



CONNECTED FOR GROWTH

Transition to a Green Economy in Slovenia

SUMMARY





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Foreword

“We live in a time of rapid growth and development, in a world of constant change. We are seeking different, more sustainable models of production and patterns of consumption that will enable both prosperity and competitiveness without harming the environment. For this reason the government decided to draw up a framework for the transition to a green economy, whereby we wish to encourage everyone to get actively involved in the planning processes as partners, investors, responsible citizens, or innovators with green knowledge and skills.

New economic demands and broader environmental responsibility require us to change our habits, production, and consumer patterns. The role of the state is to ensure the conditions for fulfilling development initiatives and for the development of innovations that benefit the environment, and also to offer a framework for the linking together of stakeholders that will effectively support these initiatives and improve the management of resources and policies for managing land, water, waste, and energy. If we wish to maintain prosperity and health, and implement sustainable development in practice, the transition to a greener economy and more circular models of production and consumption is essential, and the only right path.”

Dr. Miro Cerar,
Prime Minister of the Republic of Slovenia



Connected for Growth Partnership for a Green Economy

INTRODUCTION

The reasons for making the transition to a green economy, such as population growth, the deteriorating state of the environment, and dwindling natural resources, have long been acknowledged both in Europe and around the world. Slovenia is also taking a decisive step in this direction, in order to maintain a competitive economy and raise the quality of living environment – as well as the prosperity of people. In this process, anyone can find a unique opportunity to contribute, as reflected by the title of this publication “Connected for Growth.” The Slovenian government is implementing a structured and systematic process of linking together knowledge and fulfilling the agreement that a green economy is our long-term strategic orientation through the Framework Programme for Transition to a Green Economy (www.vlada.si/zeleno). This orientation is in line with strategic documents of international and European organisations and the orientations of the European Union, and at the same time is a response to global and national challenges.

The Framework Programme represents a basis for establishing a lasting dialogue and partnership for green growth in Slovenia. Many activities are already taking place, but they are too often focused on specific areas, and do not respond to the need for more integrated structure, providing for greater synergies among the activities. During the drafting and adoption of the document, our guiding tenet through the consultation “Together to a Green Economy” was to include as many stakeholders as possible. In the public debate we received numerous suggestions, which was important input for the final document and suggestions for the work ahead.

THE TRANSITION TO A GREEN ECONOMY AS A RESPONSE TO THE DEVELOPMENTAL CHALLENGES OF MODERN SOCIETY

The transition to a green economy represents a response to the ever greater challenges and demands, such as adaptation to increasing social, economic, climate, and other changes: ensuring the conservation and bolstering of the limited quantity of natural resources and the quality of them, while at the same time ensuring development opportunities, challenges in terms of human health, preventing energy poverty, and more. For this reason we adopted the Framework Programme for Transition to a Green Economy (the FP) in order to provide active support as quickly as possible for this process, and to link together the measures and activities of sectoral policies more effectively. All this comes with clear objectives: to ensure more efficient use of resources and materials (through sustainable production and consumption), a higher quality of working and living environment (including nature protection), and strengthening of social prosperity, while at the same time ensuring a support environment for a green, integral and sustainable way of functioning in all segments of society. We present you with a framework for the active process of transitioning to a green economy, which is at the same time flexible and offers a dialogue with all the key stakeholders in Slovenia. At the same time it sets out a basis for establishing a new form of partnership, and thereby creates a basis for linking together measures and activities for achieving new effects of synergy.

A GREEN ECONOMY FOR HIGHER COMPETITIVENESS AND PROSPERITY

The objectives of the transition to a green economy are focused on raising the competitiveness of the economy, products, and services through added-value, increasing energy self-sufficiency, efficient management of natural resources, providing a high-quality living and working environment, the development and marketing of local knowledge, and new green jobs.

