

Urban Land Use Management in Ljubljana: From Competitiveness to Sustainability - or vice versa?

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1 ABSTRACT

Ljubljana, the capital city of Slovenia, is the largest town with approx. 250.000 inhabitants, located at the cross-roads between Central Europe, the Mediterranean, and the South-East Europe. Ljubljana has been exposed since 1990s to the international challenges of globalization, Europeanisation and inter and intra-city transformation. As a result of successful macro-economic reforms and sectoral policies (1992-2004), the City Municipality of Ljubljana (NUTS 5) and Central Slovenian statistical NUTS 3 region (or Ljubljana urban region) became the most important locations of economic activities in Slovenia, and one of the most competitive urban areas in Central Europe - while at the same time preserving social cohesion, environment and the quality of life for local citizens. Since year 2003 local authorities including the City Municipality of Ljubljana have been also obliged by the new Spatial Management and Planning Acts (2002, 2007) to formulate and adopt their own long-term spatial development strategies, and detailed land-use plans according to the sustainable development paradigm but also to market demands of capital investors and landowners. The overall objectives of these spatial development strategies are to facilitate future development of Ljubljana as “competitive and sustainable Central European capital city in an enlarged Europe”. The successful implementation of different strategies and land use plans will depend upon the ability of local leaders to encourage active involvement of professionals, local communities, inhabitants as well as co-operation and partnership between different public and private institutions and other stakeholders in order to achieve complex goals of city competitiveness and sustainability - but also to accommodate the new demands for energy efficiency, low carbon cities, and the lack of capital investments at the time of global financial austerity.

2 INTRODUCTION

“A strategy is a long term plan of action designed to achieve a particular goal. A strategy is a target-oriented approach having in mind a long- term-plan, in controversy to short-term tactics as a part of a strategy”. (ISOCARP Congress, 2005)

Ljubljana is the largest (267.760 inhabitants in year 2009, SORS) and the most important city in Slovenia (2.032.262 inhabitants, SORS), located at the cross-roads of Central Europe, the Mediterranean, and South-East Europe. Ljubljana, the historical cultural capital of Slovenia was exposed in the 1990s to the international challenges of globalization, Europeanisation (or rather “EU-isation”), political, economic and institutional reforms that have shaped inter and intra-city transformation of Ljubljana, increased city competitiveness in the (inter)national context with different impacts on economic and social cohesion

Since 1991 political, economic and institutional reforms in Slovenia have been under direct influence of EU recommendations for achieving Maastricht convergence criteria, harmonisation of legislation, standards, norms and policies, as requirements for fully-fledged membership of the EU in year 2004. Since 1995 Slovenia has appeared to be the most successful Central and Eastern European country in implementing political and economic reforms and managing its own domestic and foreign affairs (Hamilton et al., 2005). Historically, Slovenia was the most developed republic of the former Yugoslav Federation, and a market and export oriented country even before 1990, due to its geographical location, former “self-management” system of exposing companies to international competition, and business relationships with European partners. Slovenia has the most outward-oriented economy with a relatively narrow technological gap. GDP per capita is compatible with Greece and Portugal and two or three time higher than in other Central and Eastern European countries (Hamilton et al., 2005; Pichler-Milanović, 2005a). Slovenia became the fully-fledged EU member state in May 2004, adopted the EURO currency in January 2007 and joined the Schengen border area in December 2007. Between January-June 2008 Slovenia assumed the Presidency of the Council of the EU, as the first new EU member state to be entrusted with such responsibility.

The independence of Slovenia from the former Yugoslav Federation in 1991 was an important »trigger« for the capital city formation – strengthening administrative, financial and business functions, and internationalisation of Ljubljana, - strengthening of cross-border links with cities and regions in Central Europe, the emergence of the new political, economic and cultural links with (capital) cities in the EU member states, and (re)establishing contacts with other cities and in the former Yugoslavia (Pichler-Milanović, 2005a, 2005b). Ljubljana has substantial comparative advantages relative to other Central and Eastern European cities on the basis of the strategic geographical location in Europe, strengths of the national and city economy, institutional capacity for reforms, social cohesion and environmental quality (Pichler-Milanović, 2005a, 2005b).

