

New Development Model of Slovenia

Peter Glavič, Prof Emeritus

University of Maribor

Department of Chemistry and Chemical Engineering

Smetanova 17, 2000 Maribor, Slovenia

Peter.glavic@um.si; <https://www.fkkt.um.si/en/general-information/>

Sibil Svilan, Lecturer

GEA College, Faculty of Entrepreneurship

Department of Sustainable and Circular Economy

Dunajska 156, 1000 Ljubljana, Slovenia

Sibil.Svilan@gea-college.si; <https://gea-college.si/en/>

Stane Pejovnik, Prof Emeritus

University of Ljubljana

Department of Chemistry and Chemical Technology

Večna pot 113, 1000 Ljubljana, Slovenia

stane.pejovnik@fkkt.uni-lj.si; <https://www.ias.si/stane-pejovnik>

Abstract

The Development Council of the Slovenian Academy of Sciences and Arts and the Engineering Academy of Slovenia organized a roundtable in December 2024 on the topic "Why is Slovenia developing more slowly than comparable EU countries?" The meeting concluded that Slovenia needs significantly higher economic growth and a new development model of Slovenia (NDMS). Five consultations were organized in 2025: Consultation with the economy, Capital market development, Knowledge-based society, Social and environmental development, and NDMS. Major developmental weaknesses include economic backwardness, capital outflows, defensive development, fragmented innovation ecosystem, and the "valley of death". The NDMS therefore synthesizes the conclusions of the five consultations, proposes a unified NDMS, an institutional solution – the establishment of the National Council for Strategic Assessment as the central strategic "think tank" of the country, proposes a transition from a fragmented university and research system to the "University of Slovenia" network, and draws out the concept of three vertical axes of breakthrough (economic-capital, scientific-innovative, sustainable). The NDMS includes several common principles: a unified framework rather than a new set of strategies; an interactive innovation ecosystem; the quadruple helix; measurability and accountability; negotiation skills; and social consensus. The three pillars of the Slovenian breakthrough shall be: economic and capital breakthrough; knowledge, universities, and the innovation ecosystem; and sustainable development, climate, and environmental resilience. The fundamental basis is good governance, the rule of law, ethics, integrity, and efficient public administration. This allows for clarity of communication, recognition and concentration of measures into a limited number of priorities.

Keywords: New Development Model of Slovenia (NDMS), Economic Growth, Capital Development, Innovation Ecosystem, Strategic Governance, Sustainable Development, and Resilience

1 Introduction

At the University of Maribor, we have been monitoring Slovenia's sustainable development across the economic, social, and environmental fields, as well as in education, research, and innovation, for over a decade (Glavič et al., 2026). Our analyses show that Slovenia has achieved a very high level of social

development and is also progressing economically, albeit more slowly than some other comparable countries in the European Union (EU). Estonia, the Czech Republic, Cyprus, and Portugal have already overtaken Slovenia, while others (Slovakia, Lithuania, Latvia, Poland, and Croatia) are increasingly catching up. This is not a case of lagging under the last government, but rather a long-term issue spanning nearly two decades. Elites determine social and economic development and national wealth. Slovenia currently ranks 35th among 151 countries, behind the Czech Republic (22nd), Estonia, Cyprus, Slovakia, Portugal, and Romania. In the future, a higher-quality elite is needed.

The sustainable development of Slovenia, with its economic, financial, social, and environmental dimensions, was described in detail in the contribution to last year's IRDO conference (Glavič and Vodušek, 2025). The latest data was collected in the 2025 analysis, which was published in February 2026 (Glavič et al., 2026). No significant changes occurred. Slovenia stands at a historical crossroads, entering an era marked by tectonic changes in global geopolitics, accelerated technological disruption, and the inevitability of the climate transition. The documents that are the subject of this analysis – records of consultations organized by the Development Council at the Slovenian Academy of Sciences and Arts (DC SASA), and the Slovenian Academy of Engineering (SAE), as well as the documents of the Chamber of Commerce and Industry of Slovenia (CCIS) – unequivocally show that the existing economic development model that served Slovenia in the first three decades of independence is no longer sufficient to face the challenges of the future.

