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Interfaces

A VISION FOR RURAL AREAS

MAP Discussion Paper

LONG-TERM VISION FOR RURAL AREAS: CONTRIBUTION FROM 20 SCIENCE- SOCIETY-POLICY PLATFORMS

MAP DISCUSSION PAPER

MAP SVARUN

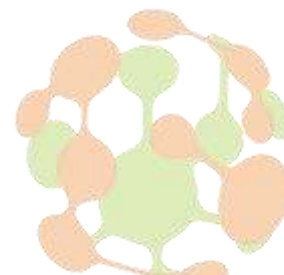
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Contact information

Facilitator | Emil Erjavec, emil.erjavec@bf.uni-lj.si

Monitor | Ilona Rac, ilona.rac@bf.uni-lj.si

Page | 1



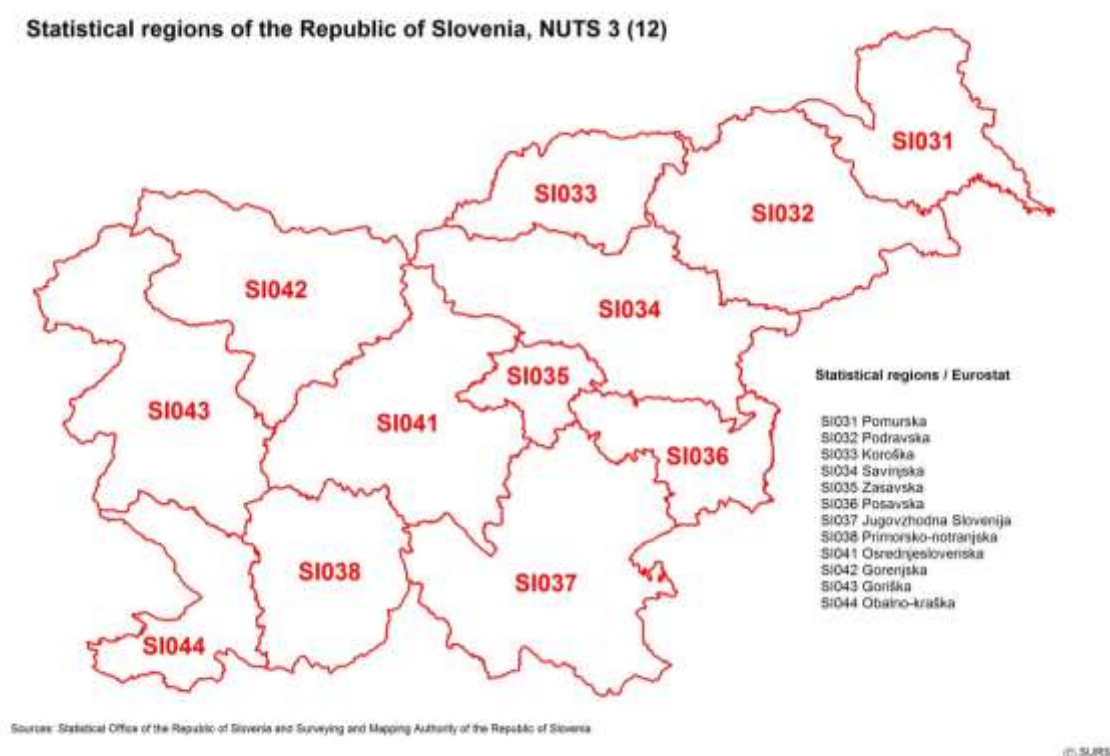
1. Introduction

The MAP SVARUN covers the entire territory of Slovenia, whose total area is 20.273 km². It is located in the climatic and geomorphologic junction of the Alpine, Mediterranean, Pannonian and Dinaric regions. Almost 90% of its territory lies 300 metres or more above sea level, while plain areas account for less than 20%. The diversity of natural conditions has resulted in dispersed settlement and large number of small settlements.

According to the OECD definition of rural areas, Slovenia as a whole is classified as rural, its statistical regions (NUTS3 level) further classified as:

- predominantly rural regions (11.889,2 km² or 58,65% of the territory): Pomurska, Podravska, Koroška, Spodnjeposavska, Notranjsko-kraška, Goriška, Southeastern Slovenia;
- moderately rural regions (8.383,8 km² or 41,63% of the territory): Zasavska, Gorenjska, Obalno-kraška, Central Slovenia, Savinjska.

Figure 1 Slovenian statistical regions (NUTS 2). Source: SURS, n.d.



Slovenia is divided into two cohesion regions (NUTS 2 level):

- **Eastern Slovenia**; area: 12.212 km² or 60,2% of the country's area; population: 1.083.573 or 53% of Slovenia's total population (RDP RS, 2019). GDP/capita was 82,2% of the Slovenian average in 2018 and 70% of the EU purchasing power parity (PPP) average at NUTS2 level in 2017 (SURS, 2019).

- **Western Slovenia**; area: 8.061 km² or 39,8% of total area; population: 972.689 or 47% of total (RDP RS, 2019). GDP/capita was 119,9% of the Slovenian average in 2018 and 102% of the EU PPP average in 2017 (SURS, 2019).

Table 1 GDP structure – total and per capita, cohesion and statistical regions, 2018. Source: SURS, 2019

	Mio. EUR	Structure (%)	EUR	Index
	Per capita			
SLOVENIJA	45.755	100,0	22.083	100,0
Vzhodna Slovenija	19.819	43,3	18.148	82,2
Pomurska	1.714	3,7	14.937	67,6
Podravska	5.749	12,6	17.838	80,8
Koroška	1.264	2,8	17.885	81,0
Savinjska	5.115	11,2	19.987	90,5
Zasavska	661	1,4	11.574	52,4
Posavska	1.383	3,0	18.314	82,9
Jugovzhodna Slovenija	3.104	6,8	21.630	97,9
Primorsko-notranjska	829	1,8	15.837	71,7
Zahodna Slovenija	25.936	56,7	26.469	119,9
Osrednjeslovenska	16.970	37,1	31.169	141,1
Gorenjska	4.041	8,8	19.833	89,8
Goriška	2.341	5,1	19.930	90,2
Obalno-kraška	2.584	5,6	22.627	102,5

For the needs of the present discussion paper, rural areas are understood as all areas outside of the capital's metropolitan area. While there are a number of different classifications, (e.g. further dividing rural areas into suburban and remote), these were not the focal point of discussions.

SVARUN is based on previous cooperation of the Biotechnical faculty of University of Ljubljana (BF UL) with national stakeholders and engagement in the advisory council of the Ministry of agriculture, food and forestry; further stakeholders are engaged in accordance with specific themes based on their integration in agricultural policy-making and through association with existing members of SVARUN. The aim of SVARUN is to foster dialogue between science, policy and society stakeholders on a variety of issues including demographic issues (rural depopulation, ageing, the role of youth), environmental issues (climate change, conservation of natural resources, sustainable animal husbandry) and other socioeconomic issues (e.g. value chains, innovation, cooperation, knowledge transfer) and matters of broader societal interest (e.g. nutritional trends, animal welfare).

This document aims to provide information on Slovenian rural areas that will serve as a basis for broader stakeholder discussion on potential futures in the period up until 2040. It provides a general overview based on desk research that includes the current state and trends in the main socioeconomic and environmental indicators, followed by the results of a stakeholder workshop which provided an expert-based assessment of the main trends, likely future and a vision for rural areas in 2040.

