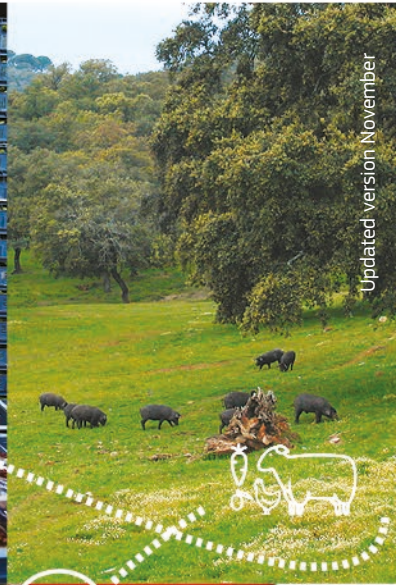




European
Commission



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At a glance:

SLOVENIA'S CAP STRATEGIC PLAN

Agriculture
and Rural
Development

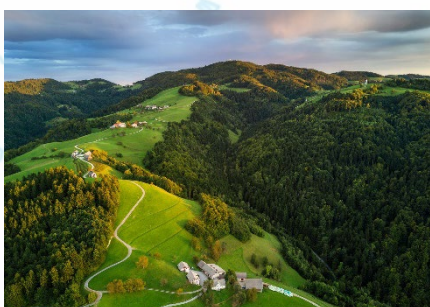
CAP Strategic Plans support the transition towards a smart, sustainable, competitive, resilient and diversified agricultural sector, ensuring long-term food security. They also contribute to climate action, the protection of natural resources and the preservation/enhancement of biodiversity, as well as strengthen the socio-economic fabric of rural areas.

The CAP Plans support a wide range of interventions, addressing the specific needs of Member States and their territories. Designed in line with a new result- and performance-oriented approach, they aim to deliver tangible results in relation to EU-level CAP specific objectives, while contributing to the European Green Deal. For the first time, each CAP Plan defines a strategy covering all the main CAP funded instruments: direct payments, support for rural development and interventions specific to certain market sectors. The needs of rural areas will also be addressed by other EU instruments such as the Recovery and Resilience Facility (RRF) or the European Structural and Investment Funds (ESIF).

The impacts of both the Russian aggression against Ukraine and the extreme weather conditions caused by climate change, highlight the integral link between food security and the need of transition to sustainable and resilient food systems. In this context, the CAP Strategic Plans offer opportunities: e.g. to reduce dependence on synthetic fertilisers and scale up production of renewable energy without undermining food production; and to transform the sectors' capacity in line with more sustainable production methods.

Slovenia submitted its first proposal for a CAP Strategic Plan on 23 December 2021, after consultation with stakeholders. On 29 September 2022, Slovenia submitted a revised proposal, addressing the Commission's observations on the first draft. The Commission approved this proposal on 28 October 2022. Slovenia requested the first amendment of their Plan, which has been approved by the Commission on 20 July. The Commission approved Slovenia's subsequent amendment request on 29 September 2023. This document presents some of the main features of the CAP Strategic Plan of Slovenia.

1. DID YOU KNOW?



36% of land in Slovenia is agricultural, while 61% of land is covered by forests. The agricultural sector is **characterised by small family farms, with 60% of holdings having less than 5 hectares of land**. A high proportion of farms are subsistence holdings, which depend on non-agricultural sources of income. Forage plants, milk, wine and cattle are the most important sectors in terms of production value.

- ➔ **Rural areas cover 73% of Slovenia**, while 27% of the land falls into the category of intermediate regions.
- ➔ **Rural areas** are inhabited by **58% of the total population**, which is about 1.2 million people.
- ➔ There are about **70 000 farms in Slovenia**, with an average farm size of 6.9 hectares.



2. GOALS AND STRATEGY OF THE CAP STRATEGIC PLAN OF SLOVENIA

The key objective of Slovenia's strategy is to ensure food security and sustainable food production throughout the country. To reach this objective, Slovenia will implement a wide range of interventions to improve the competitiveness and resilience of farms, while at the same time addressing the environmental and climate challenges ahead. It will seek the coherent development of rural areas and strive to create vibrant rural communities.