The analysis shows a worrying trend: Slovenia is losing development momentum with comparable European Union countries, especially those from Central and Eastern European Union (EU), which were once behind Slovenia but are now overtaking it in competitiveness and economic dynamics. The diagnosis is clear – Slovenia has fallen into the "middle-development trap", where low productivity, anachronistic fiscal system, an underdeveloped capital market, and bureaucratization stifle the potential for innovation and entrepreneurial initiative. A profound structural transformation is needed to transcend partisan interests and establish a new social agreement grounded in knowledge, creativity, sustainability, and integrity.

2 Methodology

DC SASA and SAE organized a roundtable in December 2024 to examine why Slovenia is developing more slowly than comparable EU countries. The meeting concluded that Slovenia needs significantly higher economic growth and a new development model of Slovenia (NDMS). Five consultations were organized in 2025 in cooperation with 62 speakers of the economy, research organizations, universities, and civil society: 1) Economic development, 2) Capital market development, 3) Knowledge-based society, 4) Social and environmental development, and 5) NDMS. In the last one, conclusions of the first four consultations were processed using artificial intelligence (AI) and presented alongside proposals for new development models of the Chamber of Commerce and Industry (Made in Slovenia), the Slovenian Business Club (Successful Slovenia Program), the Slovenian Development Council (The power of creative freedom), and the SAE (A new development model: Slovenia as a techno-socio-economic ecosystem).

Consultations were planned based on the analysis of Slovenia's sustainable development (Glavič et al., 2026). The speakers were selected and confirmed by the Permanent Working Group of DC SASA and SAE. Limitations include selection bias, incomplete responses from political parties, researcher subjectivity, and potential AI-related bias.

The conclusions of all five consultations, together with the four independent NDMS proposals, were processed with AI in two independent analyses; these were verified and supplemented, and they represent the starting point for the New Development Model of Slovenia 2035 (NDMS 2035). The

resulting NDMS 2035 was debated at DC SASA meetings and supplemented by 11 written opinions from its members, thereby expanding and consolidating the AI-cocreated model.

3 National development model

National development is a comprehensive process by which a country improves its citizens' overall well-being and quality of life. It involves holistic advancements across economic, social, political, and cultural dimensions, moving beyond economic growth to include better healthcare, education, and equal opportunities (Joireman & Haddad, 2023). Core Aspects of National Development are:

- **Economic Growth:** building a more productive economy, increasing agricultural and industrial output, and boosting per capita income.
- **Social Welfare:** eradicating poverty, improving public health facilities, and ensuring access to quality education for all citizens.
- **Infrastructure and Technology:** developing transportation networks, communication systems, and utilizing science and technology to drive progress.
- **Institutional and Political Capability:** establishing a responsive state with capable administration, fair governance, and internal cohesion.

A *national development model* (NDM) is a country's overarching strategy for advancing its economy, institutions, and societal well-being (Turner & Wangchuk, 2021). It dictates the balance between state intervention and free markets, outlining how a nation industrializes, allocates resources, manages infrastructure, and distributes wealth to improve its citizens' overall quality of life (Pritchett, 2021). It generally rests upon three foundational pillars:

- **Productive Economy:** Strategies for wealth creation, industrialization, trade, and technological innovation.
- **Capable Administration:** Efficient government institutions, regulatory frameworks, and public service delivery.
- **Responsive State:** Mechanisms for social inclusion, wealth redistribution, and citizen engagement.

