

Slovenia

Dr Vesna-Kerstin Petric, April 2005

The country

The Slovene lands were part of the Holy Roman Empire and Austria until 1918 when the Slovenes joined the Serbs and Croats in forming a new multinational state, named Yugoslavia in 1929. After World War II, Slovenia became a republic of the renewed Yugoslavia, which though a socialist country, distanced itself from Moscow's rule. Dissatisfied with the exercise of power of the majority Serbs, the Slovenes succeeded in establishing their independence in 1991 after a short 10-day war. Historical ties to Western Europe, a strong economy, and a stable democracy have assisted in Slovenia's transformation to a modern state. Slovene independence was officially proclaimed on 25th June 1991. In December the same year the Constitution was passed and on 13th January 1992, the Holy Seat was the first state to recognise Slovenia officially. On 15th January and later, this recognition was followed by that of other European and world states. In May 1992 the Republic of Slovenia became a member of the United Nations Organisation. Slovenia acceded to both NATO and the EU in the spring of 2004.

According to 2002 Census data, on 31 March 2002 the population of Slovenia was 1.964,036. Most of the Slovenes (1,730,000) live within the borders of Slovenia however there are substantial Slovene minorities in the border regions of neighbouring countries Italy, Austria and in Hungary. Between 250,000 and 400,000 Slovenes (depending on whether second and subsequent generations are counted) live outside the country, in other continents and in EU countries. Approximately 50% of the total population lives in urban areas, the rest in rural. Slovenians are the Slavic ethnic group and represent 89% of population. Croats, Serbs, Bosnians and other nationalities of the former Yugoslavia represent 10% of population. In Slovenia there are also two national minority communities of Italians (2,258 - 2002 Census) and Hungarians (6,243 - 2002 Census). They are considered indigenous minorities and their rights are protected under the Constitution. The number of people who declared their religion, decreased from the Census in 1991 to the Census in 2002. The share of people who declared themselves as Catholics fell from 72% in 1991 to 58% in 2002. Other religious communities include Protestant Christians, Muslims, Orthodox and Jews. Educational structure of population improved considerably in the last decade between the two censuses. At the 1991 Census almost a half of the population (47.2%) had basic education or less, while in 2002 the share was only a third. Also the share of population with secondary education has risen a lot. The data show that there are more than a half of people (54.1%) who have vocational, upper secondary professional or upper secondary general education. Slightly more people have lower or middle vocational education (27.2%) than upper secondary professional or general education (26.9%). In 2002, 12.9% of the population had more than secondary education, which was over 4% more than at the 1991 Census.

The official language is Slovene. The share of population whose mother tongue is some other language is only 1.8%. Beside Slovene also Hungarian and Italian enjoy the status of official language in the nationally mixed regions along the Hungarian and Italian border. The main demographic characteristic in Slovenia is aging of population. Life expectancy in 2002 was 72.67 years for men and 80.66 for women.

Since 1991 Slovenia's gross domestic product (GDP) has increased steadily. The GDP per capita was 12.273 in 2003. In March 2004, Slovenia became the first transition country to graduate from borrower status to donor partner at the World Bank. Privatization of the economy proceeded at an accelerated pace in 2002-03, and the budget deficit dropped from 3.0% of GDP in 2002 to 1.6% in 2003. Despite the economic slowdown in Europe in 2001-03, Slovenia maintained 3% growth. Structural reforms to improve the business environment allow for greater foreign participation in Slovenia's economy and help to lower unemployment. During 2000, privatisations were seen in the banking, telecommunications, and public utility sectors. Restrictions on foreign investment are slowly being dismantled, and foreign direct investment (FDI) is expected to increase over the next two years. Labour force by occupation: - agriculture: 12 %, industry: 40%, service: 48%. The standardized unemployment rate increased after 1992 became stagnant after 1994 and amounted to 6.7% in 2003 (ILO) . .

The Slovenian head of state is the president, who is elected by popular vote every 5 years. The bicameral Slovenian parliament consists of the National Assembly, and the National Council. The National Assembly has 90 seats, which are partially filled with directly elected representatives, and partially with proportionally elected representatives. The National Council has 22 seats, and is made up of representatives of social, economic, professional and local interest groups. Parliamentary elections are held every four years. The National Assembly adopts laws and national strategies and the National Council proposes laws or requests reconsideration in the National Assembly. The Government is the executive body and is approved by the National Assembly. In its domain is adoption of action plans. It is headed by a prime minister, cabinet and the council of ministers (16).

