

The System of Local Self-Government in Slovenia with a Special Emphasis on the Status of the Capital City Ljubljana

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Slovenia is one of the most centralised countries in Europe. Although the Slovenian Constitution provides for the two tiers of self-government, only municipalities have been established so far. Out of 212 municipalities, 11 of them are urban municipalities. If they are established, provinces will be very important for the decentralization of the country and for realisation of the subsidiarity principle. Despite rich and favourable public debate, political actors are not in favour of provinces. Ljubljana is the centre and capital of

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Slovenia, and should be the focal point of the central province. The City of Ljubljana has a special status, with certain specificities with regard to its competences and financing of public affairs. It has three main bodies, the City Council, directly elected Mayor, and the Supervisory Committee. The town administration consists of 15 administrative bodies. Ljubljana has 17 sub-municipal units (neighbourhoods) with neighbourhood councils as the main bodies.

Key words: local self-government – Slovenia, municipalities, provinces, decentralisation, capital city – Ljubljana, sub-municipal governments – neighbourhoods

1. Introduction

Adoption of the Constitution granted the right to local self-government in the Republic of Slovenia. The new local self-government system has been functioning since January 1995. According to the Constitution, citizens exercise local self-government rights by means of municipalities and other local government units, i.e. (future) provinces.

The basic unit of local self-government are the municipality. Municipalities are established and their territory is determined by a separate Law. Municipalities may set up associations or arrangements to regulate and perform functions of common interest, as provided by law. The sub-municipal forms may be established within a municipality (local, village or quarter communities) (Art. 18/1 of Local Self-Government Act, LSGA).

The Constitution has defined two tiers of local self-government. The upper level is the province (*pokrajina*, Art. 143 of the Constitution). The responsibilities of the (future) provinces include local issues of broader importance and tasks of regional importance (economic development, regional public transport, establishment and maintenance of institutions such as regional hospitals and education, cultural and social institutions, etc.) as well as delegated state administrative tasks. They will be responsible for the management of EU structural funds, enabling their more efficient acquisition and use. The establishment of the provinces has been postponed (Vljaj, 2012). Pessimistic opinion is that the provinces could not be established in the parliamentary period 2012–2015. Because of that, Slovenia has only one level of sub-national government: the municipalities.

Out of 212 municipalities, 11 are urban municipalities (Celje, Koper, Kranj, Ljubljana, Maribor, Murska Sobota, Nova Gorica, Novo Mesto, Ptuj, Slovenj Gradec and Velenje).¹ A municipality comprises one or more settlements connected by common needs and interests of the local community, and has at least 5,000 inhabitants. A municipality may obtain the status of an urban municipality if a town with at least 20,000 inhabitants and 15,000 active jobs are situated in its territory, and if it is an economic, cultural and administrative centre of a wider area. Urban municipalities have the same competences as municipalities. However, in accordance with the Constitution and within their competence, urban municipalities may also exercise transferred state administrative tasks, which refer to the development of the town (Art. 22, LSGA).

The competences of local units are regulated by the Constitution, the LSGA and special laws, and by autonomous local regulations. Financial sources are of crucial importance when one assesses the substance of local self-government. The Slovenian Constitution and the European Charter of Local Self Government (ECLSG)² require the right of local units to sufficient financial sources of their own as part of the state's economic policy, which local units then use at their discretion within their competences. Local authorities must have a high degree of autonomy regarding their own tasks, the methods and means for fulfilling these obligations and the necessary sources for financing them. Financial autonomy requires widening the competences of local units, and simultaneous democratic control over the local units' expenditure. Financial autonomy also means that local authorities have a minimum of collected taxes on their territory, and it requires satisfactory management of local public services that serve the common good (Vljaj, 2004: 4–5).

Article 142 of the Slovenian Constitution determines that a municipality is to be financed by its own revenues and that only those municipalities unable to fully fund their own functioning, due to weaker economic development, are to receive additional funds from the state in accordance with legally determined principles and criteria.³ The principle of self-financing is thus a fundamental principle of financing municipalities. It is abnormal

¹ The last municipality (Ankaran) has been established by the Constitutional Court.

² Slovenia has ratified the ECLSG in 1996 in its entirety.