Common national development models (AI-generated overview) are:

- **State-Led Development Model:** Governments take an active, directive role in the economy by owning key industries, heavily subsidizing strategic sectors, and implementing strong protectionist policies (e.g., historical East Asian models, modern China).
- **Neoliberal / Free-Market Model:** Emphasizes deregulation, privatization, and free trade. The state limits its role to maintaining the rule of law and enforcing property rights, trusting the free market to allocate resources efficiently (e.g., the United States and the United Kingdom).
- **Social Market / Welfare Model:** Combines a free-market capitalist economy with robust social policies, including universal healthcare, strong labour protections, and progressive taxation to reduce inequality (e.g., the Nordic model).
- **Export-Oriented Industrialization (EOI):** Focuses on rapid industrialization by opening domestic markets to global competition and incentivizing the production of goods tailored for export (e.g., the Four Asian Tigers: South Korea, Taiwan, Singapore, and Hong Kong).

3.1 National development model of Slovenia

The Slovenian government published *Slovenia's Vision* in 2016 and *Slovenian Development Strategy* in 2017. Both documents have undergone significant changes since then. Slovenia's vision for 2050 is a transition to a climate-neutral, resilient society with a low-carbon, circular economy; it focuses on sustainable resource management, strengthening international competitiveness, balanced regional development, quality of life, and ensuring high prosperity while preserving the natural environment (Portal GOV.SI, 2025). Key pillars of this future include:

- **Climate Neutrality and Sustainability:** Slovenia aims to achieve net-zero emissions, heavily relying on renewable energy, sustainable mobility, and healthy, locally produced food. The transition prioritizes climate justice, ensuring that vulnerable groups are protected.
- **Balanced Regional Development:** The national strategy strives to end centralization by creating connected regions. The goal is to provide residents with access to high-quality jobs and essential public services within a 35-kilometer radius of their homes.
- **Circular Economy and Digitalization:** Building on its strengths, the economy will be anchored in circular-economy models and digital excellence, turning innovative ideas into practical, sustainable solutions.
- **Spatial Harmony:** Modern spatial development plans seek to green urban areas and increase their climate resilience while ensuring that rural communities retain comparable living conditions and services.
- **High Well-being:** At its core, the vision is centred on the happiness, health, and lifelong learning of its people, fostering a society that values trust, safety, and deep respect for both the environment and future generations.

Slovenia's national development program operates through an integrated framework that fosters a competitive economy, sustainable development, and regional cohesion. At its core, the program encompasses several overarching strategies, key investment initiatives, and international partnerships. Its primary components are:

1. **Slovenian Development Strategy 2030:** This overarching vision serves as the foundation for all national development planning. It focuses on five core pillars to improve the quality of life for Slovenian citizens:
 - **Inclusive, healthy, and safe society:** Promoting lifelong learning and an effective modern social state.
 - **Learning for and through life:** Fostering a modern educational system tailored to lifelong skill development.
 - **Highly productive economy:** Boosting innovation, digitalization, and the transition to a circular economy.
 - **Well-preserved natural environment:** Integrating sustainability and climate resilience into infrastructure and everyday life.
 - **High level of cooperation:** Ensuring effective governance and civic trust.
2. **The Development Programs Plan (DPP) and National Development Projects.** To operationalize the long-term strategy, the Slovenian government maintains rolling multi-year Development Program Plans. These plans outline and fund concrete state investments across sectors, spanning infrastructure, healthcare modernization, and significant modernization of the Slovenian Armed Forces.
3. **Recovery and Resilience Plan (RRP).** To recover from economic shocks and accelerate sustainable growth, Slovenia's RRP targets key structural bottlenecks. Key investments and reforms center on decarbonizing the economy, digital upskilling, and modernizing both the public healthcare system and long-term care.
4. **Specialized Strategies.** Alongside broad goals, the Slovenian government coordinates focused initiatives in various emerging sectors, such as the National Strategy for Artificial Intelligence, the Strategy for Regional Development until 2050, and the Slovenian Startup Strategy, to keep the economy globally competitive and decentralized.