The Ministry of Health deals with matters relating to public health, health care services and health insurance. The tasks of the ministry are to prepare legislation and to assure its implementation; to monitor the population's state of health; and to prepare and implement health policies, including those related to alcohol. In doing so, the ministry is supported by the National Public Health Institute and its 9 regional branches and by the Health Inspectorate. Funding for the implementation of legislation and policies is assured by the State budget and from the National Insurance Fund (treatment but also some preventive activities, including those, implemented by). Other ministries, such as Ministry of labour, family and social affairs, Ministry of internal affairs, Ministry of finance, Ministry of economics, Ministry of science and technology and Ministry of education and sport with their specific bodies are also participating in decision making in relation to alcohol policies. Treatment programmes at all levels of health care, financed by the National health care insurance fund, need to be agreed at the level of different speciality experts groups (psychiatrists, GPs) and proposed through Health Council (expert counselling body to the minister) to National Insurance Fund Assembly for funding. The Assembly consists of representatives of the Insurance Fund, the Ministry, providers and also consumers. Programmes relevant to local level can also be decided and funded by the local community governments. For the preparation and implementation of alcohol policy a co-ordinating body, the Council for alcohol policy, has been established in 2004 at the ministry of health.

Box 1.1 Basic facts

Total area:20,273 km²
 Number of inhabitants:2 millions
 Population density:98 inhabitants/km²
 Capital city (name, population):Ljubljana,276.000
 Official language(s):Slovene, (Hungarian, Italian-where the national minorities live)
 GDP per capita:12,273 (2003);

Sources: CIA World Fact book, 2004 (<http://www.cia.gov/cia/publications/factbook/>)
 Statistical office of the Republic of Slovenia (<http://www.stat.si>)

Alcohol consumption

Slovenia has a long tradition of wine, beer and spirits production and home production of spirits has only recently been banned. Drinking is part of the culture. A national hymn, for example, is based on a poem celebrating wine and its influence on the nation's mood that was written in 19th Century by the most famous Slovene poet, Dr France Prešern. Slovenia has never experienced a widespread temperance movement. Reliable data on alcohol consumption before 1960 would be difficult to find. Through qualitative data, such as descriptions of a human misery as a result of alcohol, so often present in the Slovene literature, one could get a sense of the extend of harmful drinking in this part of the world. High suicide rates also point to this direction. A collection of drawings of many different faces of drunkenness, made by a painter Hinko Smrekar in the beginning of 20th Century, is another unique record of a problem that harmful drinking presented in Slovenia at that time.

Trends in *per capita* alcohol consumption (L/year) in Slovenia, 1981-2002*

Type of *Per capita* consumption (L/year) Percent difference in *per capita* consumption

Beverage	1981	1991	1995	2000	2002	1981-91	1991-00	1981-02
Beer	70.1	55.5	95.8	86.6	86.6	-20.8	23.5	23.5
Wine	48.4	45.2	37.9	34.9	43.3	-6.6	-22.8	-10.5
Spirits	7.5	4.7	2.7	0.9	1.3	-37.3	-81.1	-83.2
Alcohol	11.5	9.4	9.9	8.6	9.8	-18.3	-8.5	-15.1

*Available method: consumption = national production + (import – export) + stocks.

(Source: **Alcohol Consumption and Indicators of Alcohol-related Harm in Slovenia, 1981-2002**)

Janja Šešok

Institute of Public Health of the Republic of Slovenia, Ljubljana, Slovenia)

There is no reliable data on unrecorded alcohol production. However, it has been estimated in 2000 (Global Burden of Disease Study, WHO) that about 5.2 liters of unrecorded pure alcohol were consumed per capita by a grownup population in Slovenia during that year. In regard to a total consumption, smuggling is unimportant. Despite the high level of unrecorded production, there is no doubt that overall consumption of alcohol is decreasing in Slovenia. Registered consumption of pure alcohol decreased by 12.2% in the past 20 years.

ESPAD: The European School Survey Project on Alcohol and Other Drugs 1999: The finding, that experience with alcohol use was reported by the majority of the students surveyed, accords with the results of previous research in this area. As indicated by the data collected for the 3rd year students, the proportion of abstainers in the Slovenian secondary school-aged youth has decreased by 11% over the past ten years. Moreover, among 3rd year students, there were nearly 5% less abstainers than in the undergraduate student sample. These findings support the view that the incidence of adolescent alcohol use has been on a constant increase. The motives for teenage drinking in the surveyed sample were similar to those reported in previous studies; among the leading ones being peer pressure, curiosity, mere chance, etc. Some 17% of the 3rd year students and a notably lesser percent of 1st year students belonged to a high-risk group of alcohol consumers. Differences between boys and girls emerged especially concerning the drinking habits formed between the first and the third year of secondary school.