Keywords: *Slovenia, rural areas, bifurcation, regional differences, changing value systems, sectoral cooperation.*

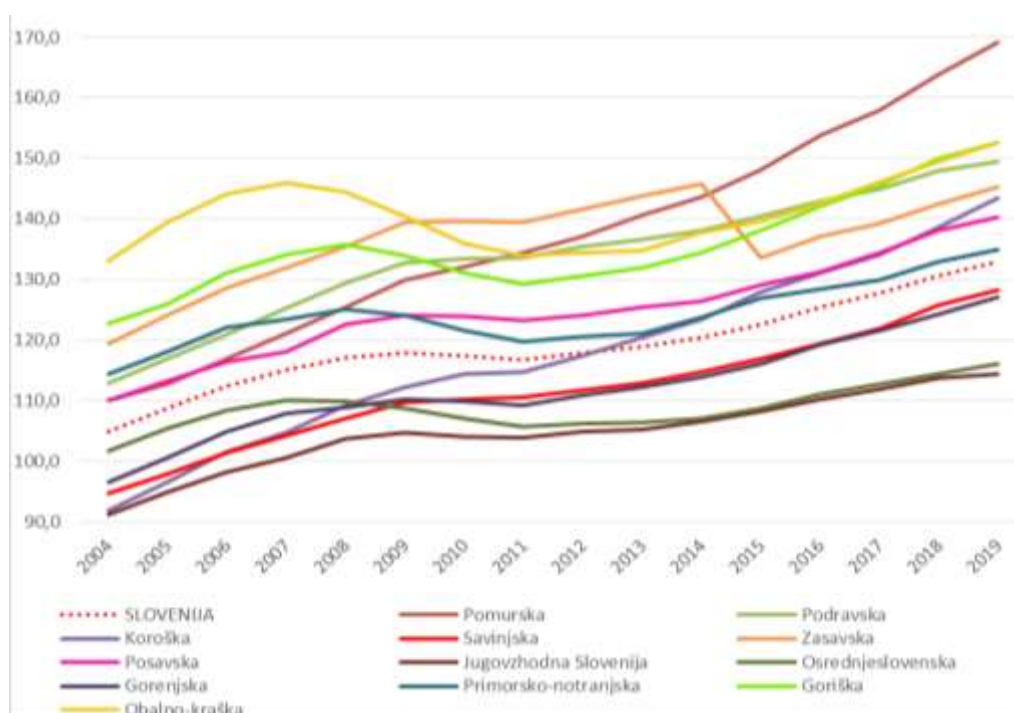
2. Results from desk research

2.1. Review of key trends

2.1.1. Socioeconomic issues

As the majority of EU countries (Féret et al., 2020), Slovenia generally is experiencing rural depopulation and demographic skew as a result of farming modernisation, population ageing and urbanisation. The country's entire population is projected to decline to 1.796.000 by 2100 (SURS, 2019) and the ageing index is projected to reach 213,2 in 2040, with 27,5% of the population in the age group 65+ (MOP, 2016). There is a general trend of ageing in all Slovenian statistical regions (Figure 2).

Figure 2 Ageing index (ratio (>65yo/0-14yo)*100), regional level, 2nd half of year data; Source: SURS, 2020



Trends of depopulation are not uniform, but vary both between and within regions. Understanding the specificities of rural areas is key for a better understanding of interactions between demographic and economic trends (ESPON, 2020). Using numbers on changes in population between 2008 and 2017, Nared et al., (2019) classified Slovenian municipalities into four groups based on whether they are urban or rural and whether their population is increasing or decreasing (Figure 3), and calculated projections of population changes until 2038 (Figure 4). The typology groups Slovenian municipalities as follows (See Table 2 for details on selected socioeconomic indicators):

- **Urban municipalities with increasing numbers of inhabitants (n=34)**

This is the group of demographically most propulsive municipalities with the highest population density (187,9 persons/km²) and the best road infrastructure (1,73 km/km²). They have positive migration indices (both natural and migrational population change), above-average education and net income, as well as the highest GVA/employee. They represent important work centres, with many attracting labour from neighbouring municipalities, though unemployment is not the lowest.

- **Urban municipalities with decreasing numbers of inhabitants (n=35)**

This type, which includes some of the largest and economically most important urban municipalities (Maribor, Celje, Ptuj, Velenje, Murska Sobota and Nova Gorica), is marked by negative migration indices and a high ageing index (146,3; the country average is 126,5). The share of inhabitants with higher and

tertiary education is below-average, and net income is slightly below average, as well. Unemployment is above average despite the fact that the number of jobs is greater than the number of active workers and these municipalities represent important work centres.

- **Rural municipalities with increasing numbers of inhabitants (n=61)**

This type of municipality represents the smallest share of total country territory (19,35%) and 14% of the entire population. Population density is below average (73 persons km²). Numbers of inhabitants are the fastest growing, especially due to in-migration, and the ageing index is thus well below the average. Educational levels are below average, with a higher share of farmers and fewer firms. The share of work migrants is above 77%, well exceeding the country average of 50%, indicating that these are mainly housing municipalities. They have the lowest share of unemployment and a significantly higher share of large families (with four or more children).

- **Rural municipalities with decreasing numbers of inhabitants (n=62)**

This type of municipality covers the largest share of Slovenian territory; populations are sparsest and further declining here; the ageing index is highest and educational structures are the least favourable (numbers of inhabitants with primary school or less are almost twice those with higher and tertiary education). Economic activity is very low, with lowest value added and little investment. Over a quarter of housing is vacant and road infrastructure is bad. Conversely, voting turnout is highest here, likely indicating a sense of belonging and need for change.

Figure 3 Classification of Slovenian municipalities; Source: Nared et al., 2019.

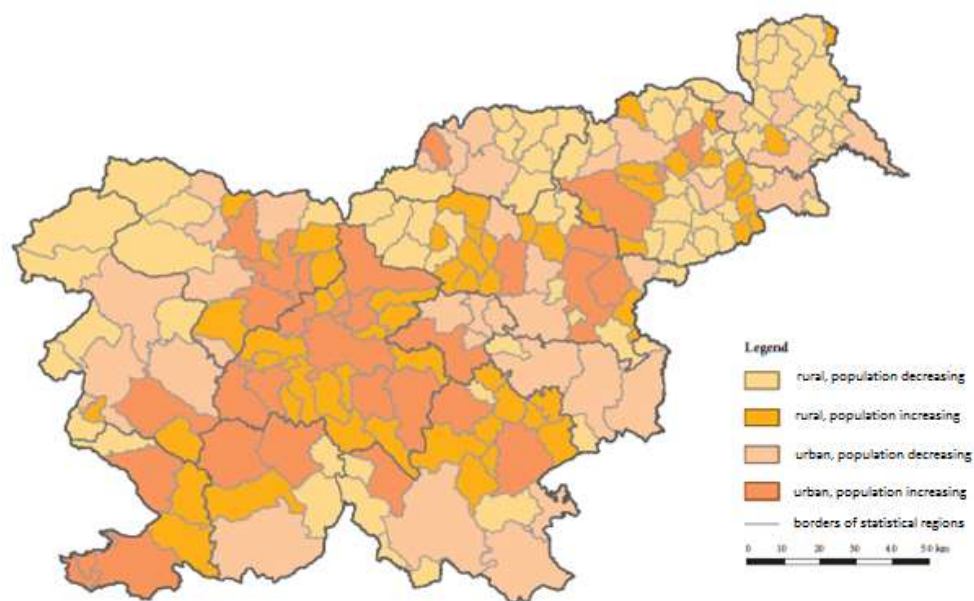
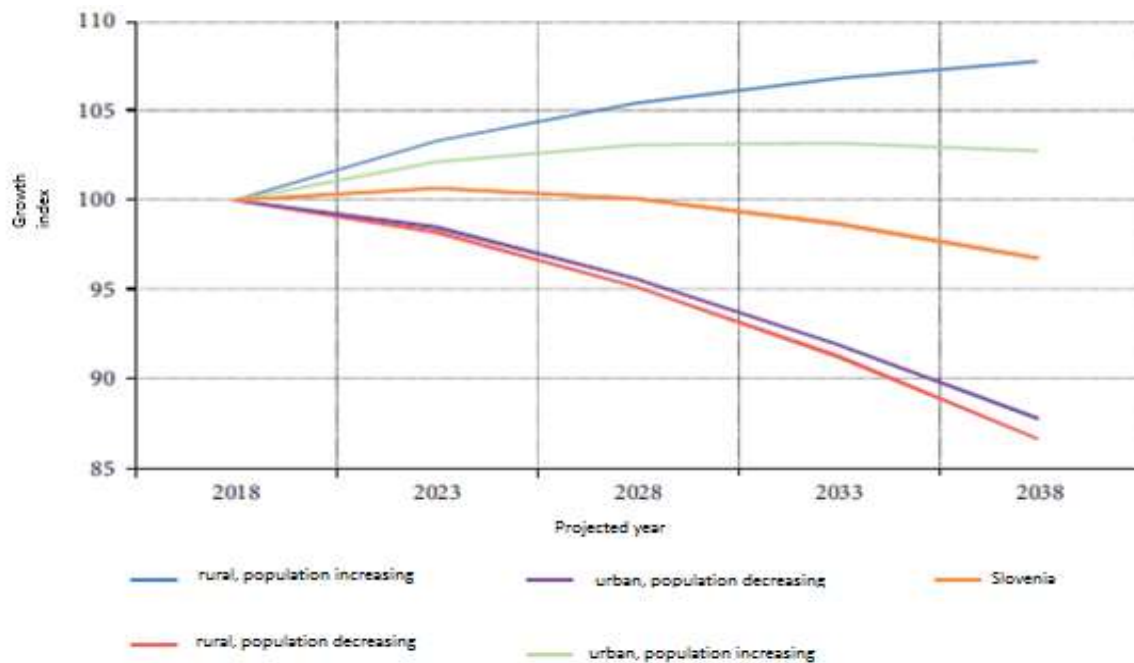


