SMARTA smart rural transport areas

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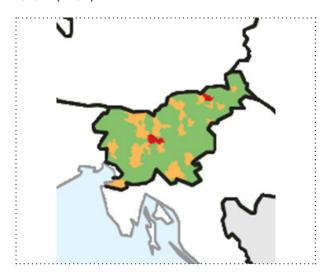
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01.05.2019

RURALITY (1)

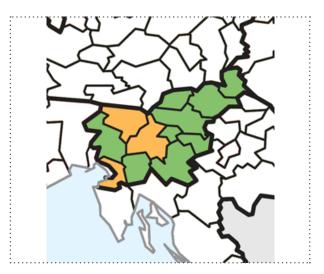
Degree of urbanisation for local administrative units level 2 (LAU2)



- Cities
- Towns and suburbs
- Rural Areas
- Data not available

Source: Eurostat, IRC and European Commission Directorate-General for Regional Policy, May 2016

Urban-rural typology for NUTS level 3 regions



- Predominantly urban regions
 - (rural population is less than 20% of the total population)
- Intermediate regions

(rural population is between 20% and 50% of the total population)

Predominantly rural regions

(rural population is 50% or more of the total population)

Data not available

Source: Eurostat, JRC, EFGS, REGIO-GIS, December 2016



DISTRIBUTION OF POPULATION



Share of people living in cities





Share of people living in rural areas

Source: Eurostat, 2017

GEOGRAPHY

Slovenia is the 4th smallest EU member with 20.000 km2. It is divided into 212 municipalities, of which 11 hold the status of urban municipalities. There is no regional level of government, the two NUTS2 and twelve NUTS3 regions are purely statistical. The division of authorities between the central government and local self-government is defined in the Constitution, the Local Self-Government Act and individual laws.

Slovenia has a predominantly rural character with 46% of the population living in rural areas, which ranks it as the second most rural EU member state (after Luxembourg). Predominantly rural areas represent over 70% of the national territory and include 9 out of the 12 NUTS3 regions.

An important geographical feature is the mountainous terrain as 78% of municipalities could be defined as mountain munici-palities (Nordregio 2004, p. 24). The population density of Slovenia is below EU average (102,5 v. 117,5), while the population density of 9 NUTS3 rural regions is on average 84, with one region reaching only 36,7. This is an important factor for rural mobility as sparse population translates into higher relative costs of providing public transport and other services.

Median age average of the NUTS3 rural regions is 44,5, which is above the national average (43,5) and above the EU average (42,8). The ageing rural population will raise the demand for health, transport and social services.

RURALITY (2)



Share of people at risk of poverty or social exclusion in rural areas, 2017

Share of people aged 16 and over who reported unmet needs for health care in the previous 12 months due to expense, distance to travel or length of waiting list in rural areas, 2017



Unemployment rate, persons aged 15-64, in rural areas, 2017



Share of young people aged 18–24 neither in employment nor in education or training (NEETs) in rural areas, 2017

Source: Eurostat



NATIONAL POLICIES RELATING TO RURAL MOBILITY AND PUBLIC TRANSPORT

There is no specific policy document relating to rural mobility, however, this topic is covered in various strategic policy documents. The **Spatial Development Strategy of Slovenia**, adopted in 2004 (and soon to be revised in the coming years), confirms the importance of the development of public transport with the assistance of the state, where "Special concern shall be devoted to good public transport links between the countryside and urban settlements".

Most recently, the government of Slovenia adopted the *Slovenian Development Strategy 2030 (December 2017).* Development of new concepts of mobility and development of public transport are identified in the framework of low-carbon circular economy goals or generally in connection to environmental protection. The strategy establishes that goals in this area will be achieved also by fostering sustainable mobility, *"including through the introduction of new concepts of mobility and increasing the share of public passenger transport".*

Among opportunities for improvements, the strategy mentions the development of "Dial-a-Ride" options (i.e. public transport on demand) and the integration of legally prescribed school buses with public bus lines to increase coverage and accessibility of public transport in rural areas. The former is also included in the Resolution on the National Programme for the Development of Transport in the Republic of Slovenia until 2030 (adopted in 2015 as an implementation document of the strategy).

The Rural Development Programme for the Period 2014–2020, approved by the European Commission in 2015, is important for general rural development and investments from EU funds. It includes the topic of accessibility of rural areas, which provides the eligibility of projects focused on the development of sustainable transport methods. However, such projects must be identified in local development strategies of local action groups that cover rural areas.



Due to the general character of the document it does not mention specifically rural mobility, although it recognizes the risk of growing the economic divide between the countryside and urban areas.