Alongside the environmental benefits, a different system of production and consumption will have a positive effect on the competitiveness of the Slovenian economy and will reduce environmental risks, which negatively impact quality of life and prosperity. The transition to a green economy will reduce the consumption of raw materials and energy, lower the cost of production, and reduce energy dependence – which will also bring down energy prices alongside lower consumption.

Aware that Slovenia and its economic system are currently marked by relatively low competitiveness and low added-value per employee, as well as by relatively low material productivity and despite numerous individual successful companies, we are still below the EU average on the national level in this area. Moreover, Slovenia is highly dependent on imports of raw materials and energy products, which exerts additional pressure given the trend of growing energy prices. Compared to the EU average, Slovenian companies are also around half as active in the area of improving the efficiency of raw material use.

The transition to a green economy, while reducing pressure on the environment, also signals an opportunity for seeking and designing new solutions for products, processes, methods of use, business models, management, and relations among stakeholders. A crucial point of emphasis in developing a green economy is shifting from a linear to a circular economy. The political framework on the EU level already offers orientations that would help the EU find answers to the above-mentioned global challenges, but each country must find its own way and contribution. Such a transition will be a long-lasting process requiring long-term change in the administration, drafting and implementation of policies and in awareness-raising, education, and training both in public administration and in companies, as well as in the behaviour of each individual.

EU¹ DATA INDICATE THAT EUROPEAN ECONOMIC SYSTEMS REMAIN MATERIAL-INTENSIVE AND THAT RENEWED ECONOMIC GROWTH COULD HOLD BACK PROGRESS IN THIS AREA. WASTE, TRANSPORT, GREENHOUSE GASES, AND THE IMPACTS OF GROWING TRANSPORTATION NEEDS COULD IN THE SHORT TERM GENERATE GREAT PRESSURE ON THE ENVIRONMENT AND HUMAN HEALTH. DESPITE THE IMPROVEMENT OF CERTAIN POLICIES, CHANGE HAS BEEN TOO SLOW IN THE MEMBER STATES, AND IT IS UNLIKELY THAT WE CAN ENSURE A HEALTHY AND COMPETITIVE LIVING AND WORKING ENVIRONMENT WITHOUT ADDITIONAL EFFORT. INCREASING NUMBERS OF COUNTRIES ARE SHIFTING TO A DIFFERENT SYSTEM OF PRODUCTION AND CONSUMPTION, AND THEREBY REDUCING THEIR ENVIRONMENTAL RISKS. AT THE SAME TIME, THIS IS BRINGING ECONOMIC BENEFIT THROUGH A REDUCTION IN COSTS ASSOCIATED WITH ENERGY CONSUMPTION, AND BY STEERING THE USE OF RESOURCES AND MATERIALS INTO CIRCULAR FLOWS, THEREBY PRESERVING THEIR VALUE AND REDUCING THE DEPENDENCE ON IMPORTS.

¹ Source: Report of the European Environment Agency, 2015 (<http://www.eea.europa.eu/soer-2015/synthesis/report/4-resourceefficiency>).





EXPLOITING SLOVENIA'S POTENTIALS

Given its geographical location in the narrow band between the Alps and the northernmost bay of the Mediterranean Sea, Slovenia can be regarded as one of the most important points of transit from south-western Europe towards the east. Slovenia is also characterised by a great diversity of the landscapes, a consequence of being at the meeting point of the different climatic and geomorphological features of the Alps, the Mediterranean, and the Pannonian Plain, and of different cultural influences in the past. Slovenia lies at the crossroads of two international transport corridors, and given its geostrategic position, the port of Koper is an important national and international freight hub and maritime harbour. Slovenia's most important natural features are: a high level of forest coverage, rich water resources, and the integrity of watercourses, karstic features and phenomena, biodiversity, and a wide range of landscapes.