But the overall spatial development and land use management of Ljubljana since 1991 was not a result of the spatial development strategy and land use plans adopted in 1980s, but due to the:

- macro-economic reforms and sectoral development policies in 1990s, that led to fully-fledged Slovenia's membership of the EU in year 2004,
- location of economic activities and public services in the capital city of Ljubljana, as a result of capital city formation and enhanced city competitiveness;
- privatisation of housing and land in public ownership, restitution, de-industrialisation, de-regulation, etc. as a result of market and structural reforms;
- ad-hoc development decisions of investment-led public authorities in the city of Ljubljana and in municipalities in Ljubljana urban region – to accommodate private demands of population and commercial activities for new housing, offices, shopping centres, enterprise zones, etc, not taking in consideration urban identity or urban design recommendations;
- new spatial and land use planning regulation since 2002 with new strategic documents, laws, by-laws and standards but lack of effective land use policy instruments with negative consequences on property development;
- demands from capital investors and landowners for property investments irrespective of regulations to protect public vs. private interests;
- inadequate participation of civil society in the process of spatial and land use planning especially in the case of large (state) investments in infrastructure.

In Ljubljana coherent land use planning and strategic spatial development activities were neglected in 1990s because of the priorities of macro-economic reforms, and the negative connotation of the planning system with the former socialist regime. The most important urban land use projects in 1990s were mainly related with new multi-dwelling private housing development on brownfields (e.g. former military sites of the Yugoslav Army) or on unused urban land (mainly reserved for industrial development in 1980s), development of new shopping centres, completion of the circle motorway around the inner-city of Ljubljana, and residential and commercial sprawl at the periphery of the inner-city area or in suburban municipalities, etc. Most of these new urban projects occurred not according to the spatial development and land use plans from 1980s but through changing land use of particular land plots in existing spatial and land use planning documents to accommodate new demands of the population and capital investors.

3 THE LOCAL GOVERNMENT REFORMS: TRANSFORMATION OF THE CITY TERRITORY

From 1955-1994 the city agglomeration of Ljubljana was administratively divided into *five communes*: Center, Bežigrad, Šiška, Moste-Polje and Vič-Rudnik. In 1991 the territory of Ljubljana agglomeration comprised of 902 sq.km and 321.607 (SORS, www.stat.si) inhabitants which expressed the diversity of city's geographic location and morphological form. Division of the city into five communes was made in the context of decentralisation and self-management reforms to achieve 'even' redistribution of resources (services, housing, industrial investments, etc.) despite disadvantages for urban planning and management.

In December 1994 new *Local Self-Government Reform Act* has changed the local administrative division of Slovenia - from 62 communes to 211 municipalities (NUTS 5) by year 2009 of which only 11 are the *urban municipalities*. At the same time the state (re)created 58 local administrative (NUTS 4) units, equivalent to previous larger communes, with the exception of Ljubljana agglomeration (former five communes) that became one NUTS 4 unit after year 1994. New local government reforms in late 1994 transformed the city of

Ljubljana administratively and spatially. The official city territory was reduced from 902 to 272 sq.km. The administrative division of the agglomeration into five communes was abolished with establishment of the City Municipality of Ljubljana and 9 surrounding small NUTS 5 municipalities: Brezovica, Dobrova-Horjul-Polhov Gradec, Dol pri Ljubljani, Ig, Medvode, Škofljica, Velike Lašče, Vodice, and the new small municipality Log-Dragomer from 2009 onwards (see Figure 2), with their own mayors and municipal councils. *The City Municipality of Ljubljana* became the largest local authority in Slovenia.

Characteristics of administrative city of Ljubljana	Ljubljana agglomeration (NUTS 4)*						City Municipality of Ljubljana (NUTS 5)
	Total	Center	Bežigrad	Šiška	Moste-Polje	Vič-Rudnik	
Area (sq.km)	902	5	46	156	152	544	272
Population (1991)	321607	28351	58150	82845	72081	80180	272637
Density (pop/sq.km)	357	5670	1264	531	474	147	1002
Settlements (NUTS 7)	292	1	8	54	38	189	38

Table 1: Administrative division of the “city” of Ljubljana (Source: Pichler-Milanović, 2005a. SORS, www.stat.si)