³ The theory of fiscal decentralization and discussions on fiscal federalism presupposes the autonomy of lower levels of government also in terms of levying their own taxes with the option of influencing and/or determining the tax rate or the basic tax. In this way, they can adjust tax sources to local needs. However, autonomy in fiscal decentralization

that municipalities receive more than 80 per cent of their funding from the national budget. The principle of self-financing requires that at least part of funding of a local community should originate from its own taxes. This, however, has not been made possible by the current system.

Allocated sources, i.e. funding that belongs to the state, cannot be considered as municipalities' own funds as required by the Constitution and the ECLSG. Central state decides on the municipalities' tasks and on how they are to be financed. Hence, local units are in a subservient position in relation to the state.

Financing the tasks of Ljubljana, as the Slovenian capital, is still not clear. Ljubljana is the largest city in the country. »The capital city, as a municipality with a pre-eminent role in most states, must have the right to self-government and the exercise of public responsibilities by democratically constituted authorities, in conformity with the charter« (Šturm, 2001: 153–154). The Law on the Capital City was adopted in 2004.

The tasks of state administration, which need to be organised and exercised territorially, are performed by 58 deconcentrated administrative units. Most of their functions and competences are to be discussed as the important issue connected with decentralisation to self-governed provinces, once these have been created and covering the entire country (Consolidated Report, 2003: 138). Administrative units have the role in administrative supervision of local self-government.

2. The Slovenian Local Self-Government System

The basic mission of a Slovenian municipality is to take care of municipal affairs, within the framework of the law. That includes primary education (school buildings and facilities), social welfare (child care, elderly care and social assistance), health (primary health care and pharmacies), social housing, culture and leisure (museums, libraries, theatres, sport facilities, leisure centres) and local public utilities and networks (waste and water management, urban city transport, local road network, urban heating, etc.). The central government can transfer certain responsibilities to the municipalities if it provides necessary financial means (Art. 140, Constitution). Transfers occur mainly in the sectors of welfare, education, lei-

depends on the right and possibility of independent usage of funds that the local or regional authority is entitled to in order to finance its basic tasks (Vlaj, 2008).

sure, transport and economic development. From 2006, the prior consent of municipalities for the transfer is no longer required.

Municipalities autonomously regulate and perform duties and functions assigned to them by law. The municipal council (*občinski svet*) is the deliberative body, elected for four years by direct universal suffrage, under the proportional or majority voting system (depending on the size of municipality). Councils have between 7 and 45 members, depending on the number of inhabitants. The council approves the municipal budget, adopts municipal decisions and supervises the performance of both the mayor and the municipal administration. It can set up committees composed of council members or local constituents. Some of them are mandatory, for instance, the consumer protection committee, which participates in the decision making process concerning commercial or social municipal services and submits comments on the performance of municipal public companies.

The mayor (*župan*) is the executive body, elected by direct universal suffrage on four-year term. At least one deputy is appointed by the mayor from among the council members. The mayor proposes the municipal budget and other municipal decisions and is responsible for the implementation of council's decisions. He/she represents the municipality and is the head of municipal administration (*občinska uprava*), which is managed on a day-to-day basis by the municipal secretary (Art. 33, LSGA).⁴

The municipal council and the mayor have equal position and neither of them can therefore request resignation of the other.

The third municipal body is the supervisory committee, which supervises public expenditures in the municipality. The municipal council appoints members to the supervisory committee. The supervisory committee supervises the management of municipal property, oversees the purposefulness and sense of the use of budgetary funds, and supervises financial operations of the users of budgetary funds.

⁴ The mayor represents the municipality and municipal council, convenes and chairs the council's meetings (but has no right to vote), proposes to the council the adoption of municipal budget and final account of the budget, decrees and other acts within jurisdiction of the municipal council, and is responsible for the implementation of decisions of the municipal council. The mayor is also responsible for publishing the statutes, by-laws and other general acts of the municipality. He/she may withhold the implementation of a certain decision of the municipal council if he/she estimates it to be unlawful or in contradiction with the statutes or other general acts of the municipality (Town Municipality of Ljubljana, 2001: 4–5).

Citizens can also participate in local life via citizens' assemblies, which can be summoned up by the mayor, the municipal council or at least 5 per cent of the constituents, and via referenda. A local referendum can be organised by local constituents about any issue of local interest (with the exception of the budget and other financial issues) and its outcome must be implemented. Referenda are mandatory when it comes to creating a new municipality.