2.1 AN ECONOMICALLY SUSTAINABLE AND FAIRER CAP

The overall profitability of Slovenian agriculture is low compared to the rest of the economy and the EU. This reflects the limiting farm structure, with a large number of smaller, non-specialist farms producing predominately for self-consumption. **Increasing the competitiveness and resilience of farms and ensuring a more targeted and fairer system of financial support** is thus a key objective in the Slovenian CAP Strategic Plan.

Direct income support (direct payments) will continue to play an important role in enhancing the resilience of farms. The current system of direct payments will be replaced by the introduction of a single payment per hectare, ensuring more transparent and uniform treatment of farmers.

To further contribute to a fairer distribution of financial support, Slovenia will introduce the so-called redistributive payment, which will shift part of the support from larger to smaller agricultural holdings. In total, 5.9% (EUR 38 million in the period 2023-2027) of the direct payment envelope has been allocated for this purpose.

EUR 98 million will be used to support around 25 000 farmers to address sector-specific difficulties (coupled income support), mainly focusing on extensive animal husbandry and protein crops for feed and food. The Slovenian CAP Strategic Plan foresees support via sectoral interventions for the fruit and vegetable, wine and apiculture sectors.

- *Around 76% of utilised agricultural land comprises areas affected by natural constraints and other area-specific constraints. Farms in these areas are eligible for an annual payment to compensate for income foregone and additional costs. As such, farmers in mountain areas are an essential group for this support and EUR 58 million will be invested in these farms annually.*
- *Beekeeping (apiculture) is an important activity in the Slovenian countryside and there is a growing demand for organic and locally produced apiculture products. For this reason, the Plan will financially support around 800 beekeepers for maintenance or conversion to organic beekeeping.*

2.2 A GREENER CAP

Slovenia has designed its Plan to address the environmental and climate-related challenges ahead, in line with national and European goals. The Plan sets out **higher ambitions for the protection and sustainable management of natural resources, climate mitigation and adaptation, and preservation of biodiversity.**



The starting point is strengthened good agricultural and environmental conditions, which farmers need to meet to obtain basic income support and benefit from agri-environmental and climate support. Due to the high share of permanent grassland in Slovenia, their maintenance is particularly important. A new requirement compared to the previous programming period is the protection of wetlands and peatlands, aimed at protecting carbon-rich soils. This will be applied in Slovenia from 2024 onwards.

Slovenia has reserved EUR 101 million for eco-schemes. These are voluntary practices beneficial for the climate and the environment, which go beyond the minimum legal requirements. Farmers will be encouraged to focus on extensive grassland, soil and water protection, biodiversity and reduction of greenhouse gas emissions. Slovenia has also allocated **nearly 60% of its rural development budget to environmental and climate objectives.**

Slovenia's Plan will support the production of renewable energy from agriculture, enabling farmers to invest in biogas, biomethane and geothermal wells for their own needs.

- *Slovenia will reserve EUR 12,1 million per year for the preservation of biodiversity, which means a six-fold increase in CAP funds for biodiversity compared to the previous programming period of 2015–2022.*
- *Slovenia has set an ambitious target of 17% of utilised agricultural land under organic farming by 2027, compared with the current figure of 10%. This will significantly contribute to the EU Green Deal and Farm to Fork Strategy's targets. EUR 91 million will be used for conversion to, and maintenance of, organic farming.*



2.3 SOCIALLY SUSTAINABLE CAP

The Slovenian CAP Plan prioritises actions to improve living conditions in rural communities. This will contribute to the attractiveness of the rural environment as a place for young people to live, with the potential for the development of other economic activities to address the rapidly ageing population.

The Plan will also cover **more than 30% of livestock with improved animal welfare**. This includes, among other things, an increase in the space for pigs in stables and the obligation to graze cattle outside for at least 120 days per year. Considering the importance of livestock production in Slovenia, major efforts will also be put in place to **reduce the use of antimicrobials**. The Slovenian Plan offers interventions intended for the implementation of animal-friendly farming methods and organic farming.