As compared to the results of the studies carried out in the late 70s. Lifetime use of alcohol was reported by 91% of the respondents (92% of boys and 91% of girls). One fourth had drunk alcohol 40 times or more, slightly less than one tenth (9%) had reportedly never drunk alcohol, 28% had drunk it once to 5 times in their lives, 29% 6 to 19 times, and slightly more than one tenth (11%) 20 to 39 times in their lives. A greater proportion of girls denied the use of alcohol, or acknowledged the use of alcohol once to twice, 3 to 5 times, 6 to 9 times and 10 to 19 times. A greater proportion of boys had drunk alcohol 20 to 39 times and 40 times or more. Two-thirds of the surveyed students (72% of boys and 61% of girls) reported lifetime experience of drunkenness. Slightly more than one fifth reported one to 2 episodes of drunkenness, nearly one fourth (24%) 3 to 9, nearly one tenth 10 to 19, and 21% of the respondents 20 or more episodes of drunkenness. There were statistically significant differences between boys and girls. More girls had never experienced drunkenness or had been drunk once or twice. A greater proportion of boys had been drunk 6 times or more in their lives.

The surveyed students were asked at what age they had their first glass of beer, wine or spirits, and at what age they experienced their first drunkenness episode. Sixteen percent of the respondents had not drunk beer in their lives. Among those who had tried beer, 35% had done so at age 11 or earlier. Nearly one fifth had their first glass of beer at age 12, 13 and 14, respectively, and one tenth had drunk beer for the first time when 15 years old. The figures for age at first wine use are very similar to those for beer: 16% of the respondents (15% of boys and 17% of girls) had not drunk wine in their lives. Of those who reported wine use, one third had drunk their first glass of wine at the age of 11 years or earlier. In nearly one fifth the age of onset of first wine use was 12, 13 and 14, respectively. One tenth of the respondents began drinking wine at age 15 years. Thirty-one percent of the surveyed had not drunk a whole glass of spirit in their lives. Of those who reported spirit use, 13% had drunk their first glass of spirit at age 11 years or earlier, one tenth (11%) at age 12 years, one fifth at age 13, 30% at age 14, nearly one fourth at age 15 and 2% at age 16 years ESPAD 2003: The proportion of Slovenian students who had been drinking any alcohol during the last 12 months is the same as the ESPAD average - 83%, and the number that had been drunk during the previous 12 months is very close to the average (56 and 53% respectively). By rough estimations there is between 75-150.000 people addicted to alcohol in Slovenia. Survey on the use of alcohol among adult population in Slovenia - (Židanik, M: Alcohol dependence syndrome, 2001 - 18+) showed, that there is only 5% of abstainers and 48 % of regular drinkers - persons who drink alcohol beverages at least 1-2x per week. Every day alcohol is drunk by 13% of population - 22% of men and 6% of women, age over 18. Most of pure alcohol in Slovenia is consumed by wine (54%), then beer (37%) and

least by spirits (9%). We are among countries with the highest mortality due to the liver diseases in Europe (32 per 100.000 in 2000).

Alcohol production and trade

Slovenia is a wine, beer and spirits producing country. We have approximately 25,000 ha vineyards (all together), 32% of farms in Slovenia also have vineyards, annual wine production amounts to approx. 95 million litres, in all 85% of production takes place on family farms, the remaining production is carried out by undertakings. There are 15 large cellars in Slovenia with a capacity of more than 1 million litres. In Slovenia, production is equally distributed between red and white wines, 15% of them being of higher quality, 60% of medium quality and 25% cheap table wines. (Source: Ministry of Agriculture, Forestry and Food, http://agrifish.jrc.it/marspac/olivine/vineyard%20workshop%20web%20site/Slovenia_Vineyard_register.ppt).

Slovenia has registered 16.500 ha of vineyards where app. 600,000 hl of wine is produced. Yearly consumption of wine is app. 540,000 hl, import 40,000 hl and export 50,000 hl.

Data regarding production of beer and spirits are due to only a few producers classified.