2.1. The Local Self-Government Act

The LSGA was passed in 1993, and since then it has been amended more than 30 times. The Law contains chapters on general provisions, the territory and districts of municipalities, the duties and functions of the municipality including its bodies, administration, assets, financing and public services, general and individual municipal acts, supervision by state bodies, protection of local self-government and the rights of individuals and organisations.⁵ The LSGA with its numerous amendments has become too detailed and occasionally even casuistic (Vljaj, 2006: 62). It is no longer entirely appropriate due to inappropriate political interventions and it should be conceptually reconsidered. It is unsuitable to expect that this Law could resolve all the difficulties of local self-government in practice. In general, too detailed legal regulation must be eliminated.

Among the tasks of a local unit, three types can be stated:

1. local issues or issues of local importance, i.e. tasks determined by municipalities themselves in their statutes and other documents;
2. local issues delegated to municipalities by the state via laws;
3. transferred tasks of state administration carried out by municipalities under the state supervision and financed by the state resources (Town Municipality Ljubljana, 2001: 1).

Tasks carried out by a municipality are defined by the law and in its statute. A municipality can regulate social relations in municipality's own competence by general acts: municipal statute, rules of procedure of the municipal council, municipal by-laws, budget, final account, physical and general development plan of the municipality, and physical implement-

⁵ Along with the LSGA, there is a range of other laws concerning self-government, including the Local Elections Act, the Capital City Act, the Law on Financing of Municipalities, the Establishment of Municipalities and Municipal Boundaries Act, etc.

ing acts. The municipality regulates matters in its competence as well as public services with by-laws. By-laws also serve to establish bodies of municipal administration (Igličar, 2001: 133). Municipal regulations are part of the Slovene legal system and therefore have to comply with the Constitution and laws, whereas by-laws, rules of procedure and other municipal regulations have to comply with the municipal statute (Igličar, 2001: 132–133).

2.2. Urban Municipalities

An urban municipality is established on the territory of a town in accordance with the procedure and under conditions prescribed by the LSGA (Art. 4.). It is a compact settlement or group of settlements linked in a unified territorial entity, with the surroundings of the town linked by the population's daily commuting. The town is a uniform social and spatial organism that cannot be divided into several municipalities. This solution has not excluded the possibility of establishing lower organizational levels within a town, but it prevented certain inappropriate solutions. In the Town Municipality of Ljubljana there are town planning errors that occurred due to unbalanced development of some parts of the town resulting from the town's division into several municipalities during previous (socialist) times.

By the second amendment to the 1994 LSGA, the Parliament defined the status of urban municipalities, prior to the formation of new municipalities, and taking into account the fact that some towns played an important role in their respective regions concerning the size of the territory, the number of inhabitants and the emphasized economic, infrastructural and developmental issues. The important role of urban municipalities as provincial centres was emphasized by determining additional conditions that must be fulfilled by such entities: the urban municipality must have at least 20,000 inhabitants and at least 15,000 jobs, and must be the geographic, economic and cultural centre of its gravitational area. It must also have vocational and secondary schools as well as departments of higher schools and faculties, a hospital, a network of public services, telecommunication centres, university or specialized libraries, a theatre, a museum, an archive, a local radio and television, local press, sports and leisure facilities, as well as research and development activities.

Urban municipalities have the same competences as other municipalities. However, in accordance with the Constitution and their competence, ur-

ban municipalities may also exercise state's tasks as stipulated by law, which refer to the development of the town. During the initial period of functioning of the new municipality, it was hard to expect that it could take over certain tasks, since the material and human resources were not adequate. However, the municipalities have recently stated that they are qualified to take over from the state's jurisdiction the matters which they could carry out more expediently and rationally, including spatial planning, agriculture, small business, tourism, public events, opening hours and others.

2.3. Provinces – the Second Level Self-Government Units

The 2006 Constitutional amendments established the two-tier self-government system in Slovenia, after years of professional and political debates. Provinces as mandatory second-level local self-government units are very important for decentralization of the country and subsequently for implementation of the subsidiarity principle (CLRAE, 2001: 3–4).

The constitutional amendments⁶ do not directly lead to the establishment of regions: they are mere foundation for the formulation of laws, which will render possible the decentralisation of state functions and the delegation of a considerable part of public functions from the state to provincial level. The future legislation on provinces (now only drafted) will help us to see how high the level of political agreement on their establishment and functioning actually is.