Table 2 Selected socioeconomic indicators for different demographic-settlement types of municipalities. Source: Nared et al., 2019.

	SLOVENIA	Urban, increasing population	Urban, decreasing population	Rural, increasing population	Rural, decreasing population
Number of municipalities	212	34	35	61	82
Share of municipalities (%)	100	16,04	16,51	28,77	38,68
Surface area (km ²)	20.273,90	4.734,48	5.663,26	3.959,93	5.916,23
Share of surface area (%)	100	23,35	27,97	19,53	29,18
Number of inhabitants	2.065.895	889.691	627.115	289.677	259.412
Share of inhabitants (%)	100	43,07	30,36	14,02	12,56
Population density (n°persons/km ²)	101,9	187,92	110,73	73,15	43,85
Age dependency ratio	51,14	51,34	51,84	51,23	50,17
Natural increase	-268	1153	-1254	190	-357
Natura increase per 1000 inhabitants	-0,1	1,30	-8,37	0,65	-1,38
Net migration	-268	945	-1.156	1650	-388
Net migration per 1000 inhabitants	-0,13	1,06	-1,84	5,70	-1,50
Ageing index	126,5	117,96	146,25	105,62	139,23
Growth index (2008–2017)	101,98	105,85	97,13	107,91	95,55
Number of active inhabitants (per domicile)	856.201	381.490	249.040	124.365	101.306
Share of active population (%)	41,44	42,88	39,71	42,93	39,05
Share with higher and tertiary education (%)	19,70	22,94	18,37	17,68	14,07
Share with primary school or less (%)	20,87	18,60	21,45	21,55	26,49
Average net monthly wage	1.062,0	1.113,3	1.012,3	985,4	931,9
Indeks of average monthly wage	100,0	104,8	95,3	92,8	87,7
Inter-municipality migration per 1000 inhabitants	0,0	-0,2	-1,9	5,4	-2,9
N°families with 4+ children	6.494	2.772	1.614	1.428	780
Share of families with 4+ children	1,54	1,52	1,25	2,34	1,39
N°of convicted persons	4.935	1.238	2.276	718	702
N°of convicted persons per 1000 inhabitants	2,39	1,40	3,62	2,50	2,70
Value added of firms per employee (EUR)	40.276	43.620	37.026	37.641	32.680
Share of value added per employee (%)	100	57,7	29,7	6,9	5,7
Average amount taxable for income tax	8.499,7	9.269,7	8.018,2	8.281,3	7.185,0
Voting turnout (first round), 2014	45,10	41,57	43,57	50,23	55,12
Number of firms	196.072	99.429	54.574	23.697	18.372
Number of firms per 1000 inhabitants	95,0	112,1	102,7	82,4	70,6
Share of self-employed – farmers, of all active, (%)	2,06	1,10	1,78	2,99	5,16
Number of building permits issued per 1000 inhabitants	3,25	2,29	2,90	4,70	5,73
Gross fixed capital formation (1000 EUR)	4.970.859	3.099.613	1.182.793	350.692	332.954
Number of registered unemployed persons	102.621	41.459	36.825	11.362	12.975
Registered unemployment rate	12,6	11,4	15,4	9,6	13,2
Share of labour migrants (%)	54,82	44,00	52,98	77,08	71,73
Index of labour migration	100	116,66	105,63	54,83	58,63
Number of house numbers	553.430	200.545	159.232	97.051	96.602
Average number of inhabitants per house number	3,7	4,4	3,9	3,0	2,7
Share of vacant housing (%)	20,22	18,94	18,45	22,71	26,06
Share of Natura 2000 (%)	37,74	30,59	35,60	31,58	49,61
Road network density	1,59	1,73	1,56	1,61	1,54

As can be seen in Figure 4, population growth in different Slovenian regions can be expected to diverge strongly.

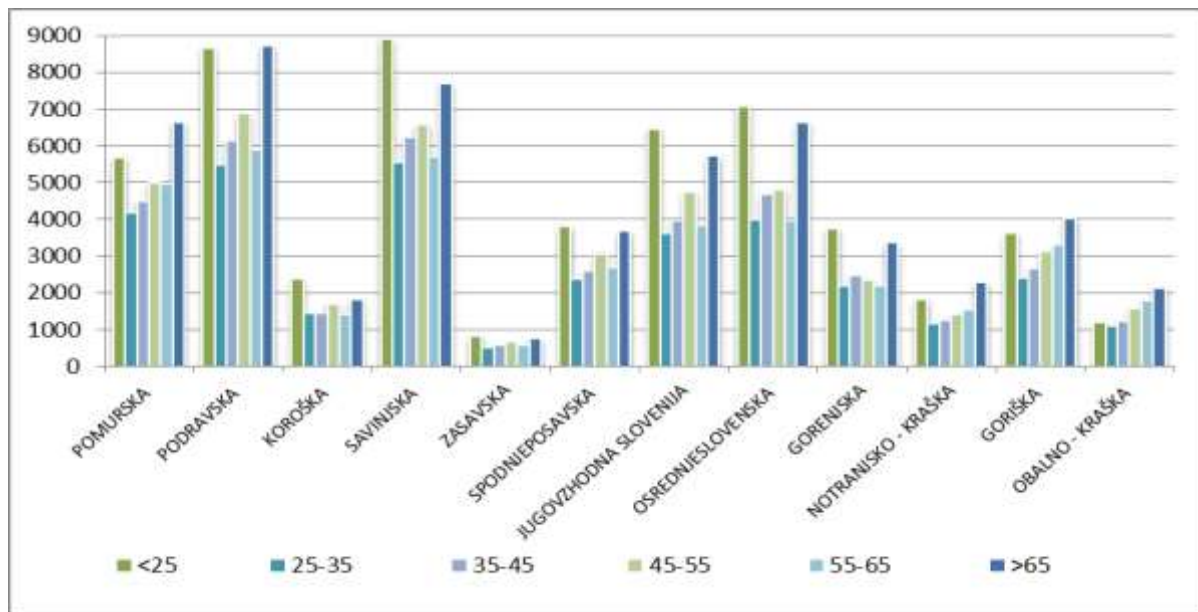
Figure 4 Projected population growth index 2018-2038 (2018=100) in 4 types of Slovenian municipalities;
Source: Nared et al., 2019