One of the key policy documents for mobility and public transport in general is the *Transport Development*Strategy of the Republic of Slovenia Until 2030, adopted in 2015. It includes a number of references to the development of sustainable mobility and public transport services while recognizing the unsatisfactory state of play regarding efficiency and coordination of public transport. This strategy reaffirms that special consideration must be given to public transport links between rural and urban settlements.

A significant everyday impact on rural mobility in individual rural areas is dependent upon policies at the municipal level. In the last few years Slovenia's municipalities were given financial support to prepare in a participatory manner local **Integrated Transport Strategies** (ITS). These documents include various actions to be implemented by municipalities in the field of mobility, both in urban and rural areas. For the most part they also include policies and actions to improve public transport accessibility in rural areas. In general, they stem from sustainable urban mobility plans (SUMPs) but modified to reflect the overall rural character of Slovenia.



INSTITUTIONAL FRAMEWORK

The institutional framework related to public transport in Slovenia is centralized. There are two main institutional actors – (1) the **state** via the **Ministry of Infrastructure** and the Slovenian Infrastructure Agency body within the ministry (prior to 2015 named "Slovenian Roads Agency"), and (2) **municipalities**.

The Ministry of Infrastructure manages on behalf of the state all procedures relating to concessions, the selection of concessionaires and the conclusion of concession contracts for the public service of inter-city public road transport connections. Another body within the ministry, the (3) **Inspectorate of Infrastructure**, implements the supervision of concessionaires. Furthermore, municipalities are responsible for the organisation of transport to schools (so-called special public transport), as they are the legal founder of elementary schools in their territory. They are also responsible for issuing licenses for taxi services in their territory.

Finally, (4) **the concessionaires,** i.e. mostly private companies, are entrusted with the provision of public transport. They must fulfil the requirements from the concession contract and receive financial compensation from the state or municipalities for the provision of public transport.



The Ministry of Infrastructure is also responsible for the public service of passenger rail transport, which is implemented by the **Slovenian Railroads company**, the project of the integrated ticket and the coordination of the entire public transport system. The ministry also decides on proposals of municipalities for the establishment of new rural-urban lines within an individual municipality.

Municipalities may establish a public service of urban public (bus) transport. In that case, they are responsible for the selection of concessionaires and the conclusion of concession contracts, maintaining local infrastructure for public transport purposes, etc. Municipalities are autonomous in setting and providing urban public transport, however, as already mentioned, their role is limited to proposals to the Ministry of Infrastructure for extra-urban public transport, which falls in the category of inter-city transport, within their territory.

To a lesser extent rural mobility is also affected by individual projects, usually co-financed from EU funds, where (5) **local development agencies** in cooperation with municipalities and/or other stakeholders achieve improvements in the mobility sector, be it by the introduction of multimodal options, improvement of cycling infrastructure or pilot cases of new approaches to rural mobility.

Overall, institutionally there is no distinction in the organisation of rural mobility, which falls under the jurisdiction of the state.



REGULATORY FRAMEWORK

The *Road Transport Act*, last changed in 2016, sets the main regulatory framework. It defines public road transport as a **service of general economic interest** (i.e. in the public domain), where inter-city connections are provided by the state, while links within individual cities may be provided by municipalities on a voluntary basis, except for municipalities with a population over 100.000 people, where such public service is compulsory.

Municipalities may propose the establishment of public transport lines between different settlements (also urban-rural links) to the state, which takes the final decision. If approved, co-financing by the municipality may be requested by the state. The law defines as an exception a narrow possibility for municipalities to include some inter-city links in the public service of urban public transport, which is subject to state approval.

Nevertheless, it points to possible future developments in the regulatory framework.

Regulation on a mode of implementation of economic public service on passenger public line transport in inner road transport and about the concession of this public service (adopted in 2009) defines in more detail the implementation of the aforementioned act. It establishes the exclusive rights of individual concessionaires to operate on individual lines (with an exception for intramunicipal lines), the general validity of the concession contract of 3 years with a maximum possible extension of 2 years etc.

Municipalities adopt own **local regulation** on provision of urban public transport service, where they define the main aspects of the concession relationship, financing,



The state and municipalities usually provide public transport service via public calls for the selection of providers that later on operate in the framework of a **concession contract** that defines the lines, schedule, financing, ticket price and other aspects of the service. The Road Transport Act also allows for dial-a-ride services that are differentiated from standard taxi services. It defines the obligation of the state and public transport providers to establish a system of integrated tickets. The act also provides for subventions for public transport for high school students and students, which reside at least 2 km from the place of education.

A recent government proposal for changes to this act, which would include a new entity for the management of public transport, a project of integrated public transport (not only tickets), new innovative transport models like web platforms, but also with the possibility of Uber operation in the country, was not successful.

sometimes also exact lines. Similarly to road transport, the Railway Transport Act defines public passenger rail transport as a public domain and public service.