Source: Statistical office of the Republic of Slovenia (<http://www.stat.si>)

The proportion of exports on domestic alcohol production (Even rough estimates will be sufficient)

Exports of goods					mio SIT	
I 2005	I - XII 2004	XII 2004	XI 2004	X 2004		
243	3 007	240	273 518	282 921	Exports	
376	165	683				
177	1 987	152	183 235	186 725	EU-25	
863	511	657				
65 512	1 019	88 026	90 284	96 196	non-member countries	
554	653	1 034	891	723	beverages and tobacco	

Source: Statistical office of the Republic of Slovenia (http://www.stat.si/novice_poglej.asp?ID=507)

Joining the EU gave the wine-producing countries easier access to the existing members' markets, although the transitional period has already made export and import easier. EU entry also opened these countries up to increased competition in their home market, according to Istok Jarc, secretary for EU affairs at the Ministry of Agriculture, Forestry and Food. "Accession represents an opportunity and a new challenge also for the grape and winegrowers in the Republic of Slovenia. Winegrowers that will quickly and properly adapt to the new circumstances (the common organization of market in wine, the fact that the single market expanded the potential market while bringing stronger competition to the Slovene market) see the European Union both as a new opportunity and as a possibility for development. Winegrowers that produce wine for their own needs (amateur winegrowing and wine trade) are

not significantly affected by integration with the EU. Some winegrowers, however, had to find inner reserves and improve the competitiveness of their production and in particular their sales." Joining the EU, however, has not brought any sales or excise tax changes for Slovenia. "Wine in Slovenia is taxed at 20 percent," said Jarc. "This is a normal VAT rate for other goods and services. There are no excise duties on wine."

(<http://winebusiness.com/html/MonthlyPrinterFriendly.cfm?issueid=79201&aid=79208>)

Share of the food-processing industry in GDP is stable for several years: 2,4 %.

Spirit producers employ 33 workers.

Wine producers employ 794 workers.

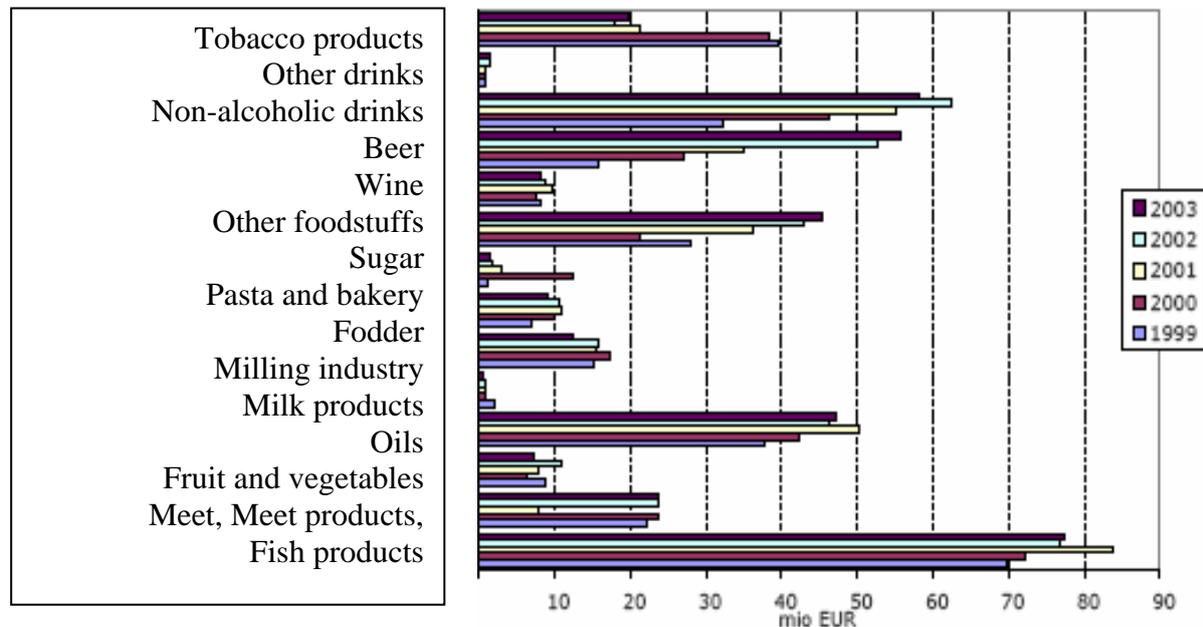
Beer producers employ 826 workers.

Total number of workers employed in January 2005: 898,990.