* Ljubljana agglomeration (1955-1994): former 5 communes (NUTS 5); Ljubljana City Municipality (>1994)

The most visible form of Ljubljana’s capital city formation in 1990s can be seen in establishment of new ministries and government offices, foreign embassies, consulates, representatives of international organisations and foreign companies, and since EU membership in 2004 the increase in the number of foreign tourists and visitors, with renovation and enlargement of existing hotels and establishment of new tourist capacities. The other spatial impact of *internationalisation* is the development in transport infrastructure such as completion of motorways, expansion of Ljubljana international airport with transnational intercity flights, development of telecommunications and the importance of the information society (e.g. commerce, banking, governance, etc).

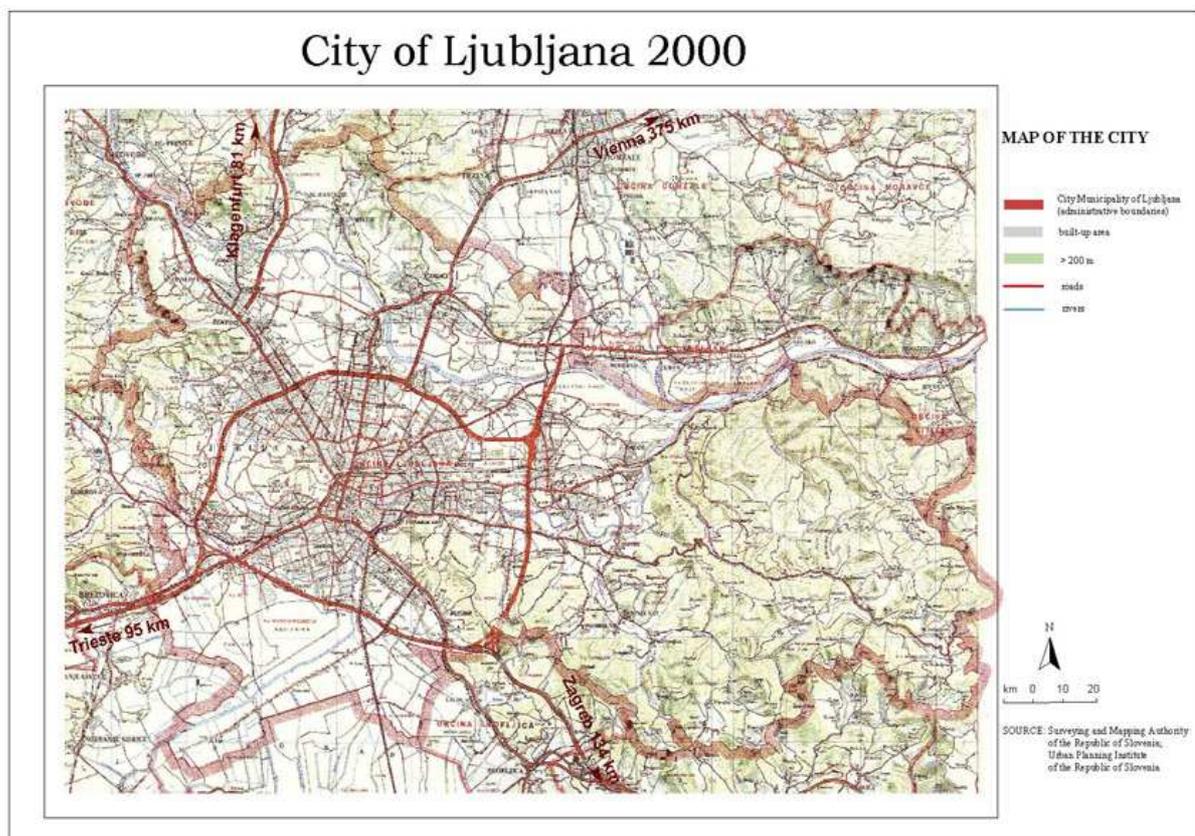


Figure 1: City Municipality of Ljubljana (NUTS 5), Source: www.gu.gov.si.