Interestingly, the *Elementary School Act* is also important for rural mobility, as it defines the rights of pupils to free transport to school, provided they reside at least 4 km from the school or if their route to school is deemed unsafe. This applies to a significant part of rural roads. Oftentimes school transport is the only public transport provided in some rural areas. The Road Transport Act defines transport services for special categories of passengers as special public transport, and since previous amendments in 2013 it offers the possibility of such transport to be used also by the general public.



ORGANIZATIONAL FRAMEWORK

Public transport service in Slovenia is divided into three categories:

- inter-city public transport, provided for by the state,
- urban public transport, provided for by the municipalities,
- public railway transport, provided for by the state and the Slovenian Railroad company.

In 2013 there were 1.777 lines of inter-city public transport with a total length of 61.524 km and 128 lines of urban public transport with a total length of 1.385 km. In 2014 only 32 municipalities (or 15%) cofinanced inter-city public transport which is an indirect indicator of poor rural mobility state of play. Urban public transport was provided in 17 municipalities (or 8%) in 2014. Nevertheless, in 2014 urban public transport reached 47,5 million passengers, while the inter-city public transport handled 26,4 million passengers.

Currently, there is no actor or institution that would oversee the whole public transport or mobility system, although the tasks of planning, developing, coordinating schedules etc. fall under the jurisdiction of the Ministry of Infrastructure. The unsuccessful proposal of amendments to the Road Transport Act included the establishment of a new public body that would coordinate an integrated public transport system, which would be a welcomed progress. In the absence of such coordinating entity, the state sets inter-city connections and concludes concession contracts, while municipalities may establish urban public transport service and conclude separate concession contracts.

Urban-rural or rural-rural links fall in the category of inter-city public transport and under state jurisdiction. Municipalities may propose to the state the establishment of a new inter-city link. If such link is approved by the state but found to be in prevalent interest of the municipality, co-financing of such line is requested from the municipality.

If a new line is confirmed by the state, it is automatically included in the concession framework of the public transport provider that already operates lines in the same geographic area.

Only as an exception, a municipality may request consent from the state to extend an urban public transport line in a way that it would connect different cities.

In this case, the municipality must prove an increased migration between two cities, while the state must take into consideration the existing concession contracts, possible impacts on economic viability of existing lines and obtain a non-binding opinion from the existing concessionaire. In 2013, only 5 municipalities were granted or requested such an exception, all of them being in the vicinity of the capital city.

It is generally acknowledged that rural mobility in Slovenia and the provision of rural public transport is not satisfactory. The existing institutional, regulatory and organizational framework are not conducive to improvements in this field. Centralised state jurisdiction in managing rural mobility, which is usually in its essence a local issue, is a possible obstruction to a more dynamic and efficient organisation of this public service, that must address specific needs of the rural population. Increase of municipal autonomy in this field could in theory enable improvements, as municipalities are closer to their citizens and have a better insight into local needs, while at the same time this could represent a risk related to the provision of adequate financial resources, often lacking at municipal level.

The possibilities of integration of so-called *special public* transport, in theory meant only for an individual category of passengers (school pupils, students, workers), with general public transport, adopted in 2013 amendments of the Road Transport Act, are a step in the right direction. This kind of transport does not receive any state funds and is based on contractual relations (not concessions). In stark contrast to the abovementioned data, 169 municipalities (or 80%) financed special public transport, i.e. school transport. In 2014, only 23 of these municipalities included the possibility of general passengers using special public transport as general public transport, meanwhile in the majority of cases such integration, legally possible, was not implemented. Nevertheless, this good practice that increases the accessibility of public transport in rural areas is spreading.



FINANCIAL FRAMEWORK

The financial framework for the implementation of the public transport service is defined by the legislation, i.e. the Road Transport Act and the Regulation on a mode of implementation of economic public service on passenger public line transport in inner road transport and about the concession of this public service. Financial sources for the implementation of public transport service are the following:

- 1. tickets or financial sources paid by passengers for transport service,
- 2. compensation from the budget of the grantor of concession, i.e. state budget and municipal budgets,
- 3. co-financing by municipalities and other legal persons,
- 4. other sources, granted to concessionaires, as subsidies for transport of students, persons with disabilities and similar.

costs of concessionaries for the implementation of the public service, increased by an "adequate profit", and income generated by ticket sale. There is a limit on maximum compensation per kilometre, which was about 0,5 EUR in 2014.

Co-financing of municipalities is required, when inter-city lines were established on its proposal or if an agreement is reached on more frequent departures, a higher number of stops, extension of lines or for transport of special categories of passengers, such as school pupils, workers, etc.