Source: The State Portal of the Republic of Slovenia

(http://www.stat.si/novice_poglej.asp?ID=490)

Export data:



Source: University of Ljubljana, Biotechnical faculty (http://www.bfro.uni-lj.si/Kat_agrar/Pedagosko_delo/2_Management/vaje_manag/MAN_V_2.pdf)

Second half of the 19th century was the time of great rise in viticulture science in Slovenia. It was the time of new recognitions in this field. All was interrupted by wine louse that completely destroyed vineyards. They had to be cultivated from the scratch. Renovation brought a lot of changes: new wine sorts, new arrangements of the vineyards. Agriculture cooperatives as unions of winegrowers were established. Many wine cellars were robbed during the II. World War. Inventive wine producers walled up part of cellars. This way they were able to preserve some vintages from before the war. The oldest vintage we have in Slovenia is from the year 1917. After the second world war new technology resulted in tendency towards quantity in each

harvest. In the last 20 years this philosophy is changing. Quality of wine came to the fore. Beer: Between year 1830 and until the beginning of the 20th century there were roughly around 50 breweries in Slovenia. Many of the owners were Germans, Czechs and Italians. At the beginning of the 20th century the number of breweries decreased and was decreasing till the beginning of the I. World War. After the war breweries merged in the joint-stock company. After the II. World War three considerably big breweries settled in this region: Union, Laško and a little smaller Talis. New smaller breweries were established later on (family breweries).

Administrative structure of alcohol policy

Slovenia accepted a new alcohol law in March 2003 which laid down the base for establishment of the Council for alcohol policy (established in June 2004) and for setting up alcohol action plan. The Council is responsible to the minister of health and is constituted from governmental, civil and professional representatives for all relevant sectors (see also the paragraph in Chapter 1 on Governmental structures). Health services at all levels are responsible for prevention and treatment of alcohol dependency and alcohol related diseases. Social services are responsible for providing help to direct and indirect victims of harmful alcohol consumption. National public health institute and Police are responsible for alcohol related data collection, analysis and distribution and preventive activities. In 90's more attention was also given to drinking and driving. A road traffic safety act, accepted in 1998, defined a new leading role of Council for prevention and education in road trafficking of RS established already in early 70's. The Council launched a National programme on road traffic safety that also includes prevention of drinking and driving. The enforcement of current legislation is assured by the following governmental institutions: Health inspectorate, Labour Inspectorate, Education and Sport Inspectorate, Market Inspectorate and Police.

Restrictions of availability

In Restrictions on use of alcohol beverages Law from 2003 age limit of 18 years was introduced for purchasing alcohol. Before that the age limit was 15 but only for purchasing alcohol in bars and restaurants.

Box 6.1 Age limits for buying alcoholic beverages		
	Off-premise, take-away (stores, shops, supermarkets)	On-premise, drinking on the spot (cafes, pubs, restaurants)
Beer	18 years	18 years
Wine	18 years	18 years
Spirits	18 years	18years

The alcohol law from 2003 introduces a minimum drinking age of 18 for purchasing alcohol. Stores are not allowed to sell alcoholic beverages from 9:00 p.m. to 7:00 a.m. at all days of the week and in all off-premise outlets. Various sites are not allowed to sell alcoholic beverages whatsoever, including recreational centres, educational and health establishments. It is also not allowed to sell alcohol beverages from self-service automats. There are no special regulations

regarding density of the off-premise outlets. Restrictions are well enforced and there is not a lot of violations.

Due to new Restrictions on alcohol use Law from March 2003, bars and restaurants are allowed to sell alcohol drinks till their closing time, but they are not allowed to serve spirits from the opening hours until after 10:00 a.m. It is forbidden to sell alcohol drinks in sport facilities one hour before and during sport events, also in buildings where educational or health activities are performed. These restrictions are same for all days of the week and for all on-premise facilities. There is no special regulation regarding density of the on-premise outlets. All listed restrictions are quite well enforced by Health inspectorate, Inspectorate for Education and Sport, Market Inspectorate and Inspectorate for Labour.

Alcohol taxation and prices

In November 1998, the Law on Value Added Tax and the Law on Excise Duty were adopted. The value-added tax and excise duty are to replace sales tax, the special tax on sales of export services, the special sales tax on alcohol and tobacco products. In January 2002, value added tax and excise duties on tobacco and alcohol were increased. The general value added tax rate was increased from 19% to 20%. The excise duty on vine, sparkling wine and other fermented alcohol beverages is zero tolars (national currency).

