004 to June 2007.

The provision of modern infrastructure and research equipment proved to be one of the most important factors, contributing to the development of the centre. While the researchers joining the centre have been very successful in raising money for research, they lacked more sophisticated research equipment. The opportunity to use the sophisticated equipment drew the industrial partners closer to the centre and, in parallel, initiated closer research collaboration.

Securing the financial resources enabled the research teams and the partners in particular to bridge liquidity problems and to implement the research projects within the planned time frame.

Total budget: €3.4 million; ERDF contribution: €1.9 million.

Website: <http://nin.ijs.si/nano.htm>

## DOLENJSKA MULTIMEDIA CENTRE

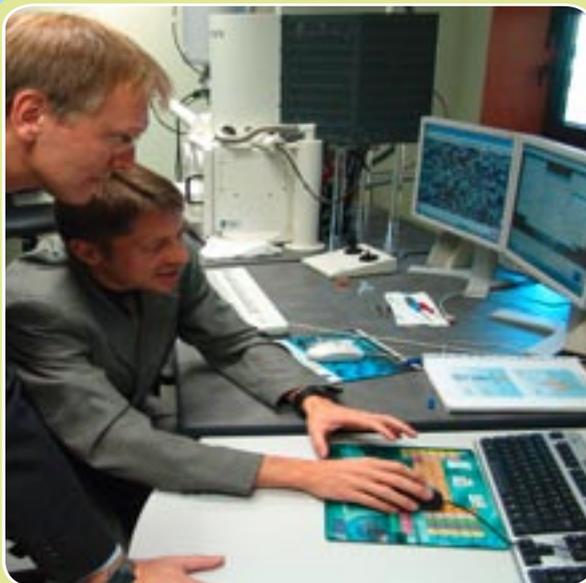
Dolenjska Multimedia Centre was jointly financed by the Slovenian Ministry of Culture and the European Regional Development Fund in 2005 and 2006.

EU funding also covered investment in ICT equipment and the construction of the gallery. Investment from national funds aimed at ensuring the smooth running of the project; preparing and carrying out training activities and workshops; delivering an art programme in the field of multimedia.

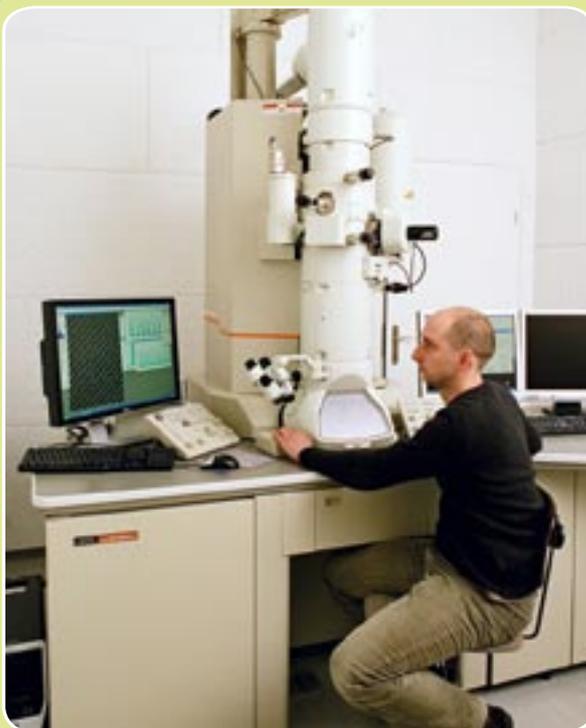
Dolenjska Multimedia Centre is the founder and an active member of the M3C network of multimedia centres, which brings together multimedia centres in Slovenia and coordinates their work. It offers free educational services, access to computer equipment and website development.

Total budget: €53 000; ERDF contribution: €30 000.

Website: <http://www.mcd.si/>



*Commissioner Potocnik sees the Centre in action*



*High-tech equipment brings researchers and industry together*



## More information

EU Regional Policy

[http://ec.europa.eu/regional\\_policy/](http://ec.europa.eu/regional_policy/)

Cohesion Policy in Slovenia

[http://ec.europa.eu/regional\\_policy/atlas2007/slovenia/index\\_en.htm](http://ec.europa.eu/regional_policy/atlas2007/slovenia/index_en.htm)

National website

[www.euskladi.si](http://www.euskladi.si)

European Social Fund

<http://ec.europa.eu/social/>