Nared et al. (2019) describe the Slovenian territory as marked by two distinct processes – concentration and emptying, a duality known in other parts of Europe, as well. Both processes are resulting in unwanted consequences, i.e. depopulation, land abandonment and overgrowth of agricultural land, decline of infrastructure and cultural landscapes due to emptying, and pressures on quality land, concentration of economic activity and increased environmental pressure in ecologically sensitive areas, homogenisation of landscapes, dispersed urbanisation etc. due to concentration. To some extent, this is related to the specific agrarian structure resulting in numerous semi-professional farms engaged primarily in subsistence and semi-subsistence farming supplementing off-farm incomes and causing younger people to seek more attractive employment outside agriculture (Potočnik-Slavič 2010). Conversely, there is a functional and emotional attachment of the elderly to their land (Potočnik-Slavič 2019); the reluctance to pass on the farm compounds the lack of interest of younger people in farming, resulting in an average age of farm managers of 57 in 2019 (SURS, 2020).

Overall, countrywide, a decreasing share of the working population is engaged in farming, forestry and fisheries: their share in the total working population dropped from 5,9 to 3,7% between 2008 and 2018 (from 7,9 to 5,0% in the East cohesion region and from 3,5 to 2,2% in the West cohesion region). On the other hand, there has been a significant increase in farms registering supplemental activities (increasing from 3.987 in 2000 to 12.486 in 2016; SURS, 2020). Diversification offers scope for simultaneous development of rural-urban economic linkages that strengthen labour markets and offer more opportunities for young rural people (Marsden, 2009). Beneficial links with functional urban areas have implications for jobs, services and infrastructure development, among other considerations.

Figure 5 Number of farm family members across age groups, statistical regions, 2010; Source: SURS, 2020.

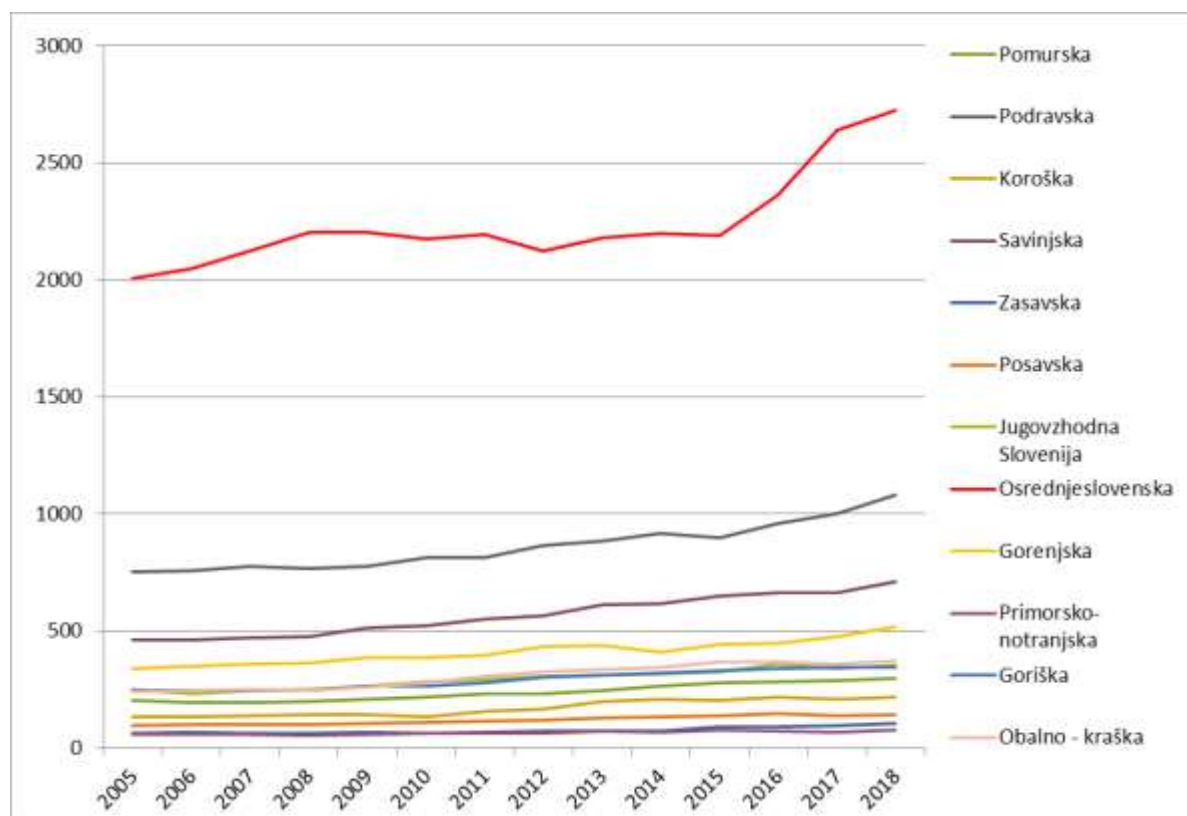


Klemenčič et al. (2008) highlight that the statistically small differences in socioeconomic structure between rural, urban and suburban areas are highly misleading. As the demographic and socioeconomic structure is key in determining the developmental potential of rural areas, they propose three categories of rural areas: those with developmental potential, developmentally lagging and declining.

Recently, migration from the countryside into cities seems to have abated somewhat, with counterurbanisation gaining pace, as increasing numbers of young families, pensioners and newcomers (wealthy city-dwellers and foreigners) are opting to stay or move to rural areas, which offer a life closer to nature and in some cases better social security; this is to some extent supported by technological developments allowing work from home. It is resulting in increased dispersion of settlement and social heterogeneity (Potočnik-Slavič 2010).

The lack of appropriate infrastructure is closely linked to the demographic trend. When the population decreases, there is no longer a critical mass sufficient to justify government provision of services and infrastructure. This leads to what the OECD calls the 'circle of declining rural regions' (OECD, 2006). In many places, public services, such as transportation, primary schools and healthcare are inadequate or even completely lacking due to the lack of critical mass or unprofitability; this importantly affects the quality of life of less mobile segments of society, as well as attractiveness for potential newcomers (Potočnik-Slavič 2010; Eurostat, 2019). For example, there is a heavy concentration of specialist healthcare service in the central Osrednjeslovenska region (see Figure 6), with the difference as compared to other regions only increasing over time. These differences are perhaps not as readily apparent when examining the differences between regions in numbers of kindergartens (highlighting the need of directing attention at within-regional differences), but there is a clear trend of kindergarten closure in many parts (SURS, 2020). The same can be said of cultural venues (museums and exhibition areas), whose numbers have been falling everywhere in the past decades and have dropped as low as 3 per 1000 inhabitants in some regions (SURS, 2020). On the other hand, internet access has improved significantly in recent years; 88,96% of areas had access to internet in 2019, with the lowest percentage (82,69%) in sparsely populated areas and all access being broadband (SURS, 2020).

Figure 6 Number of specialist physicians, statistical regions, 2005-2018; Source: NIJZ, 2020.