The provinces will introduce numerous changes into other parts of the state system and social environment – legislation, public finances, state government, the position of municipalities, areas of work of individual ministries, cross-border cooperation of local communities, international relations (Council of Europe, EU and others) as well as the position of citizens themselves (Vlaj, 2006: 2).

Slovenia is currently one of the most centralised countries in Europe. Local self-government is under strong auspices of the state in terms of content and finances. Unfortunately, the new government coalition contract

⁶ They resolve some fundamental errors in the system, but have certain constitutional deficiencies. For example, Article 138 only partly covers provinces and should be therefore properly amended. The democratic decision-making in both municipalities and provinces should also be regulated in the Constitution (Grad, 2006).

also treats municipalities from the centralistic point of view and it tends to postpone the establishment of provinces (Coalition Agreement, 2012).

2.4. Demarcation between the State and Local Self-Government – Administrative Units

The tasks of state administration, which need to be organised and exercised territorially, are performed by 58 administrative units⁷ as deconcentrated units of state administration, covering the territory of one or more municipalities. The administrative unit decides in first instance on administrative issues under state competence. Furthermore, the administrative unit performs all other administrative tasks under the competence of former communes stipulated by law, tasks in the area of defence preparation and organisation, expert as well as other tasks common to internal organisational units or of importance for the functioning of administrative units.

In their relation towards local self-governments, administrative units do not directly supervise the legality of local bodies' functioning, although they must notify the competent ministries if it becomes known that local bodies are acting unlawfully while performing tasks in their competence. Furthermore, an individual administrative unit must notify the competent ministry if it finds out that a local self-government unit is acting inappropriately or unprofessionally while performing transferred state administrative tasks.

The head of an administrative unit is the co-ordinator of the advisory council that is established in the territory of the administrative unit in order to deal with questions concerning the organisation, efficiency, quality of work and co-ordination of all public administration bodies in the particular territory. Other members of the advisory council are the mayors and directors of municipal administrations of all the municipalities from the respective territory and the heads of state authority bodies that are not part of the administrative unit (tax offices, offices of the Surveying and Mapping Authority) (CoE, 2007: 4).

⁷ A head appointed by the Government leads the administrative unit. They have their sections that are line-representations of all ministries.

3. The Status of the Capital City

3.1. General Remarks

Special status of the capital city depends on many factors: the system of local self-government and its ramifications at the primary level (if there are several types of municipalities), the existence of the second self-government level, the historical development of the capital city and its position in a state, and the actual relations between political actors. Numerous pieces of legislation recognise various types of local communities, with the capital city that enjoys a special status. Well-regulated relations between the state and its capital can increase the successfulness and effectiveness of the local self-government system. Slovenia and the Municipality of Ljubljana will perhaps find a new opportunity for re-evaluation of the capital city's role in the introduction of the second local self-government level (Town Municipality of Ljubljana, 2001: 13).

The City of Ljubljana (*Mestna občina Ljubljana*, MOL) has the same competences as other urban municipalities in Slovenia, but it has to respect the requirements regulated by the special Law on the Capital City. While exercising its competences, the MOL has to respect the interests of the state, and should especially ensure the conditions for the functioning of state bodies, including embassies and consulates. Because of its history, geographic position, demographic situation, structure of its economy and population, Ljubljana has special socio-cultural, administrative and economic importance. It is the gravity centre with bigger frequency and scope of socio-economic events and activities. The MOL has to act actively with regard to development and maintenance of a set of infrastructure networks (for instance roads, communal, social, institutional etc.), which are intended for the residents and daily and periodic commuters. With these capacities, the conditions for the implementation of functions of Ljubljana as the capital of the state are assured. It is not completely autonomous but has to respect a wider national interest.

3.2. The Legal Status of Ljubljana

Ljubljana is the administrative centre of Slovenia. Certain joint issues of special importance for both the country and its capital are legally defined (i.e. tasks which are important for the development of the capital, tasks concerning regulation of the conditions important for the functioning of

the state organs, embassies and other organizations, joint protocol matters, etc.).

The Law on the Capital City primarily regulates cooperation between central government and the City in implementing common tasks, special capital city's tasks, spatial planning and development. It provides for a special agreement between the government and the capital, defining additional responsibilities for Ljubljana and additional resources to carry out those tasks. Significant amendments to the Law were adopted in 2009, whereby 0.73 per cent of personal income tax goes to the budget of the capital to finance special capital city's functions (approximately €16 million). However, this did not compensate for the amount the city lost as a result of the changes regarding personal income tax distribution. After the amendments to the Law on the Capital City in December 2010, Ljubljana got more state funds for its functioning as the capital.