4 Results

4.1 Introduction: from a series of strategies to a unified model

After three decades of independence, Slovenia is at a turning point in its economic development. Statistical data from the IMD, OECD, the European Commission, and national analyses by IMAD (The Institute of Macroeconomic Analysis and Development of the Republic of Slovenia) and EIPF (Economic Institute) clearly show that Slovenia is persistently not developing as fast as comparable EU countries in productivity, investment in fixed and intangible assets, capital market development, and innovation performance. The consultations organized by the DC SASA and SAE in 2024–2025 revealed three key truths:

1. The finding that the Slovenian economy is not growing fast enough is well-known and documented – economists, engineers, lawyers, sociologists, and representatives of the economy agree on it.
2. Slovenia has a critical mass of knowledge, institutions, and people that would enable a development breakthrough – from top research institutes and companies to competent individuals in public administration.
3. It does not have a single development model, implementation architecture, or political-economic consensus to enable this knowledge to become a development force.

At the consultations, several speakers expressed the same fundamental message in different ways: a new development model is needed, along with a new social agreement that goes beyond the current partial strategies and unimplemented resolutions. This paper, therefore:

- Synthesizes the conclusions of five consultations (economic backwardness, financial system, knowledge-based society, sustainable development),
- Translates them into a unified “new development model of Slovenia 2035” (NDMS 2035),
- Proposes an institutional solution: the establishment of the National Council for Strategic Assessment (NCSA) as the central strategic “think tank” of the country,
- Proposes a transition from a fragmented public university and research system to the “University of Slovenia” – a network of European competitive innovation institutions,
- Outlines the concept of three directions for the breakthrough (economic/capital, scientific-innovative, social/sustainable) on a common basis of good governance, ethics, and integrity.

The document's goal is not just another declaration or resolution, but an operational framework for concentrating political will, academic knowledge, and economic energy into a few key, feasible strategic projects by 2035. It contains essential elements of the future NDMS 2035.

4.2 Starting point

Over the past thirty years, Slovenia has adopted a series of strategies and resolutions, including development strategies, Research and innovation policy strategies, Capital market development strategies, and Strategic documents on sustainable development, energy, and regional development (Portal GOV.SI, 2025). Most of these documents have remained unimplemented or only partially implemented, as repeatedly highlighted during the consultations. The adoption of a new resolution in the National Assembly does not bind anyone unless it is accompanied by a clear implementation architecture, a responsible institution with a mandate and the powers to carry it out, measurable goals and indicators, and a political consensus that endures beyond a single government mandate.

At this point, the concept of the “third social consensus” (Jože Repe, SAZU Events, 2026) recurred in the discussions: after gaining independence and joining the EU/NATO, Slovenia was left without a new common vision for development.

4.3 What does the New Development Model of Slovenia 2035 (NDMS 2035) bring?

NDMS 2035 is an attempt to integrate existing strategic documents, consultation conclusions, recommendations of European institutions, and domestic expert initiatives into a unified framework. It assumes that without a change in the administrative and institutional architecture (e.g., the Slovenian innovation ecosystem, the National Council for Strategic Assessment, and the University of Slovenia network), strategies remain dead letters on paper. The document is based on the conclusions of five consultations organized by the DC SASA and the SAE in 2024–2025, as well as on additional discussions with representatives from business, academia, and civil society.

4.4 Diagnosis: five main developmental weaknesses

4.4.1 Economic backwardness and capital export

Analyses and presentations by V. Bole (EIPF), P. Glavič, and P. Wostner (IMAD) show:

- Cumulative net capital exports from Slovenia (as a fraction of GDP) by 2023 exceed those of the most developed EU countries by more than 70 %,
- Relative decline in fixed asset investments (in terms of GDP) compared to the most developed EU countries by about a third, and with the new member states by a fifth,
- Consequent lagging behind in productivity.

This means that people's savings are high, but investments in the domestic economy are too low, and the capital market is underdeveloped, opaque, and lacking in trust.