2.1.2. Environmental issues and land use

In Slovenia, climate change is already reflected in higher temperatures in all parts of the country, fewer cold days, less snow cover and more extreme weather events, including heat waves, which cause heat stress and affect the productivity of the workforce (Udovč et al. 2019). While the increases in average temperatures are clear, changes in precipitation are far more variable, though a general trend of decreasing annual precipitation is discernible (ARSO, 2018). Depending on the scenario of GHG and sulphate aerosol emissions in the future, average temperatures are projected to increase by 1-3,5°C by 2061 (Strategija prilagajanja..., 2008).

Figure 7 Average temperature deviation compared to the 1981-2010 average, 1961-2011. Source: ARSO, 2018

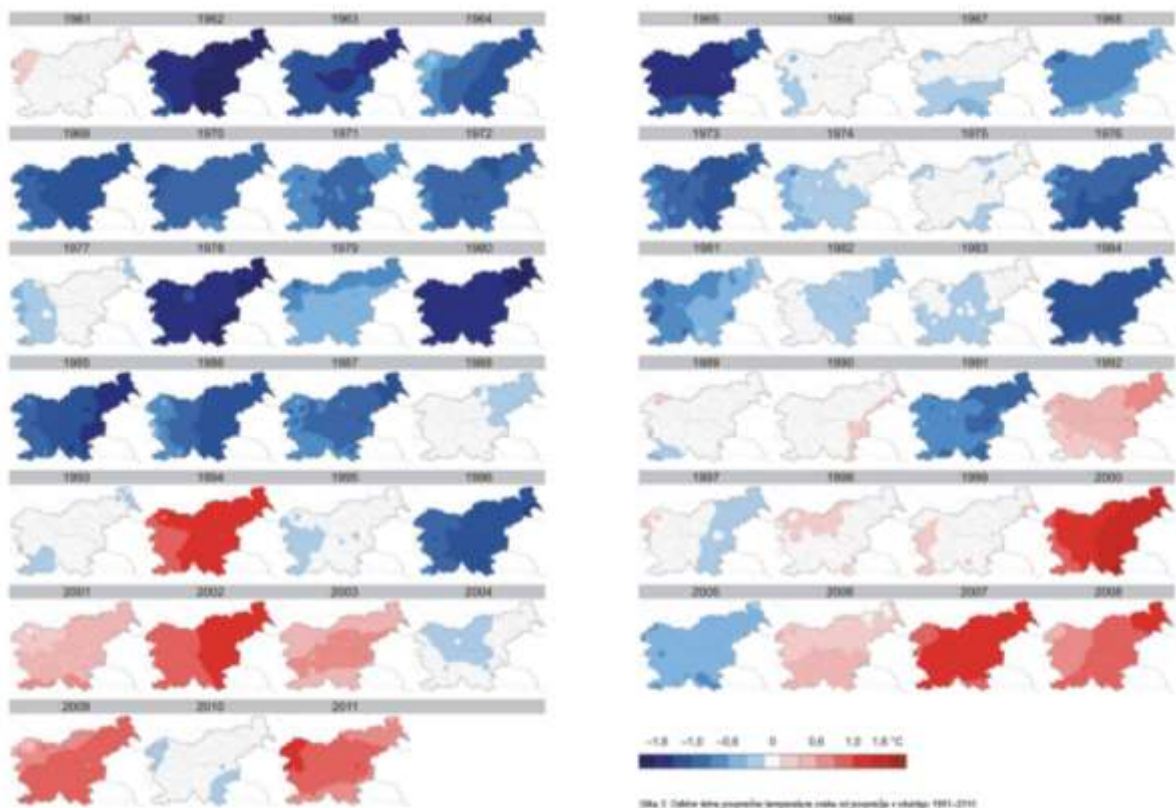
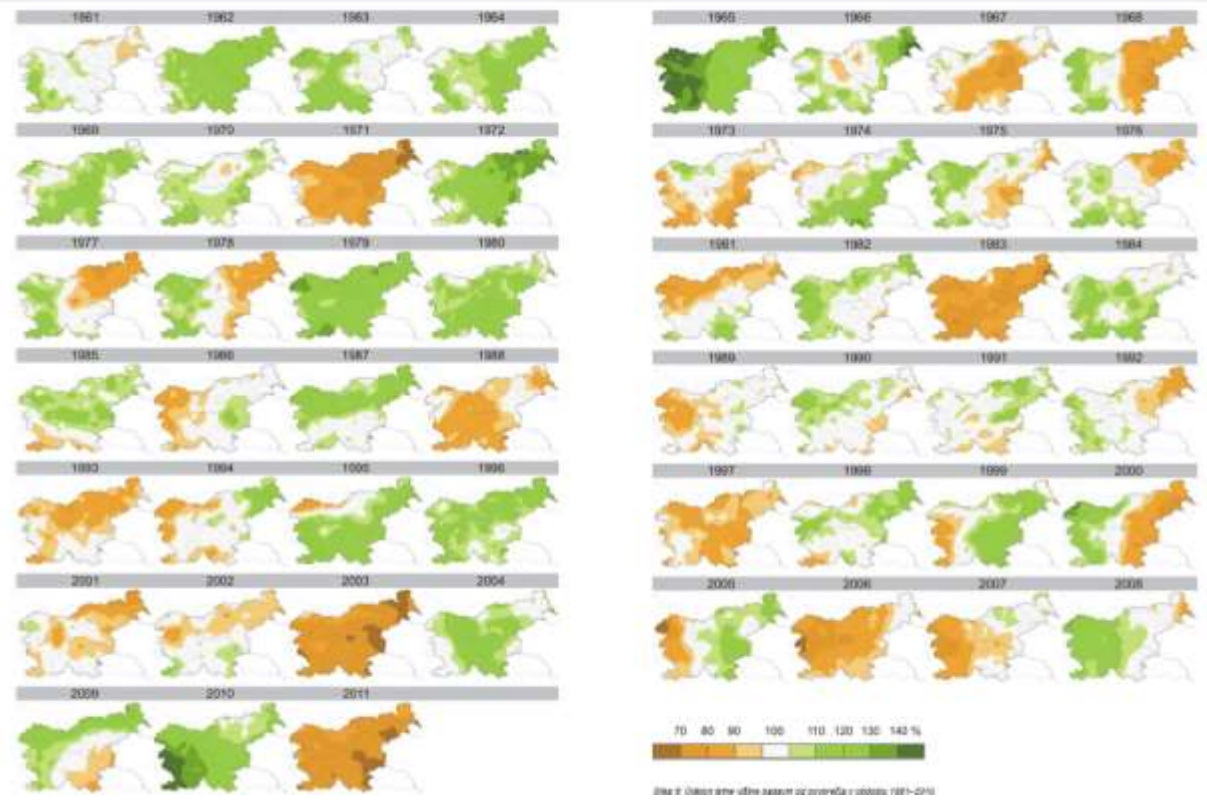


Figure 8 Annual precipitation compared to 1981-2010 average, 1961-2010



There are few comprehensive biodiversity monitoring schemes in Slovenia, but the Farmland Bird Index, which can be considered a reflection of the overall health of farmland ecosystems, shows a steady decline since the inception of regular monitoring in 2008 (Figure 4). This (and other forms of biodiversity loss) is largely attributed to abandonment of traditional agricultural practices through agricultural intensification on the one side and overgrowth (disappearance of habitats for specialist species, especially extensively managed grassland) on the other (Udovč et al. 2019).