Amendments have introduced two basic innovations. Firstly, they have enabled direct co-financing of the MOL development programmes based on the contract with the Government (not by public procurement as it used to be). Secondly, they have ensured a constant source of financing the tasks in its competence, by which the conditions for the functioning of bodies and organisations as well as for representation of national interests are ensured. The capital is thus eligible for the fixed part of personal income tax percentage. These revenues have belonged to the capital since January 2010, and were guaranteed by the budget proposal for budgetary years 2010 and 2011.

3.3. Statistical Data

Ljubljana is the largest political, administrative, cultural and economic centre in the country.⁸ The city lies at the meeting point of four geographical regions and in the centre of the Slovenian ethnic territory. Ljubljana is also located at the intersection of important routes from the Po Plain to the Pannonian Plain and from Central Europe to the Balkans. This strategic position has played a special role in history, and in the future Ljubljana will make use of its advantages.⁹ Its population is 276,091 (about 13 per cent of the total population in the country) and rising.

⁸ Data mainly from: MOL, 2010.

⁹ Ljubljana is the only municipality in Slovenia that has adopted a long-term (25-year) strategic development plan.

The standard of living is 23 per cent higher than the national average. In comparison to other parts of Slovenia, the unemployment rate in Ljubljana is below average. More than 50,000 students attending faculties in Ljubljana give the city a special feeling of youthful town.

In 2008, total income was €294,601,603: tax revenues €171,693,030; non-tax revenue €49,059,290; capital income €21,642,467; donations received €142,686; transfer income €1,404,644; funds received from the EU €659,714; revenues from repayment of loans and sales of equities €0 (estimation 2009: €12,320,262); loan raised €49,999,772.

Total expenditure in 2008 was €295,066,805. Structure in percentage: spending on goods and services 12.17; other current domestic transfers 25.45; transfers to individuals and households 15.39; investment expenditure 19.43; investment transfers 14.77; salaries and other spending on employees 4.20; transfers to non-profit organisations 3.15; payments of domestic interest rates and reserves 0.69; subsidies 1.98; contributions by employers for social security 0.69; increase in capital shares and investments 1.13; payment of debt 0.95.¹⁰

As a medium-sized European city with an excellent position and surrounding countryside, Ljubljana offers high quality of life and favourable working conditions to its inhabitants. The urban region of Ljubljana is home to a quarter of Slovenia's population. Natural population growth in Ljubljana is expected to be negative, but accompanied by the influx of new residents, especially foreigners.

3.4. Organization and Scope of Activities

The City Council of Ljubljana has 45 members. There are also directly elected mayor and five deputy mayors. The town administration consists of 15 administrative bodies with approximately 600 local servants that perform tasks from the original competence of the municipality.¹¹ Serv-

¹⁰ Data source: MOL, City administration, Department of Statistics and Analyses.

¹¹ Financial department, Department of legal, personnel and general affairs, Local self-government department, Preschool, education and sports department, Culture and research department, Health care and welfare department, Department of economic activities and tourism, Public utilities and traffic department, Town-planning department, Land-use planning department, Real estate management department, Housing department, Protection, rescuing and civil defence department, Inspectorate, Environmental protection institute.

ices that perform tasks for the entire town administration are the Mayor's Cabinet, IT Centre, Office for International Relations and Office for the Organization of the Town Council's Work.

MOL independently manages local matters of public importance, manages the municipality's property, promotes economic development, creates the conditions necessary for building new public housing, manages local public services, promotes better day-care for preschool children, educational activities and the development of sports and leisure activities. It also strives to improve health and social security, promotes research and cultural and social activities, provides for the preservation of environment, combats noise pollution, deals with refuse and carries out other activities for environmental protection.

3.5. Forms of Sub-Municipal Self-Government

The LSGA stipulates that a municipality may organize lower organizational forms: village, locality or quarter communities. The latter should mean de-concentration of local decision-making (delegation of certain competences to the neighbourhood councils) and a possibility of a more direct influence of sub-municipal communities on the management of issues that concern them. Ljubljana has 17 sub-municipal units (neighbourhoods)¹² carrying out activities in their competence, but within general jurisdiction of the Capital. Neighbourhoods are legal entities of public law, represented by the neighbourhood council.