Until January 2010 no regional NUTS 3 administrative level (provinces) has been established as yet in Slovenia, due to long-term professional and political negotiations about the number and determination of administrative NUTS 3 regions. For analytical purposes *12 »statistical« NUTS 3* regions (known in 1980s as

»planning« regions) have been used for statistical and analytical purposes as well as in the regional policy documents known as »developing« NUTS 3 regions until the process of regionalisation is completed (by year 2011). The city of Ljubljana is a centre of Central Slovenian statistical NUTS 3 region, that is the largest region in Slovenia by population size (approx. 500.000 inhabitants) or 25% of total Slovenian population but not by the size of its territory (12.6% of Slovenian territory). Central Slovenian NUTS 3 statistical region is often called “Ljubljana Urban Region”, especially after establishment of the Regional Development Agency of Ljubljana Urban Region in year 2002 (www.rralur.si).



Figure 2: City Municipality of Ljubljana (NUTS 5) and Ljubljana Urban Region (NUTS 3). Source: www.rralur.si.

In year 2002 **Regional Developed Agency of the Ljubljana Urban Region** was established with the main task to prepare Regional Development Programmes of Ljubljana Urban Region for the period 2002-2006 and the new programming period 2007-2013, as well as operational programmes with the list of priority projects of regional importance eligible for EU funds. According to the regional development strategy of LUR the overall development goal is the following: “*Ljubljana Urban Region is a conurbation, intertwined with nature. The region will achieve high level of global competitiveness and high-quality living through encouraging creativity and co-operation. The entire region will benefit from Ljubljana being “a European capital”*” (RRA LUR, 2007). To achieve this goal the main activities of LUR are:

- development of relationships between the public and private sector at the local, regional, national and international levels in order to promote development initiatives and enhance coherent regional development,
- acceleration of integrated regional development, planning and implementation of regional and other development programmes,
- acquisition of domestic and foreign financial support.

The most important regional development programmes of LUR are the following: accessibility for quality of life, preserved heritage, efficient high-quality spatial planning, efficient municipal utility services, equal opportunities – contribution to the region’s competitiveness, culture – competitive advantage of the region, e-administration, supportive entrepreneurial environment (RRA LUR 2007).

4 POPULATION AND EMPLOYMENT CHANGE IN LJUBLJANA

During 1991-2009 the population growth occurred in Ljubljana urban region while population decline characterised the City Municipality of Ljubljana as a result of intensive suburbanisation and urban sprawl. In 1990s the construction activity of multi-dwelling buildings was deferred in the city of Ljubljana with lack of maintenance of housing estates. As a result of a difference in property prices between the city of Ljubljana and surrounding towns and rural areas in Ljubljana urban region, and the wage differences between Ljubljana and the rest of Slovenia due to location of better-paid jobs for educated and well-qualified people in Ljubljana, - the daily commuting for work, education and shopping has increased since 1994 towards the City Municipality of Ljubljana. This was also possible due to completion of the motorways along the corridors E5 and E10 and the circle motorway around the inner-city of Ljubljana (see also Pichler-Milanović, 2002, 2005a; Pichler-Milanović et al. 2007).

Total employment in Ljubljana urban region declined during 1990s, while growth of jobs was recorded mainly in public administration and financial services in the City Municipality of Ljubljana (www.stat.si, www.umar.si). Most people in Ljubljana urban region are employed in producer services (40 percent) as trade, catering, transport and infrastructure, financial, real estate and business services, and further 30 percent are employed in consumer services (i.e. public administration, education and research, health services), while less than 30 percent are employed in industrial activities. With respect to employment, key features are the concentration of services in the city of Ljubljana while secondary activities, especially manufacturing still dominate in municipalities outside the city agglomeration. The most important companies in Slovenia according to sales, exports, number of employees, capital, and net profit are actually based in the city of Ljubljana and near-by cities (regional centres) of Kranj (25 km north of Ljubljana) and Novo mesto (60 km south of Ljubljana).

Ljubljana urban region with 13 percent of national land and 25 percent of total population represents the most important location of economic activities that generates 35 percent of the country's GDP. GDP per capita in LUR was for 30 percent higher than the national average. LUR accounts for 27 percent of exports and 37 percent of country's imports respectively, 40 percent of the total value-added, and almost half of all foreign investments in Slovenia. Productivity (e.g. value added per employee) is more than 25 percent higher than in Slovenia while the average salary is 20 percent above the national average, mirroring the concentration of employment in higher value added activities (i.e. banking, insurance, public administration, pharmaceuticals, etc.), and showing a rather successful transformation from the "socialist industrial city" to competitive "service and knowledge-based European capital city" (see Pichler-Milanović, 2005a; www.rralur.si).