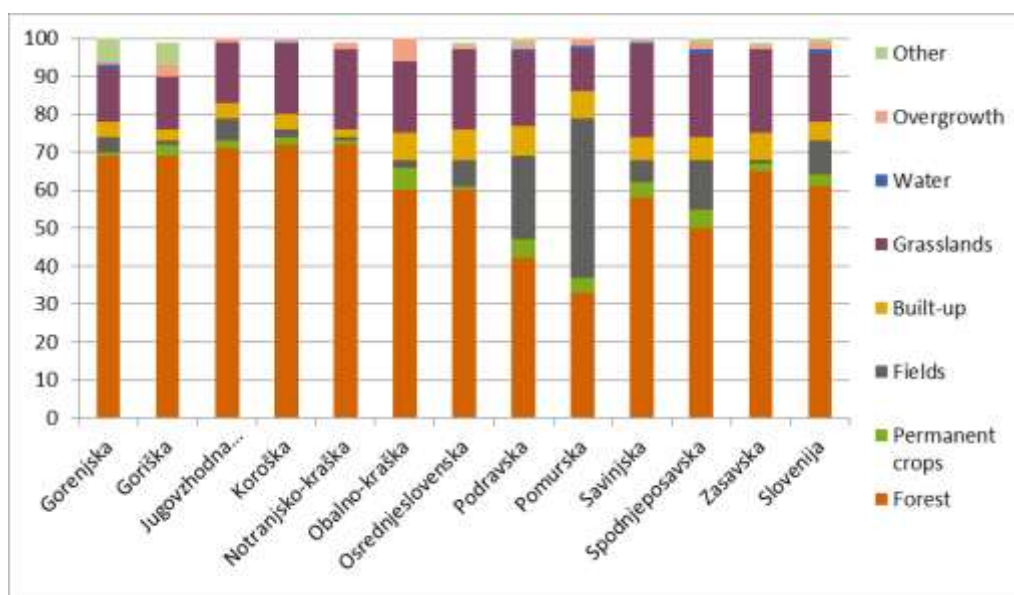
Figure 9 Composite indices (indicators) of birds in Slovenia in the period 2008-2019 (FBI – Farmland Bird Index)



Land-use change in terms of an increasing share of built-up areas at the expense of agricultural or forest land is seen as a problem (ARSO, 2012), as it is a process that is irreversible in the short term. The exact percentage of built-up land differs according to year, source and methodology (actual or statutory/planned), with numbers in the range of 3-7%; the Ministry of spatial planning’s 2015 report (MOP, 2015) cites a share of 5,37% for actual land use and 6,68% for planned land use.

Other issues related to land-use change are rapid overgrowth by forest, accompanied by loss of forests and grasslands on the other side – further reflecting the two trends of abandonment and intensification of agricultural land (ARSO, 2012).

Figure 10 Land use, statistical regions, 2012. Source: ARSO, 2012



2.2. Review of main challenges and opportunities

Klemenčič et al. (2008) cite the following problems as the key developmental issues of Slovenian rural areas: demographic and environmental issues, fragmented land property structure, a disempowered (capitally, organisationally, entrepreneurially) populace, disintegrating village communities (atomisation) and incoherent action of developmental factors. They also cite a lack of finance for potentially healthy developmental nuclei as the biggest obstacle to modern entrepreneurial activity, in addition to lack of knowledge/information. Moreover, they highlight the unknown long-term social, environmental and other effects of potentially unsustainable suburbanisation of rural areas, which is changing their image and function. Another problem cited is the unbridled land-use change (in terms of re-categorisation of land parcels) and strong developmental pressures in low-lying areas (Potočnik-Slavič 2010). Furthermore, the isolationism of rural dwellers reflected in the often negative attitude towards newcomers, may represent an obstacle to the modernisation and reinvigoration of rural areas (ibid.).

The Slovenian Rural Parliament's declaration (2015) similarly found the following challenges to be crucial: depopulation, insufficient/inadequate employment opportunities, services and infrastructure, urbanisation and reduction in the extent of agricultural land / overgrowth (related to depopulation in less favoured areas), and increasing poverty and marginalisation of certain societal groups. Conversely, the Declaration cites maintaining the developmental dynamism of smaller cities and the establishment of regions (as administrative units) as preconditions for achieving a homogeneous settlement and better access to services in rural areas.

The emerging green economic paradigm is seen by the Rural parliament as a good opportunity to re-integrate nature into thinking on rural areas, while tendencies towards increasing self-sufficiency in food and energy provide opportunities for employment; similarly, the trend towards living closer to nature represents a great opportunity for rural areas, which are seen as associated with healthier lifestyles. This is linked to diversification of local economies and agricultural incomes in terms of increasing the offer of local products, increasing organic production and enriching the tourist offer, which all provide employment opportunities and ways to increase value-added. A condition for this is stimulating innovation, improving technologies and AKIS, while taking into account the need to introduce better governance, which is more coherent, transparent and inclusive. This sentiment is largely echoed in the Resolution on ... (2020), which states that synergies between different policies (financial, environmental, land-use, regional-developmental, economic, social, educational etc.) must be sought.

Potočnik-Slavič (2010) highlights the very traditionality and local-ness that were until recently seen as obstacles to economic development as suitable sources of endogeneous potential; the diverse, small-scale, mosaic farming structure and experiential value of the Slovenian countryside can attract tourists and temporary or permanent newcomers. With the appropriate knowledge and means, heretofore non-viable small farms can exploit certain market niches, especially through the development of on-farm supplemental activities.

Climate change can be considered as another great challenge facing rural area. While it is not expected to affect all regions equally, it is generally expected to disproportionately affect the health and quality of life of people with worse socio-economic status, and thus rural dwellers (MKGP, 2008). Simultaneously, declining biodiversity necessitates action to prevent further deterioration (including improving systematic monitoring to address knowledge gaps; Udovč et al. 2019). In recent years, the relationship between humans and large beasts has also become a matter of public concern.

These challenges imply an increased role of agriculture and forestry in the provision of environmental services, including the management of water and nutrient usage, watercourse protection and ensuring adequate drinking water, disaster (including flood) management and preserving multifunctional land use. This necessitates sustainable natural resource management, including forests, soils and biodiversity, and potentially a redefined attitude of society towards land managers. Environmental and other policies and innovation can thus foster job creation (EEA, 2019).

3. Results from interviews with MAP members

The following section is the result of a workshop with national stakeholders held on June 17, 2020. Before the core part of the workshop (devoted to pinpointing trends, challenges and a vision), attendees briefly addressed the question of how to define and categorise rural areas, a discussion that was inconclusive. The total number of attendees was 26.

Figure 11 Results of a speed-SWOT conducted via Mentimeter at the stakeholder workshop on June 17, 2020. Respondents were asked to enter up to three words or phrases for each category.



Results on strengths and weaknesses were clearest and indicate that primarily, attendees view conserved nature, diversity, peace and quality of life as the main strengths of the Slovenian countryside; the main weaknesses include a lack of social cohesion, depopulation and poor economic conditions. Nature featured importantly among opportunities as well, in addition to tourism, quality food and knowledge, while the threats category has almost no pattern, with unsustainability being the most common term entered.

3.1. Challenges and opportunities in the next 20 mozs

Strong trend of bifurcation

Numerous problematic trends in rural areas were cited by attendees. Depopulation, urban and suburban concentration are seen as major challenges, related to young people leaving rural areas. These trends and a lack of adequate spatial planning are likely to result in empty houses, and even entire settlements, in more remote rural areas.

While the road and internet infrastructure are relatively good (internet coverage is expected by repondents to reach 100% by 2040), the availability of basic services (e.g. kindergartens, primary schools closing), cultural activities and public transportation low and/or decreasing. This will likely result in a greater degree of mobility and remote cooperation, with less personal contact. On the other hand, 'smart villages' may

provide business opportunities and a chance to improve living conditions. There is some increase in entrepreneurial ideas in rural areas, especially among the younger population.