Slovenia is exceptionally rich in water. It is one of the smallest countries in Europe, but in terms of water resources it is among the richest, with high-quality surface water that is being conserved and improved. The forests, which cover 60% of Slovenia's territory, are a major natural resource, and the country also has a large number of unspoilt natural areas (nature and landscape parks) and geothermal springs where various forms of tourism are being developed. This affords us significant advantages in shifting to renewable energy sources, the development of green services and jobs and to solutions for efficient use of resources. Many Slovenian companies have already developed new systems for their production processes, and in this way have become examples of good practices for green companies or for the transition towards circular production models. We have a wealth of knowledge and many advanced solutions in the technological field (energy-efficient construction, cooling and heating, materials and numerous other technologies), innovations in the area of waste recycling into target materials (insulation materials), innovations in the area of smart services, and we are developing high accessibility to digital data, e-services, and more. We wish to continue developing these advantages both towards marketing knowledge and innovations, and towards enhancing these technologies, processes, digital systems, and services. For this reason Slovenia planned for long-term development towards a green economy, with the aim of incorporating rational use of natural resources, increased energy, and process efficiency, and the transition from linear to circular economic models. It is on this that Slovenia wishes to build its competitiveness, since here we have and identify the greatest potentials.

How best to exploit the opportunities brought by the greening of the economy, and what are the challenges and conditions for the "greener" activities of companies and behaviour of consumers, are constant questions in designing and linking together policy measures. It is important to predict needs and promote the development of knowledge and skills by specific areas, in order to enable adaptation to change. We need to ensure the mobilisation of capital and technology to support the greening of the economy, and in so doing take account of the advantages and natural features of Slovenia and its inhabitants. Therefore we will focus on the synergy of Slovenian knowledge alongside the development of new experiences and learning from existing experiences.

Slovenia has many best practices which despite the fact that the share of Slovenian companies in the global market for environmental technologies is still relatively small, indicate that we can do things differently. These examples of best practices can serve as a model both for policy designers and for other companies and citizens.



BEST PRACTICES IN SLOVENIA

Numerous examples of best practices in Slovenia have evolved through an appropriate combination of development, learning, experience, and innovation. This involves companies and organisations which despite a lack of umbrella efforts, showed high awareness of the social and economic benefits and used own knowledge and support, and recognised how important, and necessary, it is to create new green jobs, to operate with green responsibility, and to offer people green products and services. In this they were successful on all levels. Their experiences, their knowledge, and their stories are extremely valuable, and a learning point for all.

However, a general breakthrough in this area will demand an improvement in the systemic approach to promoting eco-innovation, and green solutions. Existing examples of best practices are indispensable for seeking solutions and designing measures for specific needs. At the same time, much attention needs to be given to key policies such as subsidies, which in the past were focused on the generation of electricity from renewable energy sources, but ignored other elements of green development. One of Slovenia's important potentials in the transition to a green economy is creating green jobs (for instance in sustainable local supply and forest-timber chains), which offer an effective synergy between sustainable exploitation of natural resources and economic development, with a focus on innovative and environmentally acceptable practices that generate products with higher added value.

Given the new knowledge and skills, green growth is both a challenge and opportunity for the labour market. The transition will bring major changes in the economy as a whole and within numerous sectors that will create additional jobs. An analysis made in 2014 by the Slovenian sustainable development foundation Umanotera, revealed the potential of almost 250,000 green jobs in Slovenia by 2020 in the priority areas of organic farming, efficient use of natural resources, the forest-timber chain, energy generation from renewable sources, increased energy efficiency, sustainable tourism, and social entrepreneurship.

MAKING THE TRANSITION TOGETHER

Numerous strategic and implementing documents offering integrated solutions and approaches to taking the path of a green economy are already available. Equally, in Slovenia numerous actors – government departments, individuals, companies, and organisations – are already pursuing activities that contribute to a green economy, and in future they need to be more robustly supported and encouraged in this area. The transition to different methods of production and consumption will require a change in mentality and re-organisation, along with a shift in how we function in all areas.