4.4.2 EU de-industrialization and Slovenia's development defensive

(J. P. Damijan and D. Babič) pointed out the EU's deindustrialization, productivity stagnation, energy crisis, technological lag in critical technologies (the EU is not developing any of the 64 critical technologies; it is developing them more slowly than the USA and even more slowly than China), and lag in the development of green technologies and advanced materials. Slovenia is adopting and even exacerbating these European trends rather than seeking niche-leading positions.

4.4.3 Fragmented innovation ecosystem and “valleys of death”

Attention shall be drawn to the “valleys of death” between the Technology Readiness Levels TRL 1–2 and TRL 3–5, and especially between TRL 3–5 and TRL 6–8, to the disconnection between directing public funds in RDI (Research, Development and Innovation) and the strategic goals of companies and RDI institutions, and to the disconnection between ministries (science and education, economy and labour, environment and spatial planning, etc.) and the absence of a common cross-cutting strategy. The key problem is the fragmentation of departments and projects without integration into a common development framework.

4.4.4 Bureaucratization and negative selection in the administration

Several panelists highlighted increasing bureaucratization, the practice of firing officials without fault with each new government, a system of “four-eye control” for everyday decisions, and a low willingness among career officials to take responsibility and risk. This produces an administrative apparatus that is slow, defensive, and focused on procedures rather than results.

4.4.5 Fragmented university system and lost breakthrough potential

Slovenia has too many universities and higher education institutions, strong research institutes, and ambitious individuals. Unfortunately, the university system is increasingly fragmented, underfunded, and strategically unfocused. Instead of them, a unified, globally competitive “University of Slovenia”, a multitude of public entities that struggle to reach a critical mass of breakthrough innovation centres. Slovenia can transition from a fragmented university and research system to the University of Slovenia

– a network of European-competitive innovation institutions that generate knowledge for the economy and society.

Table 1: Summary of experts' analyses and proposals from consultations

Main development problems	Proposed measures	Responsible institutions	Expected results	Possible indicators
Too slow relative economic growth	Favorable conditions for investment	Politics and the economy	Higher value added	Real GDP per capita
Little research, development, and innovation	Higher financing, creativity, and productivity	Government, researchers, and the economy	More basic and applied research and development	Patents and productivity rankings
Excessive capital outflow	Domestic government borrowing	The Government and the Ministry of Finance	Allocation of deposits to public bonds	Share of domestic public debt
Underdeveloped capital market	Reestablishing investor confidence	The Government and the National Assembly	Compensation for expropriated parties	Market capitalization and liquidity
Low political elite quality	Mixed electoral system	Voters' referendum	Mandatory for political parties	The majority share of the vote
Outdated national development model	New national development model	Experts and the National Assembly	Faster and higher-quality development	Sustainable development indicators

4.5 Principles of the new development model

Based on the discussions, some common principles of NDMS 2035 can be summarized:

1. A unified framework, not a new set of strategies; NDMS 2035 is a meta-framework that connects existing strategies, not another document that multiplies them.
2. Slovenian innovation ecosystem – instead of a linear model of knowledge transfer (TRL 1–9), shall move to an interactive model in which academia, industry, and the state cooperate, knowledge and responsibilities circulate, roles are not predetermined, and goals are clearly set. Moreover, results are measurable based on predefined quantifiers.
3. Quadruple helix (state – academia – industry – civil society); the triple helix is not enough – civil society and municipalities must become co-creators, not just addressees.
4. Measurability and accountability – each strategic goal must have Key Performance Indicators (KPIs), a carrier, a timeline, and an overview of progress.
5. Consensus, not monolithic – social consensus of political parties is needed on the 2035 goals, not necessarily on all instruments; this reduces fluctuations between governments.