There is a strong bifurcation of development in rural areas. In more marginal (remote) rural areas, there is large-scale extensification and abandonment of agriculture, resulting in overgrowth by forest. It is here that depopulation and ageing are the strongest and loss of services the fastest; increasing digitalisation and IT literacy may provide an opportunity for such areas, as remote working and digital services (replacing e.g. retail stores, post-offices and banks) may bring positive changes by reducing dependency on certain services and infrastructure.

Areas closer to urban and economic centres and better road infrastructure are usually linked to better conditions for the development of agriculture. These areas, where the process of suburbanisation can be observed, are expected to be more vital in 20 years than the first category. The main environmental problems here are linked to intensification of agriculture, consequences of inadequate spatial planning and ecosystem fragmentation.

The developmental dynamic in Slovenia is reflected in migrational flows: about 150 000 people commute to Ljubljana, the capital, daily; many also commute to other centres. This indicates the importance of Ljubljana and other urban centres in the share of value added, which is subsequently spent outside these centres and supporting the local economy. Trends such as defossilisation of the economy may further strengthen urbanisation and suburbanisation, but may on the other hand be countered by working from home. Defossilisation may affect agriculture especially strongly, as it is a sector heavily dependent on fossil fuels.

An optimal balance between centralisation and decentralisation is needed. Namely, the general developmental trend of regional economic cycles depends on different administrative barriers and the framework for the development of functional regions (regionalisation is a topic that has been on and off the political agenda in Slovenia repeatedly). Due to Slovenia's size and entrenchment in the global economic system, individual, semi-closed local and regional systems cannot be viewed as an optimal trend. Rather, systematic inclusion in global value chains should be seen as important, as well as specialisation and critical mass, which can often only be ensured at the national level. Conversely, a great deal can be done at the local level; some successful examples of local economic integration were provided, indicating the importance of local human resources.

Environmental concerns

The abovementioned bifurcation in the characteristics of land use in rural areas is closely related to economic trends. It was noted that, not only has land use changed, it has been changing increasingly rapidly in terms of increasing large-scale pressure on the environment through large projects that are affecting the amount and quality of remaining agricultural land. These changes are sporadic, largely unbridled and interest-based (the term "initiative-based" was used to denote its randomness); various sectoral strategies are misaligned and there is a lack of oversight, especially over dispersed land users and non-point sources of pollution. Overall, the number of different actors with different needs with regard to land use is also increasing; recreational and second-home users were mentioned. In the future, this will probably affect the availability and quality of water resources and may also result in other and perhaps some entirely new pressures on the environment.

It is expected that climate change will exacerbate issues regarding water use; while Slovenia has well-preserved water sources and the management of nutrient inputs and plant protection products is expected to continue on its current positive trajectory, there is increasing pressure to irrigate farmland due to the trend to intensify, compounded by increasingly unpredictable patterns of precipitation.

The trend of differentiation is expected to continue without effective policies: further abandonment and extensification in less favoured areas (and Slovenia has a very large proportion of land where intensive farming is not feasible) and intensification in lower-lying areas. The expected further growth in farm sizes

here may result in increased monoculture farming, which could result in soil erosion and depletion; and there is a distinct danger of loss of habitat connectivity through fragmentation.

Another issue, which is especially important for environmental aspects, relates to Man and his overall value system, which currently runs counter to physical limits in terms of natural resource depletion and the state of numerous processes of degradation. This conflict may be expected to continue over the next two decades, exacerbating the conflict between the expectations of consumers and the value system of farmers, and between "aboriginals" and urban newcomers or other users of space (especially tourists). On the other hand, some saw a gradual change in value systems, especially regarding food and the environment, but one that is too slow to prevent conflicts in the future. Relatedly, the expectation to bring rural areas to the same level of 'development' as urban areas was seen by some as both impossible and misguided, as they satisfy a different array of human needs and wishes.

Structural economic changes

Before the 1990s, Slovenia was marked by decentralised economic development with industrial infrastructure permeating all, including rural, parts of the country. This changed after independence in 1991 and the transition from socialism took with it most of these jobs. In the last ten years, this trend has turned somewhat and new firms are appearing in rural areas again, though this is mostly limited to suburban areas and is rare (though not unseen) in marginal ones.

Agriculture has undergone structural changes especially quickly. It is expected by some that in 15 years there will only be one or two larger farmers per settlement (ca. 5000 in Slovenia), with a few thousand part-time, hobby and aged farms remaining. As continued farming will require sufficient size and a market orientation in most cases, remote areas are expected to continue losing farmland.

On the other hand, there is an increasing realisation of the niche potential of smaller-scale farming that is increasingly perceived by society as better for both humans and nature; the potentials of organic farming, local processing (meat and dairy products) and tourism are being increasingly harnessed. In certain areas closer to urban centres and wealthier foreign customers, the supply of these goods and services is increasing; in other areas, there are only isolated cases. Very rarely are these individual successes stories of collective action.

In the absence of large-scale changes, economic trends largely favour suburban areas and are highly unfavourable for more remote ones.

Social changes – interpersonal relations and 'the human factor'

The social fabric of rural areas seems to be disintegrating: there is very little cooperation due to mistrust; intolerance is increasing, as is social stratification, and risk of poverty is expected to increase. Social inclusion is low, as is the interest to participate in public decision-making, also resulting in slow adaptation to societal change. Meanwhile, there is an increasing number of second-home owners, 'foreign' landholders and immigrants 'of all kinds'.

Quality of life includes both material and non-material aspects: education, employment and income, housing, appropriate work environment, health, access to services and nature, subjective elements, stress etc. Some attendees emphasised that rural inhabitants (farmers and others) in Slovenia are weighed down by bad economic situations, loss of vital force, lack of perspective, entrepreneurship and knowledge, and discontent with their working conditions. Others believed that material conditions for life in the Slovenian countryside are relatively good and that people are engrossed in issues of economic survival too much, neglecting non-material aspects related to interpersonal relations, e.g. family relations; they believe the apparent lack of economic opportunity to be dependent on subjective viewpoints, in turn affecting relations. These, along with emotions, are not discussed enough in rural areas, which has implications for intergenerational relations and the decision of young people to stay on the farm (where productivity is

often given precedence over good relations). A specific issue affecting relations between rural dwellers is (agricultural) land fragmentation, which in many cases hampers investment and is causing “everyone to be in a quarrel with everyone”. The issue of loneliness was also raised, especially of the elderly, but also of younger people, perhaps also due to the focus of the active workforce on securing livelihoods. The value system of young people seems to be changing towards a greater appreciation of the qualities of life related to rural areas (nature, recreation, food, leisure time). They are also less dependent on physical interaction due to IT literacy and digital tools. On the other hand, they do ascribe great importance to services like child care and ready-made meals, for which they depend on either family or service providers; as the latter gravitate towards urban centres, so do young people.

It is expected that, with these trends continuing, social stratification, concentration of capital (ownership of production factors) and colliding interests between members of local communities will result in conflict and a further deterioration of relations. Increasingly, there will be a concentration of population in urban and suburban areas, likely accompanied by social and environmental issues stemming from competing land uses. Conversely, many areas that are deteriorating may be completely abandoned in 20 years. Overall, trends in many fields may be seen as negative, though there are individual success stories and societal shifts that could change these courses. However, it is unlikely that the silo-thinking and consequential misalignment of individual policy sectors, if continued, will provide fertile ground for large-scale positive changes.

