



**Predlogi za reforme in naložbe ter njihovo izvajanje v državah članicah –
kakšna so stališča slovenske organizirane civilne družbe?**

12. januarja 2024, od 10.00 do 13.00

v veliki dvorani Državnega sveta, Šubičeva 4, 1000 Ljubljana



Organiser of this round table

- The European Economic and Social Committee (EESC)

Description

This round table is being organised as part of the consultation carried out by the EESC's European Semester Group ([ESG](#)) for the preparation of an own-initiative opinion entitled "Reform and investment proposals and their implementation in the Member States – what is the opinion of organised civil society? (2023-2024 European Semester cycle)" ([ECO/631](#)). With this opinion, the ESG is continuing the work begun in 2021: consulting national economic and social councils, the social partners and civil society organisations in the EU Member States on a key subject of the European Semester. This consultation focuses firstly on reform and investment measures in the Member States, in particular those based on the [2023 country-specific recommendations](#), and on their implementation, in order to assess the effectiveness of these measures and the possibilities for better targeting of proposals, improved implementation and monitoring, and the involvement of organised civil society in the procedures. Secondly, it is also focusing on issues relating to the ongoing [review of the EU's economic governance rules](#), the central objective of which is to strengthen public debt sustainability while promoting sustainable and inclusive growth in all Member States through reform and investment. Lastly, the EESC intends to continue previous consultation exercises by examining the state of implementation of the reforms and investments provided for in the national recovery and resilience plans, which are financially supported by [Recovery and Resilience Facility](#) funds.

The results of this consultation will be summarised in an EESC opinion and set out in an annex, in which the Committee will continue to promote a more participatory European Semester and economic governance framework, with greater ownership at national level and closer involvement of organised civil society.

This round table will address the following questions (taken from the questionnaire on which this consultation is based):

- *Reform and investment measures in the Member States, in particular those based on the 2023 country-specific recommendations, and their implementation.*
- *The reform of the EU's economic governance rules.*
- *The implementation of the reforms and investments provided for in the national recovery and resilience plans.*

REPORT

The round table was attended by representatives of the Slovenian National Council, workers' unions, employers, agricultural organisations, the Slovenian government and EESC members.

The President of the National Council, Marko Lotrič, welcomed the participants and highlighted the event as an opportunity for an urgent debate on this important topic. He pointed out that the planned health, pension and wage reforms in Slovenia were unfortunately being implemented late, as a result of the war with Ukraine and the energy and climate crises. He pointed to the lack of information for users, the need for more targeted assistance and the need for a more appropriate mechanism for monitoring and for ensuring the smooth flow of information. He said that the siting of large infrastructure projects remained a problem and suggested multiannual calls for investment support. In a later discussion, he also stressed the need for a simple tax system. Tax reform targeted the system, so reforms must be carried out infrequently so that the environment remained predictable. In an international context, the Slovenian economy should strive to prevent the outflow of human resources and attract workers from abroad.

Jakob Krištof Počivavšek (EESC, Group II), presented the purpose of the consultation and the framework of the European Semester and went on to outline some of the most critical aspects of the implementation of the national recovery and resilience plan (RRP). He pointed out that the social partners and organised civil society had not been involved in the European Semester process when the documents were being adopted. Although there had been involvement in some cases, the social partners had virtually not been involved at all in drawing up, amending or implementing the RRP. Information on the implementation of the RRP had been presented only once, at the Employment Service of Slovenia (ESS). He touched upon the reform of the fiscal rules. Although the reform had not been discussed at national level, in principle, the national medium-term fiscal and structural plans, with the possibility of extending the period of fiscal adjustment under certain conditions, could have some positive effects. He pointed out that the involvement of civil society could constitute a kind of long-term social agreement or social compact. He therefore stressed the need to set a standard at EU level for the involvement of

civil society in the European Semester process. As regards the implementation of the national RRP, he went on to question whether it would actually have an impact in the long term, as it was too focused on short-term measures and concentrated on investment in traditional infrastructure. He was critical of the fact that the European Commission's recommendations on fiscal policy focused on fiscal sustainability, while ignoring the social aspect of fiscal systems and the impact of their quality, accessibility and scope of rights on people's well-being. Against this background, he proposed to consider diversifying the sources of financing for social security and shifting from labour taxation to a higher share of property taxes as part of a growth-friendly green tax reform. Finally, he pointed out that some reforms were already experiencing significant delays. Reforming human resources management and the public sector wage system would have a strong impact on the people that would plan and implement the measures.