During the procedure of establishing sub-municipal units, the City Council must establish the interest of inhabitants in the parts of the municipality where sub-municipal units are to be established (Town Municipality of Ljubljana, 2001: 11). A referendum was carried in 2000 and the population positively reacted to the intention of the City Council to established sub-municipal units.

Qualified voters with permanent residence in an individual neighbourhood elect the neighbourhood council. The neighbourhood council deals with the matters in the competence of the MOL which concern the neighbourhood, the area it covers and its population, and also adopts positions,

¹² According to its Statute, 17 quarter communities are: Bežigrad, Šiška, Center, Moste, Polje, Trnovo, Rožnik, Dravlje, Jarše, Šentvid, Vič, Rudnik, Golovec, Črnuče, Posavje, Sostro, and Šmarna gora.

opinions and proposals, launches initiatives and submits proposals for the adoption of the MOL acts, discusses and adopts proposals submitted by residents and other members of the neighbourhood community, and submits these proposals to the competent authority.

In conducting public affairs within the MOL, a neighbourhood cooperates with the bodies of the MOL, the city administration, other neighbourhoods, and organisations founded by the MOL. Neighbourhoods carry out activities in the competence of the MOL, which to a large extent relate to their residents, including cultural, sports and social programmes, and environmental and special planning activities. Those can be carried out in cooperation with organised and informal associations of residents (e.g. by collecting proposals and setting up cooperation between neighbourhoods; MOL, 2001: 11).

4. Some European Viewpoints and CLRAE Recommendations to Slovenia

The models of local self-government in European countries vary in the structure, tasks and their relations to the state. Their common feature is that they rest on their own tradition and historical development. ECLSG and other documents of the Council of Europe (CoE) and the European Union (EU) relating to local and regional communities respect the diversity of those models. Today, the focus is on the people, the satisfaction of their modern needs and the quality of life in the place of their residence. Local units are not inward-oriented; they are open to the outside, to the broader units (regions), the state, Europe and the global society. Cross-border integration and co-operation is gaining more and more importance.

The state of local and regional democracy in Slovenia has been the subject of the Congress of Local and Regional Authorities of the CoE Monitoring Report in 2001 (CLRAE, 2001). On 2 July 2010, the Institutional Committee decided to perform a visit for the second monitoring of the state of local and regional self-government in Slovenia and its compliance with the ECLSG (CLRAE, 2011). The *rapporteurs* expressed satisfaction that political decentralization in Slovenia is improving with regard to the distribution of shared state taxes, good practices concerning the integration of Roma minorities and the status of the capital city. They noted, however, that the consultation process between the local authorities and the central

government has not been improved, the fragmentation of municipalities remains an issue, and the process of regionalisation is still blocked. A consensus between the political actors seems to have been reached on the necessity of setting up provinces in Slovenia (CLRAE, 2011: 1).

CLRAE codified certain standards for capital cities in Recommendation 219 (2007) on the status of capital cities and in Recommendation 133 (2003) on the management of capital cities. Regarding the special status of Ljubljana, CLRAE notes that »Ljubljana has constitutional recognition as the capital city but it does not have special administrative status« (CLRAE, 2001: 21).

5. Conclusion

The Slovenian Constitution guarantees local self-government to the citizens and it places Slovenia among the states striving to ensure common European standards for defining and safeguarding the rights of local self-government, which is the level of administration closest to citizens where they should efficiently participate in the formulation of decisions relevant for their daily life. The right of citizens to participate in public matters can be most immediately realised at the local level.

One of the reasons for the crisis in Slovenian local government from the organisational and managerial point of view is the large number of inefficient municipalities, which strengthens centralisation of the state. That is why the point at which local communities are economically able to ensure the management of complicated public services has to be determined. This is undoubtedly one of the basic challenges for future development of local government. The Congress recommends Slovenia to increase the autonomy of local authorities' revenue,¹³ to promote mergers of local authorities where appropriate, to reach a compromise on the number of regions and to launch the process of regionalization. It also invites the authorities to disseminate the existing good practices concerning the integration of Roma into local communities.

¹³ Municipalities get more than 80 per cent of the required resources for the financing of necessary tasks from equalisation funds, and only slightly more than 20 municipalities are financially self-sufficient. Municipalities are perceived merely as the executors of state politics and not autonomous entities.