5 Three breakthroughs of NDMS 2035

As a visual and conceptual tool, the framework of three breakthroughs is proposed: 1) economic and capital breakthrough, 2) Knowledge, universities, and the innovation ecosystem, and 3) Sustainable development and climate-environmental resilience. The fundamental basis includes good governance, the rule of law, ethics, integrity, and efficient public administration. This metaphor enables clarity of communication, visibility, and concentration of measures into a limited number of priorities.

6 Pillar I: Economic and Capital Breakthrough

6.1 Key goals by 2035

1. Slovenia approaches the best comparable EU countries in terms of economic development and productivity.
2. Net capital exports decrease significantly; a larger share of savings is invested domestically.
3. The capital market becomes a development infrastructure, not a by-product of the banking system.
4. The share of high-tech exports and value added per employee increases.
5. A deep sociological concept of transitioning from the Organizational Consciousness OC3 (order, rules, hierarchy, bureaucracy) to OC4 (systems thinking, connectivity, agility, innovation) is introduced. The transition to OC4 requires a new educational model that teaches critical thinking and collaboration, and media that do not promote conflicts.

6.2 Capital market and investment malnutrition

The consultation on the development of the capital market adopted the following decisions, which the NDMS 2035 shall include as operational:

- Development of the primary and secondary capital market
- Promotion of the listing of companies on the stock exchange (initial public offerings, IPOs)
- Development of special bonds (local, green, mortgage)
- Introduction of a mandatory second pension pillar and strengthening the third one
- Restoration of confidence in the domestic capital market (compensation of expropriated persons, clear rules of the game)
- Redirection of part of household savings from bank deposits to long-term investment instruments.

6.3 Tax-financial environment and the role of companies

At the business consultations (commerce, industry, business, entrepreneurs', and managers' associations), the same point was emphasized twice: 1) the tax-financial system must not penalize growth, innovation, and work, and 2) it must ensure stable financing of the welfare state.

NDMS 2035 proposes a consensual tax reform that a) reduces the burden on highly productive work (development personnel, highly qualified experts), b) maintains a decent level of public services, and c) introduces targeted tax incentives for RDI, scale-up companies, and green restructuring.

6.4 The role of development and promotion institutions

SID bank, Slovenian Enterprise Fund, Eco Fund, Slovenian Regional Development Fund, and others must act in a coordinated manner, become instruments of breakthrough financial engineering, and combine EU funds, budget funds, and private capital into hybrids (guarantees, mezzanine, equity).

7 Pillar II: Knowledge-based society and the University of Slovenia

7.1 Goals until 2035

1. Slovenia shall again be ranked among strong innovators according to the European Innovation Scoreboard (EIS).
2. The University of Ljubljana will enter the top 500 of the Academic Ranking of World Universities (ARWU), and the University of Maribor the TOP 1000 of it.
3. The "University of Slovenia" network can be established – a network of innovation institutions that unites public universities, public institutes, and university clinical centres.

4. The structure of RDI and higher education funding will reach the level of the best comparable EU countries.

7.2 University of Slovenia – a shift from fragmentation to network

Central concept: Slovenia shall move from a fragmented university system to a “University of Slovenia” — a network of European-level institutions. These competitive innovation institutions contribute to the country's economic growth and welfare. The goal is a leap into the league of the best by 2035. Key elements of the proposed University of Slovenia could be:

- Preservation of the legal identity of existing universities,
- Educational institutions are included in lifelong learning,
- The establishment of a *common structure* that coordinates strategic direction, manages a common research infrastructure, develops interdisciplinary “multiverses” (multimodal, interdisciplinary programs), and supports knowledge transfer and spin-offs.

7.3 Slovenian innovation ecosystem

Instead of the linear model TRL 1–9, NDMS 2035 proposes the following model:

- All key actors (academia, companies, state, financial institutions) are part of an interdependent ecosystem that must constantly maintain a balance between individual building blocks,
- Knowledge, projects, and capital circulate within the system,
- The role of individual building blocks changes dynamically between actors, and
- The scientist’s goal is a new product on the market, a new service, a social innovation, not just an article publication, or acquisition of a European project.