Next, Branko Ravnik (EESC, Group III) addressed the agricultural sector and some aspects of the energy sector. He presented the EESC's views on the content of the national plans and on the agricultural aspect of the national RRP, before drawing attention to the importance of the Common Agricultural Policy (CAP) Strategic Plan for responding to risks in agriculture. He explained that, when the plans had been drafted, the agricultural organisations had drawn up a set of priorities which should be addressed by reforms. He invited the participants of the farmers' organisations to present their views on the ongoing process of adopting and implementing the CAP Strategic Plan. Last year, farmers' organisations had organised protests in response to the implementation of certain measures of the Strategic Plan, which had definitely contributed to strengthening dialogue and finding appropriate solutions. Challenges remained, however, and a lot of professional dialogue and wise political solutions would be needed in the future.

In the third presentation, Jože Smole (EESC, Group I) outlined the economic context of the past year, which had been affected by floods, a drop in economic growth, increased energy prices and labour shortages. The industrial sector had seen a decline of 5.1%, and inflation had been 8% in November 2023 and was expected to drop to 3.5% in 2024. The unemployment rate had been 5.1% in 2023, and there had been a perceived shortage of labour as the labour market had been exhausted. The number of unemployed was expected to increase by 1% in the near future. Last year, the Slovenian government had introduced an additional 1% contribution rate through the Long-Term Care Act and extended the duration of sick pay from 20 to 30 days, putting an additional burden on employers and the economy. At the same time, no calls for tender for funding had been launched in the government's 1.5 years in power. The Employment Relationships Act had been adopted without dialogue. The financial part of the Long-Term Care Act had not been discussed with the social partners. As a result of the lack of dialogue, employers had withdrawn from the Economic and Social Council (ESC) of Slovenia, which was now defunct, and informed the government of their withdrawal. In three months, despite the

inactivity of the ESC, there had been no response from the government. It was time for the government to restore social dialogue.

In the following debate, Anton Medved (Trade Union of Slovenian Farmers – SKS) stressed the importance of agriculture as an economic sector and raised concerns about the ageing workforce. He was very critical of the lack of recognition of the role agriculture played in the provision of public goods. He pointed to the need to strengthen digitalisation on farms and in support systems. He said that farmers had had high expectations when the plan had been drawn up, as they had been listened to, but very little had been delivered. He stressed that farmers had a role to play in sustainable heritage and food security but were not being heard when it came to operating in extreme climatic conditions.

Janez Pirc (Chamber of Agriculture and Forestry of Slovenia – CAFS) began by outlining the role of the institution he represented and highlighted the excuses made for the lack of time to draw up the plans. A wide range of measures had been established to digitalise public services, but they had had little impact. He pointed out that systemic solutions were needed in agriculture. Dialogue with the government had taken place, but the deadlines had been too short for a quality debate. Many opinions, comments and corrections had been submitted, but there had been no feedback on how the comments had been taken into account. He was most critical of the Natura 2000 measure. There had been no dialogue on this and protests had been held.

Andrej Zorko (EESC, Group II) pointed out that the fact that the national RRP had been adopted before the elections made it a political document with a set of wishes. This was why there had been no dialogue. He said that the social partners agreed on the objectives, but that the way forward was not clear. Measures should aim to improve society. Time limits were an obstacle to quality dialogue aimed at finding solutions to achieve the objective. As an example, he pointed out that discussions on the pension reform to be adopted at the end of 2024 had not even started yet. The Commission should request a separate opinion from civil society and social partners on the reforms adopted. Social dialogue within the ESC was currently non-existent. The government needed to balance civil and social dialogue.

Nadja Götz (ESSC, Group II) was critical of the poor involvement of the social partners in the national RRP, in both the planning and implementation phases. The dialogue in the Scandinavian countries was different. She called for the involvement of the social partners in this process to be formalised.