5 SPATIAL PLANNING AND LAND USE POLICIES IN LJUBLJANA

Urban planners tried to control the post-Second World War development of Ljubljana primarily through the Master Plan (1966) and long-term comprehensive development document for the period 1986-2000 called "Ljubljana 2000". The latter was initially approved in 1986 but partly revised in 1995 in line with the market ideology and property rights reforms (i.e. restitution, privatisation, abolishment of compulsory purchase, etc.). The other phenomenon that occurred is the unplanned development of free-standing single-family houses and the large scale of suburbanisation since 1980s onwards at the inner-city periphery and in suburban municipalities in Ljubljana urban region, with insufficient provision of local infrastructure (water supply and sewage system) and local services (schools, kindergardens), and the increase in individual motorisation, daily commuting, and transport congestion since the end of 1990s (Pichler-Milanović et al., 2007).

During transition reforms in 1990s spatial management and land use planning was in »flux« while directions from the spatial planning documents approved in 1980s were officially extended until recently. Only several amendments were added to the existing articles of the spatial planning legislation (i.e. Spatial Planning Act in Transition, 1993, 2000; Settlement Planning Act, 1993, 1997; Building Land Act, 1997; Construction Act, 1999, 2000). In 2002 the National Assembly of the Republic of Slovenia adopted the *new Spatial Management and Planning Act and Construction Act* with *Spatial Management Policy*, and two years later the *Spatial Development Strategy of Slovenia and Spatial Order* (2004). These documents were the first new spatial planning documents after Slovenia's independence (1991) introducing a new legal system and market economy rules but also the sustainable development paradigm. The *Spatial Management and*

Planning Act (2002) determines the responsibilities and procedures in spatial planning, and defines the types and contents of spatial documents at the national and local level. The law also introduces a new document, the Regional Spatial Development Concept. With this document, the municipalities and other local communities have an opportunity to coordinate their strategic development issues at the regional level. This is an »optional« document, filling the gap between national and local planning level until the establishment of administrative NUTS 3 regions (provinces) in Slovenia. In April 2007 the National Assembly adopted the new Spatial Planning Act with new hierarchy and content of spatial planning documents (e.g. bringing spatial plans and detailed land use plans back to the legislative agenda) at the national and local levels (but not regional). As a result all NUTS 5 municipalities are now obliged by this law to prepare the new strategic spatial plan and implementation (land use) plan – as part of new municipal spatial plan until the end of year 2010.

Ljubljana is the largest »urban settlement« (NUTS 7) and a »town« in Slovenia. Despite being the largest city in Slovenia, Ljubljana contains only about 15 percent of the total Slovenian population. This relatively low primacy rate of Ljubljana is directly related with the specificities of the urban network and settlement system and the polycentric urban and regional development policies in Slovenia from 1960s onwards. The Spatial Development Strategy of Republic of Slovenia (2004) is further promoting polycentric urban development of Slovenia through 51 »centres of (inter)national, regional and inter-municipal importance« (with 64 towns and urban settlements) and potential »functional urban regions« of 15 »centres of (inter)national importance« (i.e. regional centres). Ljubljana, the capital city, with Maribor, the second largest city (near Austria), and city conurbation (Koper-Izola-Piran) at the Adriatic coast near Italy and Croatia are defined as »centres of international importance«. The new concept of polycentrism (as before 1990s) highlights the improved (equal) accessibility to public goods – administration, jobs, services and knowledge, located in these 51 »urban centres«¹. They are the most important employment and service centres in Slovenia. Twelve of these 15 »centres of national importance« are also centres of current NUTS 3 (statistical or developing) regions. Therefore the polycentric urban development concept corresponds to the balanced regional development policies and development of transport infrastructure in Slovenia. The SPRS (2004) did not explicitly specify the role of Ljubljana as the capital city of Slovenia and the metropolitan area (e.g. functional urban region). But Ljubljana was recognised as a “weak MEGA” within 76 MEGA in Europe (among 1700 FUA) in the ESPON 1.1.1 project (2005).