There is great potential for being more effective and achieving the targets of transition to a green economy in enhanced cooperation among departments and stakeholders, in the coordination of policy measures, and in strengthening all factors in society as a whole. It is important here to link together all structures of administration, both vertically, i.e. from national to local, from policy and measures design to implementation, and horizontally, i.e. among individual sectors and also



with branches and professions for developing innovative solutions. To support the shift toward green economy is important, in that there are appropriate conditions for sustainable growth and development established also at the national level. Alongside the level of administration, a key part is played by other stakeholders, such as the commercial sector, unions, experts and universities, non-profit and non-governmental institutions, and the general public.

Measures for ensuring a continuous process of shifting to a green economy

PARTNERSHIP FOR A GREEN ECONOMY

An active, structured, and continuous dialogue with key stakeholders is vital for implementation of the Framework Programme and seeking new solutions. In the process of Partnership for a Green Economy, will involve Slovenian Government representatives as well as other stakeholders, especially those representing the commercial sector, the regional and local levels, non-governmental organisations, and others, where dialogue will be essential. The process will involve the use of IT tools and will comprise consultations, workshops, and cyclical meetings aimed at monitoring implementation of the measures laid out and the achievement of targets, exchanges of opinion, and seeking new solutions.

COORDINATING GREEN POLICIES AND HARMONISING THE ACTIVITIES OF GOVERNMENT DEPARTMENTS

Linking together existing policies and activities, and building upon them, will be vital to the success of the transition to a green economy. Coordination and harmonisation of government department activities will be ensured by the Interdepartmental Working Group of State Secretaries, coordinated by the Office of the Primer Minister

ESTABLISHING A PLATFORM THROUGH THE PROMOTION AND SUPPORT OF EXAMPLES OF BEST PRACTICES

Slovenia has numerous examples of best practices that can serve the flow of knowledge and the linking of stakeholders. Information on existing examples of best practices, which will be supplemented during the process, will be accessible on the website. The website serves as a common entry point for stakeholders, aiming to facilitate the exchange of ideas and knowledge, promote learning from examples of best practices, and enable the flow of information on interested partners, accessibility of funds available for financing projects linked to the transition to a green economy and project proposals from all interested stakeholders.

AWARENESS-RAISING AND PROMOTION OF A GREEN ECONOMY

The green economy is presented to the public through special publications and organised events, consultations, and workshops. The website Transition to a Green Economy (www.vlada.si/zeleno), serves for the provision of transparent and updated information on the work of the Partnership for Transition to a Green Economy, information on events, materials, and links, and serves as a two-way communication on proposals and examples of best practices. At the same time it will be possible via the website to monitor implementation of action plan measures and achievement of Framework Programme targets.

An important element of the transition to a green economy is the possibility of involving everyone that can bring experience, knowledge, skills, and a willingness to connect in contributing creatively to new and sustainable green solutions. For this reason we drew up a framework for linking policies and structured dialogue within the Partnership for Transition to a Green Economy and online resources.

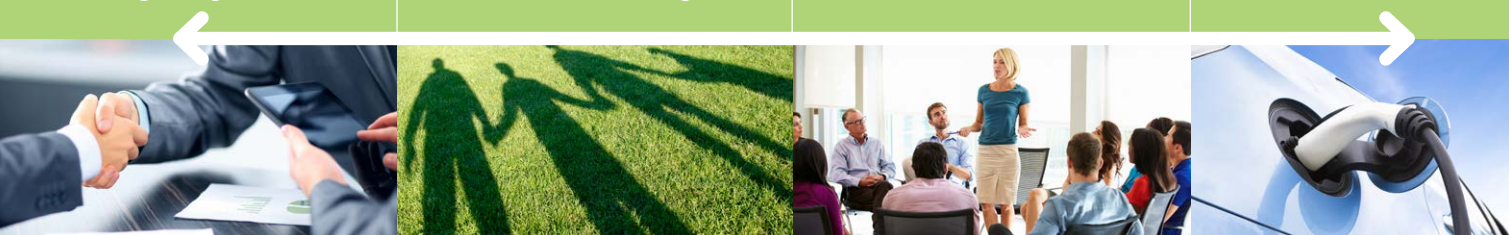
Partnership for a green economy

LINK POLICIES, STEER MEASURES TOWARDS GREEN (common solutions for green growth)