Box 7.3 Price of alcoholic beverages		
Off-license (i.e. when purchased in an average shop, or supermarket, NOT on-premise in a restaurant or bar)	Usual quantity (e.g. 1 litre, 0.5 litres)	Price (local currency)
Average locally produced or most consumed beer	0,5 l	160 SIT
Average and most consumed table wine	1 l	500 SIT
Average locally produced or most consumed spirits	1 l	2500 SIT
If it exists, other special or different local alcoholic beverage, name Viljamovka and 40% alc. vol.	0,75	5000 SIT
Average non-alcoholic soft drink (e.g. coca-cola, lemonade)	0,5 l	120 SIT

Source:

http://europa.eu.int/comm/taxation_customs/publications/info_doc/taxation/excise_tables_partI.pdf, CEPS

Alcohol advertising and sponsorship

Box 8.1 Restrictions on advertising and sponsorship*

	Complete legal ban	Partial legal restriction	Voluntary agreement	No restrictions
EXAMPLE <i>National TV</i>	<i>S (spirits)</i>		<i>W (wine)</i>	<i>B (beer)</i>
National TV	S	B, W		
Cable TV	S	B, W		
National radio	S	B, W		
Local radio	S	B, W		
Printed newspapers/magazines	S	B, W		
Bill boards	S	B, W		
Internet	S	B, W		
Points of sale	S	B, W		
Cinema	S	B, W		

Summary

Slovenia is a small country bordering Austria, Hungary, Croatia and Italy. After a long history of being part of one or the other geopolitical formation, Slovenia declared independence in 1991 and joined EU in 2004. The majority of 1,964,036 population is Slovene, with Hungarians and Italians as indigenous minorities and several other ethnic groups including Croats, Serbs and Bosnians. The official language is Slovene, except in the areas bordering Italy and Hungary where Italian and Hungarian are also official languages. Predominant religion is Catholic. Demographic characteristics in Slovenia are similar to those of the rest of the EU countries, aging of population presenting the main challenge. Slovenia began a process of economic transition to market economy in 1991. In 2003, the GDP per capita was 12,273 and the unemployment rate was 6.7%. Slovenia has a democratic political system with a bicameral parliament that consists of the National Assembly, adopting legislation and the National Council, proposing legislation. The elections to the assembly take place every four years. The president of state is elected for a maximum two 5 year terms by direct elections. The Government, an executive body, is approved by the National Assembly and consists of the prime minister, cabinet and council of 16 ministers.

Ministry of health is in charge of public health policies, including alcohol policy. In monitoring health status of population and preparing and implementing policies and legislation the ministry is supported by the National Public Health Institute, 9 Regional Public Health Institutes and Health Inspectorate. Regarding alcohol policy, its preparation and implementation, a cooperation with other sectors such as social affairs, economics, finance, education, internal affairs, justice, science and civil society has been assured by establishing a Council for alcohol policy at the Ministry of Health. Funding for monitoring, prevention and treatment of harm related to alcohol consumption is provided by the state budget and the national health insurance fund.

Production of wine, beer and spirits has a long history in Slovenia. Drinking alcohol beverages in relation to celebrating, mourning and also to quench one's thirst is part of a national culture. Temperance movement has never been widely present in Slovenia and home production of spirits has only recently been banned (early 90's). Nearly 0.2% of all employed are employed by alcohol beverage producers. The estimates for unrecorded alcohol consumption in 2000 were 5.2 liters of pure alcohol per capita. Registered consumption per capita has in 2002 amounted to 9.8 of pure alcohol, which places Slovenia among countries with high alcohol consumption. In the grownup population only 5% declare themselves as abstainers and 13% drink alcohol beverages every day. However, the consumption of alcohol has decreased by 12.2% in the past 20 years. On the other hand the incidence of adolescent alcohol use has been on the constant increase. Also, high mortality due to liver diseases although decreasing is still one among highest in Europe.

Although it was clear that alcohol represented a major public health problem, only in 2003 a Restrictions on use of alcohol beverages Law was accepted by the Government introducing among other age limit (18+) for purchasing alcohol beverages and hours of sale limit. Sale of alcohol beverages is also prohibited at recreational centres, educational and health establishments. It is forbidden to sell alcohol beverages one hour before, during and after sport events. The State has no control over licencing related to alcohol selling. A Law on Value Added taxes and a law on Excise duty were adopted in 1998, enforcing VAT (20%) and excise taxes on all alcohol beverages. However, the excise duty for wine is zero. There is a total ban on advertising of spirits and only partial ban on advertising of other alcohol beverages. Legislation is well enforced by the police and relevant inspectorates.