

Slovenia's Rural Development Plan

Country profile:

- Land use: 32% agricultural land - 72% in less favoured areas, 60% covered by forests
- Agriculture 2% GDP, agricultural employment 10%
- Two production types prevail – grazing livestock rearing and mixed livestock production
- Low productivity of agriculture, weak land and parcel structure, low level of professional agricultural activity, low level of specialisation of agricultural holdings, weak investment capacity, unfavourable age and education structure
- Environment: well preserved and diverse natural environment, soil sensitivity to erosion in some areas, difficult natural conditions for farming, potential hazard due to locally intensive farming
- Rural areas: most farms combine income from different sources, low income and lack of alternative income sources, low level of business activity, rich cultural and natural heritage, multifunctional role of rural areas

Chosen strategy corresponding to the profile:

- Improvement of the competitiveness of agriculture, food industry and forestry (by investments in human capital, physical capital, innovation and in quality of agricultural products)
- Sustainable management of natural resources, maintenance of the cultural landscape, environmental protection, preservation of the settlement and the identity of rural areas.
- Diversification, entrepreneurship, quality of life

Budget overall and share of EU funding

A financial aid of **€ 1 159 million** of which **€ 900 million is EU financed** has been allocated to the Rural Development Programme for Slovenia.

Axis	Total budget (in € million)	% of EAFRD* contribution	EAFRD (in € million)	Share %
Axis I	399	75	300	33.28
Axis II	588	80	470	52.22
Axis III	132	75	99	11.00
LEADER	34	80	27	3.00
TA**	6	75	4	0.50
Total	1.159	77.68	900	100

* EAFRD: European Agricultural Fund for Rural Development

** TA: Technical assistance for the implementation of the programme

Overall aim of RD programme in Slovenia

The general objective is Sustainable Rural Development with the following common objectives:

- to improve competitiveness of agricultural, food and forestry sector
- to enhance environment friendly farming
- to improve economic and social status in the countryside
- to enhance local development initiatives.

Axis 1: budget allocation and main priorities:

EUR 399,487,151 (33%)

Main priorities:

- measures to improve qualifications and to strengthen the human potential in agriculture and forestry
- measures to restructure the physical capital in agriculture and forestry as well as enhancing innovation
- measures to improve the quality of agricultural production and products

These measures shall contribute towards raising the productivity of the agri-food and forestry sector, raising the innovation level, production specialisation and level of professional agricultural activity by considering the principles of sustainable management.

Axes 2 budget allocation and main priorities:

EUR 587,640,844 (52%)

The highest share of funds is chosen for the implementation of axis 2 measures in order to contribute to the utilisation and the preservation of favourable environmental conditions, reduction of hazards due to locally intensive farming, to preserve agricultural activity in less favoured areas and prevent soil erosion in certain areas.

Measures to be implemented: agri-environment and less favoured areas.

Axes 3 budget allocation and main priorities:

EUR 132,039,136 (11%)

Aimed at improving the quality of life and encouraging economic diversification and entrepreneurship in the countryside, improvement of the unfavourable age structure and the increase of low incomes.

Within axis 3 greatest attention is put on measures 'Supporting the establishment and development of enterprises' and 'Diversification into non-agricultural activities', followed by 'Village renewal and development' and 'Conservation of the heritage in the countryside'.

Leader budget allocation:

33,760,006 (3%)

Shall contribute to the accomplishment of the objectives under all other three axes and particularly to the objectives under axis 3.

The measures shall support the operation of local action groups, skills acquisition and animation (20 percent), cooperation between LAGs (10 percent) and the implementation of projects under the LEADER principle (70 percent).

See also: http://ec.europa.eu/agriculture/rurdev/index_en.htm