STRUCTURED DIALOGUE (linking solutions, establishing partnerships, awareness-raising)

EDUCATION AND TRAINING (raising competences)

EXAMPLES OF BEST PRACTICES (verifying solutions, enhancing links)



Concept of implementing the Framework Programme for Transition to a Green Economy, source: Ministry of the Environment and Spatial Planning, 2015;

PARTNERSHIP AND DIALOGUE ARE THE GREEN THREAD RUNNING THROUGH THE FRAMEWORK PROGRAMME

SPECIAL ATTENTION WILL BE FOCUSED ON ACHIEVING WIDER SOCIAL CONSENSUS AND THE MORE ACTIVE PARTICIPATION OF EVERYONE IN THE PROCESS OF SHIFTING TO A GREEN ECONOMY. FOR THIS REASON, ON **29 OCTOBER 2015** THE SLOVENIAN GOVERNMENT ADOPTED THE FRAMEWORK PROGRAMME FOR TRANSITION TO A GREEN ECONOMY (FP). IT IS ESSENTIAL FOR THE FRAMEWORK PROGRAMME THAT ALL STAKEHOLDERS COOPERATE WELL, SO THE GREEN THREAD RUNNING THROUGH IMPLEMENTATION OF THE PROGRAMME IS BASED ON SETTING UP A STRUCTURED DIALOGUE OR PARTNERSHIP OF ALL STAKEHOLDERS.

Support for the development and implementation of policies is possible only with the provision of networking and a common search for solutions. Young people need to have an important and active role in this, since they represent the boundless potential for new ideas and the driving force in enacting these structural changes.



DEVELOPMENT AREAS OF POTENTIALS FOR A GREEN, SMART, AND EFFICIENT ECONOMY

In order to fulfil the objectives of the Framework Programme, we need knowledge on how to steer efforts and solutions into the right substantive and developmental fields. Our efforts will be proactively aimed at identifying the right activities, linked monitoring of their implementation, and as a way of building on that, seeking mutual synergy and ensuring the possibility for creating added-value. To this end, in the process to date, we have recognised 10 key areas for transition to a green economy, and they are set out in detail below.





1) SUSTAINABLE MANAGEMENT OF RESOURCES:

- WATER
- WASTE AS A RESOURCE
- SPATIAL QUALITIES AS POTENTIAL
- PROTECTED NATURAL AREAS
- FORESTS
- WOOD
- OPPORTUNITY FOR GREATER SOCIAL INCLUSION

Conserving ecosystems and biodiversity is one of the essential tasks of nature conservation, and through an adapted and intelligent approach, the negative impacts can be reduced and the value of natural resources can even be increased.

2) GREENING OF THE ECONOMY

The shift to a green economy and from a linear to a circular economy poses a major challenge for Slovenian companies, and at the same time an opportunity for investors (including foreign). The transition offers numerous positive effects, for instance in savings on purchases of raw materials and energy, managing price fluctuations, increasing the reliability of raw material supply, and new potentials in developing new products and services.

3) NEW GREEN JOBS

Great opportunities exist for the creation of new green jobs, especially in fields such as sustainable local supply and forest timber chains, waste recycling, natural resource management, food production, and processing and more.

4) GREEN PRODUCTS AND SERVICES

To stimulate demand for green products and services, the direct involvement of the state points to two possible short-term measures: increased financial incentives to households, companies and the public sector for the energy renovation of buildings, and reform of the system of green public procurement.