3.2. Desirable future for 2040

Vision

Though visions for the future were disparate, there are quite a few common notions. One of the most commonly cited ones is that of a ‘vital’ (vibrant, dynamic, resilient) countryside attractive to all age groups and satisfying to live, work and spend leisure time in. More concretely, in most cases, this entailed a homogeneous population distribution, both spatially and demographically, i.e., with a more favourable distribution of age groups. It was most closely linked to elements of quality of life, perhaps of a different kind to that in cities:

- jobs (including in high-tech industries), housing, services and infrastructure adding value and satisfying basic needs locally and reducing the need for mobility; new forms of mobility and service provision should be explored;
- good interpersonal relations, intergenerational cooperation in an environment open to dialogue, conflict resolution and new ideas (including entrepreneurial innovation), as well as newcomers and people who may be different;
- public goods such as clean air and water, a well-conserved natural environment, landscape character and fertile soil; some explicitly mentioned permanently protecting quality agricultural land and keeping the land cultivated (as opposed to abandoned; the notion of dogmatically conserving man-made biodiversity was challenged, however, on the grounds that in most of Europe, forests are the natural climax ecosystem). An internalised notion in society of the importance of conserving nature was also highlighted;
- a comfortable, safe, human-friendly life for all generations: active ageing for the elderly, high overall digital literacy, increased birthrates, young people as carriers of development, fewer social differences and more solidarity and cooperation. The sharing economy was mentioned, as was the notion of ‘beyond GDP’.

Another common theme was the need for balancing different interests – between the individual and the collective, as well as between individual people/entities:

- policies governing the use of space and natural resources – should be based on sustainability, consensus and multifunctionality (including the notions of co-working and multigenerational

communities) in coordinating different needs and interests; due to the limited nature of natural resources and available space, the principle of rationalisation should be imbued in all future developmental policies (making use of existing resources and weighing whether committing resources to a certain use is truly necessary). Agricultural and forest use should be adapted to natural characteristics, while developmental needs should be balanced by conservational ones; limiting the power and appetites of multinational corporations was explicitly mentioned.

- economic policy – should foster synergistic cooperation between economic entities in local communities (e.g. agriculture, tourism, services etc.). Existing infrastructure and housing should be optimally exploited. Concentration of capital in the hands of individuals should be curbed. Food and energy self-sufficiency and efficient short supply chains were also mentioned.
- social policy – should be primarily directed towards defending the public interest; intergenerational exchange and learning should be fostered, as should flexible forms of work. The positive and negative effects of digitalisation on individuals and society should be better understood and managed.

Despite its modest contribution to GDP, agriculture was highlighted due to its special spatial role in rural areas and lack of recognition in terms of its importance in land management, potential contribution to other sectors such as tourism and HORECA, as well as in providing nature-related public goods and services. The role of agriculture and forestry, the main land uses in rural areas, are changing, and the societal role of farmers should be redefined. As their role has outgrown mere food production, they should be reimbursed for their service to society. A related consideration pertained to income support in agriculture, which could be tied to persons rather than area or production, accompanied by due enhancement of environmental conditionality. On the other hand, much to improve the economic situation could be done through the use of collective quality schemes.

Cooperation through cooperatives and other forms of association was highlighted in this context, as use should be made of the benefits of the current small-scale, mixed farming structure. The sector should be directed towards quality, not quantity, with quality schemes playing an important role. Simultaneously, production should take into account the potential of the bioeconomy and a possible transition towards a sustainable, locally embedded industry.

The importance of preserving and marketing cultural heritage, engaging in green tourism and the catering industry was also highlighted, but negative examples of this were also cited.

Interestingly, rural-urban linkages or conflict did not feature very prominently, though it was said that the codependence of rural and urban areas should be acknowledged.

How to get there

Policies directed towards reaching these visions should be based on effective inter-sectoral and vertical cooperation, as opposed to the current silo approach. Simultaneously, they should be based on enhanced participatory approaches based on trust, an empowered populace, more bottom-up decisionmaking and direct democracy. All forms of deliberation should strive to be fact-, rather than interest-based. Decision-making should be embedded in knowledge about local needs; the LEADER/CLLD approach was cited as an appropriate mechanism whose principles should be used more often, as it is better suited to navigate the disparate, often contradictory interests present in rural areas. Local communities should also be sensitised to better integrate marginal societal groups into the life of the community.

Public policies should be based on strategies that prioritise different goals and appropriately include all the relevant sectoral policies; existing strategic documents are only weakly applied. The need to empower and enhance the training of spatial planning professionals was explicitly mentioned, as were measures to protect strategic resources such as water and land. In the view of some, funding for rural development should be increased, with more measures supporting the maintaining and modernisation of farms (such as

support to young farmers) and other family firms. These measures should, in the view of these attendees, support the entire working career (not only at the time of farm transfer). Further, the attractiveness of farming and living in the countryside should be improved through different forms of support to community life, such as study circles and support to e-literacy. Measures to support the mainstreaming of good entrepreneurial practices and cooperation should be instituted, as should approaches to increase transactions between local economic entities (local currencies were mentioned).

Other public measures included support to alternative mobility models, green public procurement, strengthening existing quality schemes and traceability and strengthening rural topics in educational programmes. Enhanced cooperation between education and practice was also mentioned.

There is also ample space for private initiative, e.g. in seeing services in support of active ageing as an entrepreneurial opportunity. Enhancing the role of cooperatives was emphasised in terms of sharing knowledge, infrastructure and engaging with consumers. Mobility systems could follow the Uber model or sharing economy due to the dispersed settlement pattern and numerous small cities.

3.3. Challenges in reaching the vision

There is a great danger of continued silo-thinking in public institutions, which will fail to support rural areas in an integrated manner. This will likely leave different areas entirely to their own devices, dependent on sporadic bursts of activity of innovative individuals.

If there are no real changes, there is a danger of a »vicious circle of underdevelopment«: only those with no choice will remain in rural areas. The appropriate information (and voice) may not reach decisionmakers if there is no communication with people on the ground.

Insufficient material funds to develop good ideas and in certain cases administrative hurdles are also barriers to entrepreneurial innovation. The latter, in turn, is itself a limiting factor in reaching an economy based on value-added. There is a strong need, in agriculture and other sectors, for innovation and entrepreneurship, which will help to integrate individual firms into stronger local and regional supply chains, while at the same time building on the values of nature and culture.

There are significant hurdles in terms of negative emotion due to different and changing values, while effective communication is hampered; to overcome this, it is necessary to develop a culture of dialogue, e.g. with communities of practice. Material support (e.g. agricultural subsidies) will not be enough to address this important gap. Empowerment, teaching communication skills and a broader view are needed. In the view of some, the culture of paternalism, venerating the elders, is still strongly present and must be overcome to include the voice of the young and replaced by reason, knowledge, experience, respect and taking responsibility.

There is a lack of good data on today's mental profiles of rural dwellers that could provide a psychological, anthropological, sociological and historical background. This is related to a narrow view of the countryside that practically equates it with farming and is primarily interested in data on productivity and self-sufficiency. To overcome this, non-agricultural aspects and activities should be taken into account more and links between them should be sought.

4. Conclusion and next steps

The Slovenian countryside is undergoing large-scale change that is overarchingly marked by a trend of bifurcation in most aspects. While certain areas are flourishing, many are being abandoned. The vision outlined above is based on investing in human and natural capital, cooperation and seeking value added through making use of human, natural and cultural assets in a sustainable way (e.g. through gastronomy, tourism and new industries providing employment).

It is imperative that action towards achieving any vision be based on cooperation and integration of different viewpoints, including of those held by sectoral policies; designing a future must also be adapted to the specific needs of rural areas, rather than aiming to achieve development modelled on urban areas. Collective action is therefore needed, both private and public; appropriately decentralised decisionmaking based on an empowered populace should be fostered to reconcile top-down and bottom-up visions; this should in turn be grounded in education and building trust.

This draft discussion paper will be validated with the member of the MAP and other attendees of the abovementioned workshop. The next step for SVARUN is to translate the vision presented in the present document into a survey which is to be disseminated widely; when the results are acquired and analysed, a position paper will be prepared to reflect the findings and again sent to stakeholders for confirmation.

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