Operatively, this means

- Amending the Scientific Research and Innovation Act in the direction of encouraging spin-off companies, evaluating cooperation with the economy, equal treatment of public and non-public non-profit research and development institutions and companies in the research and development cycle, and greater flexibility of career paths (academy-industry exchange), and
- Strengthening the innovation pillar of ARIS (Slovenian Research and Innovation Agency) or, even better, the renewed TIA (Public Agency for Technological Development as a neutral integrator of the interests of state, economy, academia, and civil society.

7.4 Talent, mobility, and internationalization

Key measures are:

- Massive increase in mutual mobility (students, researchers, professors),
- Allowing and encouraging the simultaneous translation of Slovenian lecturing and consultations into English and back at the 2nd and 3rd cycle of studies,
- Attracting foreign professors and researchers,
- Promoting “targeted doctorates” for the economy.

8 Pillar III: Sustainable Development – socio-environmental one, climate resilience, and social cohesion

8.1 Sustainability as a development opportunity, not an additional cost

The “Sustainable Development – Social, Environmental and Integral” consultation highlighted that Slovenia exceeds 7 of 9 planetary boundaries, that its climate policy is unbalanced (emphasizing mitigation while neglecting adaptation), and that there is a risk of negative tipping points in the Earth system. NDMS 2035 proposes a transition from a defensive to a proactive sustainability strategy, in

which community energy projects, regenerative agriculture, sustainable mobility, and climate-resilient infrastructure become a development engine rather than an obligation.

It is necessary to reduce material and energy consumption, increase their efficient use by the population and the economy, use renewable sources, and reduce waste generation toward zero by increasing waste reuse in a circular economy. Social responsibility and sustainability reporting shall be increased across corporate, public, and governmental organizations, as well as by families and/or individuals.

8.2 Sustainable and circular economy

A sustainable and circular economy is a model of production and consumption that promotes the connection of production and consumption with the environment, the long life of products (sharing, renting, repairing, refurbishing, and recycling), so that materials remain in use for as long as possible and waste is reduced to a minimum. This addresses the limitation of natural resources and reduces the environmental footprint and other sustainability (socio-economic) aspects. The key characteristics and elements are:

- Design for sustainability and circularity: products are designed for a long life, easy repair, and recycling.
- Life extension: repair, upgrade, and reuse instead of immediate replacement.
- Recycling and return of materials to the value chain: waste is treated as a source of raw materials.
- Extended producer and consumer responsibility: producers bear greater organizational and financial responsibility for packaging and waste; consumers act responsibly with waste and products and reduce emissions and negative externalities.
- Systemic approach and stakeholder engagement: the public sector, businesses, research, civil society, and individuals work together for a sustainable and circular transition.
- Design and innovation: sustainable and circular, and eco-design, use of recycled materials, and modularity of products.

Implementation requires coordinated policy and financial incentives:

- Policies and regulations: legislation, incentives, and standards;
- Sustainable business models: rental, sharing, service as a service, return, and recycling of materials;
- Collection and processing infrastructure: separate collection, processing, and return systems for materials, electric charging stations, and mobility;

and involves some opportunities and threats:

- Benefits: sustainable business models and product life cycles, reduced raw material consumption, lower greenhouse gas emissions, greater resilience of supply chains, and new business opportunities;
- Risks: need for initial investments, complexity of supply chain transformation, lack of infrastructure, and potential regulatory challenges.

8.3 Social dimension of sustainability

Key points include preventive health policy, long-term care, active aging (the continued working of pensioners with undiminished pensions), reducing inequality, strengthening social cohesion, and zero tolerance for corruption and state capture.

9 Breakthrough management: NSRC – National Council for Strategic Assessment

9.1 Why is a new body needed?

One of the strongest common findings of the consultations was that Slovenia has no body with a strategic view beyond traditional political (time) mandates, competence for systemic integration, legitimacy in the eyes of academia, politics, and business, and a mandate to monitor and accelerate implementation. Therefore, a supra-mandate National Council for Strategic Assessment (NSRC) is proposed.