5) GREEN BUDGET REFORM

The system of public contributions can contribute to meeting the targets of environmental policy, especially the transition to a green economy, since they can promote the use and development of more cost-effective ways of reducing the environmental impact.

6) SUSTAINABLE URBAN DEVELOPMENT:

- SUSTAINABLE CONSTRUCTION
- SUSTAINABLE MOBILITY

Sustainable urban development signals a high-quality and healthy working and living environment. Through good management directed towards sustainable forms of planning and green smart solutions, cities and towns can offer outstanding opportunities for new investments as locations for companies, the development of competitive advantages, and also for a high quality of life.



7) GREEN PUBLIC PROCUREMENT

Through its positive example created by the improved policy of green public procurement, public administration will systematically encourage in other stakeholders the introduction of environmental criteria and circular economy concept into their consumption. This policy will also influence the market to create better offer on the market and to accelerate the transition to a low-carbon society, the efficient use of natural resources, and other green policies.

8) TRAINING AND EDUCATION FOR A GREEN ECONOMY

Young people and adults need to be provided with the conditions for acquiring the knowledge, skills, and competences necessary for the transition to a green economy and in support of green jobs. This knowledge must be built into the concept of lifelong learning.

9) GREEN FARMING PRACTICES

Potentials for green development in the food production sector, integrated rural development, and forestry lie in the creation of local sustainable supply and short supply chains.

10) SUPPORTING E-ACTIVITIES:

- E-SPACE
- E-WATERS
- E-ENVIRONMENT

Effective decision-making and management of the physical space and environment, along with ensuring green growth, require the establishing of a modern data infrastructure through which a standardised, rapid, and easily accessible system provides high-quality data on the physical environment, and on services related to it. In order to analyse and process data in various processes, we need to establish a modern geographical information system on the national level.



Way forward

With the adoption of the Framework Programme for Transition to a Green Economy and the activities pursued by departments in 2015 and 2016, the Slovenian Government has set out a long-term development vision, orientation, and strategy, and has started taking the first systematic steps in linking sectoral policies and measures. For this vision to be fulfilled, all the relevant stakeholders need to coordinate their activities. The Framework Programme represents a substantive and administrative framework. It supports numerous activities that will contribute to green growth under the Framework Programme, and at the same time connects stakeholders with the aim of Slovenia becoming a globally competitive economy, a place of ideas and innovative solutions and an attractive and safe environment where humans and the natural environment enjoys in sustainable coexistence. The diversity of Slovenia's natural environment and its rural and urban spaces, its openness in terms of its geostrategic position and European transport corridors, and above all, its great potential in the area of technical know-how and eco-innovation, are the right chapter headings for the new, green success story of Slovenia. This story has no lead or supporting roles, and its importance is equally distributed, with responsibility falling on all stakeholders in this challenging, yet logical and promising process. The major challenge and task facing the Slovenian Government is in connecting all relevant stakeholders, policies, the economy, and knowledge. We believe that only together, we can identify true potentials and find effective solutions for faster transition to green economy in Slovenia.

CONNECTED FOR GROWTH

Transition to a Green Economy in Slovenia

This publication Connected for Growth was prepared on the basis of the Framework Programme for Transition to a Green Economy, adopted by the Government of Slovenia on 29 October 2015. The Framework Programme was designed as a basis for establishing the transition process, and as the context for collaboration of all stakeholders. The preparation of the Framework Programme was coordinated by the Ministry of the Environment and Spatial Planning in cooperation with the Ministry of Economic Development and Technology; Ministry of Public Administration; Ministry of Education, Science and Sport; Ministry of Labour, Family, Social Affairs and Equal Opportunities; Ministry of Finance; Ministry of Agriculture, Forestry and Food; Ministry of Infrastructure; Government Office for Development and European Cohesion Policy; and the Government Communications Office.

More on the Framework Programme and participators at: http://www.mop.gov.si/en/areas_of_work/ and www.vlada.si/zeleno

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