Martina Vuk (Confederation of Public Sector Trade Unions – KSJS) said that the RRP would have legitimacy if it was formed together with the social partners, as it would lead to reforms and restructuring for the benefit of citizens. Social objectives enhanced quality of life in the EU, and yet there was no penalty for failing to implement them, unlike for economic ones. In the RRP, there was a

strong focus on modernising infrastructure – for example, constructing new homes for older people and granting concessions – but there were not enough staff. Therefore, measures were urgently needed to ensure adequate staffing levels. The measures in the RRP should also be linked with penalties, and each project should produce positive results. She drew attention to the importance of health reform. She called for systemic laws to be negotiated, not interventionist ones, which often proved unconstitutional. Tax reform was needed: labour tax was above average, and real estate and capital tax below average. The Strategic Council on Taxes should be operational as soon as possible, but it should not replace the ESC and social dialogue. The shutdown of the ESC was unacceptable as it was an excuse for the government not to engage in civil dialogue. Ad hoc consultations must be carried out.

Miro Smrekar (Association of Employers of Slovenia – ZDS) pointed out that it was the journey that mattered, not just the goals. The RRP stated that the measures would be adopted by social consensus. Civil society wanted to work together on the roadmap, on reporting and on achieving results for citizens. Strengthening civil society was key to finding better solutions. The government did not want to hear criticism before implementation, which was unfortunate because problems could be avoided in this way.

Urša Skube and Andreja Grobiša (Slovenian Rural Youth Association – ZSPM) presented the young farmers' perspective on the subject. The priorities identified by the Commission in its specific recommendations were ambitious, but it must realise that past crises had had major repercussions. Not only did fiscal policy need to be politically prudent, but it also needed to allow for the implementation and development of activities. The green transition must take into account the economic component and the burdens shared by all stakeholders. Young farmers accounted for only 4.6% of the sector's workforce. Additional fiscal pressures on farmers limited the development of farms and thus the development of rural areas. Competitiveness needed to be promoted in the food supply chain, where farmers were the weakest link and had no bargaining power, and the current anomalies in the system needed to be eliminated. The unequal treatment of rural and urban areas also stemmed from housing policies for young people, which disadvantaged those from rural areas. It was also essential to promote young people's participation in various forms of non-formal education, especially those linked to specific skills in the fields in which they worked. Young farmers wanted to be more actively involved in decision-making processes and more seriously taken into account.

Neža Repanšek (EESC, Group III) stressed the need to involve young people in policymaking. She underlined the EESC's stance on this matter. The RRP had insufficiently involved young people in the process. She said that young people wanted civil dialogue in the RRP process because they were always proactive but were not invited to take part.

Branko Tomažič (National Council, Commission for Agriculture) stressed that food security should be a priority but that it was less and less at the forefront of policy. In practice, Slovenia was moving away from self-sufficiency. Priority was being given to the green transformation and infrastructure. He stressed that farmers protected nature and that it was a fallacy that they destroyed it. He pointed out that there was no dialogue. If the country did not promote agriculture, there would be negative consequences. Neither the Prime Minister nor the Minister for Agriculture in Slovenia represented the interests of agriculture.

In the final part of the debate, Tomislav Silaj (European Commission Representation in Ljubljana) summarised the debate by thanking the participants for the frank discussion and by emphasising the necessity of civil dialogue. He explained the Commission's role and said that the Commission representatives who reported on the plan also visited Slovenia. According to indicators, Slovenia was below average in terms of access to health services and access to housing. The Commission was no longer complying with the Maastricht criteria due to the COVID-19 pandemic, and the EU's response to COVID-19 was the EUR 700 million Next Generation EU programme. During the pandemic, social dialogue had not been properly conducted, and this feedback from Slovenia had been forwarded to the Commission. Stakeholders should chart a way forward in the RRP. In 2024, Slovenia was planning to implement a number of reforms: pension, health and public sector wage reforms and part-time work schemes. He concluded by saying that the Commission wanted to see dialogue in the ESC re-established and continued in the future.

Finally, Mr Počivavšek summarised the final points of the debate, namely:

1. Organised civil society, including the social partners in Slovenia, considered that its involvement in the preparation, implementation and monitoring of the RRP and in the European Semester process was insufficient and needed to be improved and formalised at EU level.
2. The milestones set in the RRP risked creating time pressures that would lead to a lack of quality social dialogue and dialogue with organised civil society, which was unacceptable.
3. Organised civil society and the social partners needed to be strengthened so that they could participate in the dialogue on the content of the RRP and in the European Semester process.