LEADER will cover 90% of the rural population and the CAP will support 35 local development strategies to **increase the social capital of young people, women and other vulnerable groups in the local rural area**. It will further support small-scale investments in rural areas with a higher added value for the area, such as the renovation and setting up of local markets and facilities for the sale of local produce and tourist products. Slovenia will also support a gender balance approach in the new Plan. This will support involvement in, and facilitate access to, start-up support for female farmers through a targeted approach.

- *Slovenia will support investments in adapting agricultural holdings to implement above-standard animal welfare requirements, heating of stables using renewable energy sources and the regulation of storage capacities for livestock manure, with EUR 64 million targeting more than 11 000 livestock units.*
- *The Slovenian CAP Strategic Plan will target generational renewal through measures aimed at improving business and financial skills, access to finance and accompanying advice on the transfer and succession of farms, where a total of 3 865 young farmers will benefit from support to set up.*



3. KNOWLEDGE SHARING, INNOVATION AND DIGITALISATION

The Slovenian Plan offers support for various **training and advisory activities, with a focus on the transition to green, digital and climate-neutral agriculture**. The agricultural knowledge and innovation system (AKIS) aims to achieve an effective transfer of knowledge and innovation, as well as the introduction of digitalisation, to facilitate the successful development of Slovenian agriculture and rural areas.

Slovenia will support the establishment and initial operation of collective forms of cooperation in the agriculture and forestry sector, improving their development possibilities and promoting short supply chains and new market opportunities.

To improve the visibility of products covered by quality schemes to consumers, Slovenia will implement **support for information and promotion activities for products covered by quality schemes**. It will contribute to greater networking of producers involved in quality schemes and increase activities related to the joint marketing and promotion of products, including organic production.

→ *Particular attention will be paid to the training of agricultural and forestry advisors, who are key stakeholders in the knowledge transfer system. 83 336 persons will benefit from advice, training, and knowledge exchange, or participate in European Innovation Partnership Operational Groups. 510 advisors will receive support under the Plan.*





4. FINANCIAL ANNEX

	EU budget (€)	National funding (€)	Total (€)
Direct payments	657 650 260	n/a	657 650 260
Sectoral support	23 033 114	3 227 114	26 260 228
Rural development	550 850 959	564 321 782	1 115 172 741
Total	1 231 534 333	567 548 896	1 799 083 229

National funding does not include additional national financing referred to in Article 146 of Regulation (EU) 2021/2115. Direct payments include allocations for cotton set out in Annex VIII of Regulation (EU) 2021/2115 and reflect possible transfers between pillars. Payments for support under Regulation (EU) No 1308/2013 are not included in the CSP. National funding for sectoral support only relates to apiculture. Rural development reflect possible transfers between pillars and include technical assistance.

EU FUNDING RESERVED FOR	In EUR	%
Environmental and climate objectives under rural development	326 549 790	59%¹
Eco-schemes under direct payments	101 801 968	15%²
LEADER	35 542 556	6%¹
Complementary Redistributive Income Support	38 873 376	6%²
Young farmers (generational renewal)	29 015 323	n/a³

The minimum financial allocations for support for young farmers can be reserved under direct payments and/or rural development. Eco-schemes under direct payments may be lower than 25% if the possibility to use the rebate mechanism from rural development is used, in line with Article 97 of Regulation (EU) 2021/2115. The Complementary redistributive income support under Direct Payments may be lower than 10%, in line with Article 29 of Regulation (EU) 2021/2115.

¹ as compared to the rural development allocations set out in Annex XI of Regulation (EU) 2021/2115

² as compared to the direct payments allocations set out in Annex IX of Regulation (EU) 2021/2115

³ not applicable as the minimum contribution to young farmers is set as absolute amounts in Annex XII of Regulation (EU) 2021/2115

More financial information can be found in section 6 and in Annex V of Slovenia's CAP Strategic Plan.