9.2 Mission of NSRC

NSRC acts as a joint strategic think tank of the country, connecting academic intelligence, political decision-making, and economic value creation. It has the authority to coordinate, monitor, and accelerate the implementation of development projects, and to make decisions in close partnership with the government, business, and civil society. NSRC's core tasks are:

- Preparation, coordination, and regular updating of the NDMS 2035,
- Selection and monitoring of 3–5 strategic projects representing a cluster of breakthroughs.

9.3 Composition of NSRC

Proposed composition (parity):

- Representatives of academies, universities, and research institutes, university clinical centres;
- Government representatives (key departments: finance, economy, higher education, energy and environment, regional development);
- Representatives of the economy (Chamber of Commerce and Industry of Slovenia, Slovenian Business Club, Managers' Association of Slovenia, Chamber of Agriculture and Forestry of Slovenia);
- Representative of civil society (NGOs in the field of sustainability and integrity, e.g., Umanotera).

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10 Implementation by 2035, stages and milestones

Phase 1 (2026–2027), consolidation and architecture: adoption of the NDMS 2035 by the government and the National Assembly (not necessarily as a law, but as a binding framework), establishment of the NSRC, agreement on the University of Slovenia (framework model and timeline), updating of key laws (on scientific research and innovation activities, higher education, capital market, public finance) from a breakthrough perspective.

Phase 2 (2027–2030), breakthrough projects: launch of 3–5 strategic projects with high multiplication (e.g., SMR, green cement, University of Slovenia, hydrogen valleys, capital market), implementation of the innovation ecosystem (integrated calls for tenders TRL 3–9), strengthening of the capital market (IPO, green bonds, pension and mutual funds).

Phase 3 (2030–2035), internationalization: measurable progress in productivity and sustainability, innovation indicators, consolidation of the University of Slovenia in the European academic space, NSRC as a permanent strategic body with periodic verification and updating of the development model.

Detailed financing, legal design, and monitoring mechanisms are outside the scope of the present paper.

Action plan:

1. In the first 24 months, the focus should be on reforms that remove bottlenecks (predictability of procedures, professionalization, and measurability of the public sector, stable development financing, and clear architecture of strategic projects).
2. In the second phase, a “pipeline” of knowledge conversion into value should be established: Proof of Concept (PoC) financing, intellectual property (IP) rules, test environment, universities as an invention-innovation centre, attracting RDI.
3. In the third phase, consolidate opportunities (energy, demography, decentralization without cost growth, measurement of trust and institutional efficiency).

11 Conclusion

The three breakthroughs of NDMS 2035 are a call to maturity to:

- No longer accept strategies without responsibility,
- No longer tolerate investment malnutrition and capital outflow,
- Disagree with the fragmentation of knowledge and the university system,
- Not understand sustainability as an additional cost, but as an opportunity.

12 Future research and development

Future research will include a concise comparison with similar national development frameworks from other countries. It shall broaden participation to include regional actors, citizens, younger people, employees, entrepreneurs, environmental organizations, and other groups affected by the proposed development model. The framework could then be validated through Delphi studies, comparative research with similar EU countries, and legal and organizational feasibility studies of the proposed institutions. It should lead to a continuously developed process for strategy examination and refit.

The proposal will be developed into a complete national implementation framework. This will require a clearly defined legal status, division of responsibilities among institutions, measurable baselines and targets, an indicative financial plan, regional implementation arrangements, and a transparent monitoring and revision cycle. Future work will also broaden stakeholder participation (APA, 2020), test the proposed institutions through legal and organizational feasibility studies, compare Slovenia systematically with selected countries, and pilot selected strategic measures before national implementation. These structural additions would transform the proposal from an expert strategic concept into an accountable, testable, and adaptable national development framework.

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