The OECD in its study *Territorial Review of Slovenia* finds out that the majority of municipalities (especially those with fewer than 2,000 inhabitants) do not have the capacities to conduct strategic planning or absorb EU funds. It recommends Slovenia to facilitate municipal mergers, which are not actively pursued, and further develop new forms of inter-municipal cooperation. The OECD also finds out that creating a new provincial tier should be considered only when there is a clear economic and institutional rationale, which is not evident in a country of Slovenia's size.¹⁴

Currently Slovenia is one of the most centralised countries in Europe. Local self-government is under strong auspices of the central state in terms of content and finances. Slovenia does not have an elaborated strategy and doctrine of local and regional self-government (i.e. democracy) which have to be realised in practice.

Provinces as an obligatory second self-government level will be of major importance for the decentralisation of Slovenia and, consequently, for the realisation of the subsidiarity principle. The essential objective of the introduction of provinces is functional and transparent governance in order to ensure quality public services to local and regional population. Ljubljana should be the centre of the central province as well. Unfortunately, the new coalition agreement of five political parties made in 2012 does not contain any statement concerning the provinces.

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¹⁴ Territorial Review of Slovenia: Assessment and Recommendations, p. 2, 3, 6, 7.

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THE SYSTEM OF LOCAL SELF-GOVERNMENT IN SLOVENIA
WITH A SPECIAL EMPHASIS ON THE STATUS
OF THE CAPITAL CITY LJUBLJANA

Summary

Slovenia is one of the most centralised countries in Europe. Local self-government is under strong auspices of the central state in terms of content and finances. Although the Slovenian Constitution provides for the two tiers of self-government, only municipalities have been established so far. Out of 212 municipalities, 11 are urban municipalities. If they are established, provinces will be very important for decentralization of the country and for realisation of the subsidiarity principle. Despite rich and favourable public debate, political actors are not in favour of provinces. Ljubljana is the centre and capital of Slovenia, and should be the focal point of the central province. The City of Ljubljana has a special status, with certain specificities with regard to its competences and to financing public affairs. It has three main bodies, the City Council, directly elected mayor, and the Supervisory Committee. The town administration consists of 15 administrative bodies. Ljubljana has 17 sub-municipal units (neighbourhoods) with neighbourhood councils as the main bodies. The main decentralisation steps are establishment of provinces as the second tier of self-government, decentralisation of public affairs, widening of the local financial autonomy, and reducing the large number of inefficient municipalities.

Key words: local self-government – Slovenia, municipalities, provinces, decentralisation, capital city – Ljubljana, sub-municipal governments – neighbourhoods

SUSTAV LOKALNE SAMOUPRAVE U SLOVENIJI
S POSEBNIM NAGLASKOM NA STATUS
GLAVNOG GRADA LJUBLJANE

Sažetak

Slovenija je jedna od najcentraliziranijih zemalja u Europi. Lokalna samouprava je pod strogim nadzorom središnje države u pogledu sadržaja i financiranja. Premda slovenski Ustav omogućuje dvostupanjsku samoupravnu, dosad su osnovane samo općine. Među 212 njih, 11 je gradskih općina. Ako budu osnovane, pokrajine će biti iznimno važne za decentralizaciju zemlje i ostvarenje načela supsidijarnosti. Unatoč sveobuhvatnoj raspravi koja podržava osnivanja pokrajina, politički su akteri protiv. Ljubljana je središte i glavni grad Slovenije, a trebala bi biti i središte centralne pokrajine. Gradska općina Ljubljana ima posebni status sa specifičnostima u pogledu djelokruga i načina financiranja javnih poslova. Ona ima tri tijela, Gradsku skupštinu, direktno biranog gradonačelnika te nadzorni odbor. Gradska se uprava sastoji od 15 upravnih tijela. Ljubljana je podijeljena na 17 submunicipalnih jedinica koje sve kao svoje glavno tijelo imaju izabrano vijeće. Glavni koraci u decentralizaciji su uspostava pokrajina kao drugog stupnja samouprave, decentralizacija javnih poslova, širenje lokalne financijske autonomije, te smanjenjem velikog broja neefikasnih jedinica lokalne samouprave.

Ključne riječi: lokalna samouprava – Slovenija, općine, pokrajine, decentralizacija, glavni grad – Ljubljana, submunicipalne jedinice