The Road Transport Act also determines state obligation for subsidies of public transport of students that live at least 2 km from their place of schooling/education, with an age limit for different types of students (high school, university, adult education).



In 2014, concessionaires of inter-city public transport recorded 77,6 million EUR of income. The majority of funds came from public sources. Ticket sale amounted to about a third of concessionaire's income (26,6 mil. EUR), while public funds covered two thirds (47,5 mil. EUR). Of the latter, 19,6 mil. EUR were compensations from the ministry, 22,8 mil. EUR subsidies of tickets, 2,7 mil. EUR co-financing by the municipalities and 2,2 mil. EUR from other sources, mostly schools.

The amount of public funds granted by the state is determined in annual state budgets. The state also defines the price of tickets, correlated with the distance travelled. Compensation from the ministry is generally calculated as the difference between all eligible incurred

Detailed financial arrangements for individual lines and concessionaires are defined in the concession contract.

An identical financial framework as in public road transport is established for public railroad transport.



OTHER INFORMATION

Best practice example 01: Free car transport for the elderly in rural areas – Sopotniki <u>www.sopotniki.org</u>

Non-profit association Sopotniki (translates to Fellow passengers) unites volunteers who offer free car rides to the elderly in rural areas of West Slovenia. Since 2014 they provide a valuable service that enables elderly population in small villages to participate in active social life. Rural areas in which they operate are divided in different sectors, each having a volunteer coordinator. Elderly users communicate in advance to the coordinator their needs for transport, and the association provides it. In 2016 there were 23 volunteers in the association, 110 regular users and approximately 3–5 rides per day, mostly to the local grocery store, doctor appointments and similar.

distance travelled. Municipalities and other partners provided electric filling stations and parking spaces.

Best practice example 04: Extension of urban public transport into peripheral areas/Integration of urban and inter-city public transport in Ljubljana region

Ljubljana city urban public transport extended lines to nearby smaller cities and rural areas, improving access to public transport along new lines, also with unified pricing, while contributing to a decrease in car usage of daily migrants to the city.



Best practice example 02: Free urban public transport

Four relatively small cities in Slovenia, with a population of cca. 20.000–30.000 people, offer free public urban transport. Public bus transport can be used free of charge (by anyone or by residents) in the city of Murska Sobota, Velenje, Nova Gorica and Ptuj. Some lines also connect rural areas to urban centres.

Best practice example 03: Development of car-sharing systems

A private company Avant2Go in cooperation with 4 urban municipalities (Ljubljana, Kranj, Maribor, Murska Sobota) offers car-sharing service with rentals of electric cars. The system is based on the membership of users that reserve a vehicle. The rate for an individual ride is dependent upon the duration of car rental and

Best practice example 05: Integration of school and public transport

Different municipalities in Slovenia integrated public transport with school transport, increasing the accessibility to public transport in rural areas.

Best practice example 06: <u>Prevoz.org</u> – car-pooling platform

Since 2005, the Prevoz.org web platform connects people interested in car-pooling, be it by offering a ride or searching for one. Passengers and the car owner arrange the time and meeting point and divide travel cost. It is a non-formal solution, which offers cooperation between individuals, without intermediaries. In absence of efficient public transport from rural to urban areas, it represents an alternative solution also for rural mobility.



KEY STAKEHOLDERS AND MINISTRIES ADDRESSING RURAL AREAS

TITLE ROLE

MZI Ministry of Infrastructure / Ministrstvo za infrastrukturo

SVRK Government Office for Development and European Cohesion Policy / Služba Vlade Republike

Slovenije za razvoj in evropsko kohezijsko politiko

MKGP (responsible for European cohesion policy, development, European territorial cooperation

and international financial mechanisms, as well as involved in the preparation of Slovenia's Development Strategy and other strategic documents. The office also monitors the implementation

of development policies and programmes)

MGRT Ministry of Agriculture, Forestry and Food / Ministrstvo za kmetijstvo, gozdarstvo in prehrano

SOS (national public authority in Slovenia responsible for creation of rural development policies)

ZOS Ministry of Economic Development and Technology / Ministrstvo za gospodarski razvoj in

tehnologijo

LINKS TO WEBSITES

- www.mzi.gov.si
- www.svrk.gov.si
- www.mkgp.gov.si
- www.mgrt.gov.si
- https://skupnostobcin.si
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RURAL SHARED MOBILITY



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- Avant2Go car-sharing <u>www.Avant2Go.com</u>
- Non-profit association Sopotniki www.sopotniki.org
- Prevoz.org car-pooling platform www.prevoz.org