5.1 New spatial development strategies and land use policies of Ljubljana

Since year 2003 all municipalities in Slovenia, including the City Municipality of Ljubljana, have been also obliged by the new spatial planning legislation to formulate new and/or adopt existing long-term spatial development strategies and concepts, municipal land-use plans with detailed site plans, and environmental impact assessments. The spatial development plans adopted in 1980s were mainly in use until now, with only minor changes to accommodate some ad-hoc projects that were not in accordance with the original land use plans (i.e. new commercial, recreation or housing areas). After adoption of the *Spatial Management and Planning Act* (2002) and new *Spatial Planning Act* (2007) and *Spatial Development Strategy and Spatial Order of RS* (2004) the City Municipality of Ljubljana has been preparing the new generation of local spatial development documents while up-dating and revising the existing land-use and site plans.

The first draft of the new city development strategy with spatial development concept of the City Municipality of Ljubljana was adopted in June 2002 under paradigm of sustainable development that also specified the list of programmes and projects needed for improvement of the city competitiveness, quality of life – and (partly) the internationalisation of the city of Ljubljana. These two planning documents are now part of the new more comprehensive drafts of the - ***Strategic Spatial Plan and Implementation Spatial Plan as part of the Spatial Development Plan of the City Municipality of Ljubljana***, being prepared according to the new Spatial Planning Act (2007). In year 2007 the City Municipality of Ljubljana has also adopted the new »***Vision of the City of Ljubljana by year 2025***« emphasising 22 strategic projects (from the list of approx. 100 projects) to be realised by year 2025, linking the three principal development aims of Ljubljana: »Ideal city« (i.e. the optimal city size – for living, working, recreation), »***Sustainable city***« (i.e. preserved

¹ In Slovenia only 58 urban settlements have the official status of ”town”, approved by the National Assembly or Municipal Councils. Since year 2003 the Statistical Office of RS has been also using the new definition and classification of “urban settlements” (156): 104 »urban areas« with 52 (sub)urban settlements).

At the national level it is also important to strengthen the innovative, competitive, attractive and polycentric Ljubljana urban region. The geo-strategic location of the city of Ljubljana needs to be enhanced with strengthening of the position of Ljubljana metropolitan area from »weak« MEGA to »European engine« MEGA (as defined in ESPON 1.1.1 project, 2004) as well as to strengthen links and networks with other cities and regions in the cross-border Alps-Adriatic region, Central Europe, South-east Europe, and the Mediterranean - in order to become a central location in the new European potential integration zone (i.e. Alpe-Adria-Pannonia).

The new spatial planning documents of Ljubljana were prepared taking in consideration the international recommendation (UN, CEMAT, EU), especially the EU documents such as: Lisbon and Gothenburg Agenda(s), Territorial Agenda and Leipzig Charter (2007), and CEMAT Ljubljana Declaration on spatial impacts of sustainable development (2003). Also national legislation, sectoral strategies and programmes, professional studies, as well as needs and demands of various departments of the City Municipality of Ljubljana and other institutional stakeholders were taken in consideration during preparation of these documents. Therefore, for the first time after 20 years, the new spatial development strategy and land use planning policy of Ljubljana has been prepared as a result of vertical and horizontal integration of different (new) documents at the (inter)national, regional and local levels with respect to requirements of the sustainable development and territorial cohesion paradigms. But the new spatial planning documents are also trying to satisfy the market demands of capital investors for different large scale projects that in some cases are not following the urban identity and urban design standards and recommendations (i.e. height of buildings, density, built-up area, etc) that are causing opposition from the inhabitants, new civil society groups, and professional planners.

During 2008-2010 Regional Development Agency of Ljubljana Urban Region coordinated a preparation of the first regional spatial development concept according to the new spatial planning regulation as a joint venture between the City Municipality of Ljubljana and other 25 municipalities in Ljubljana urban region - that represent an important first step towards preparation of the regional spatial development plan (www.rra-lur.si) after establishment of the administrative regions in Slovenia.

The next important phase in the spatial and land use management and development of Ljubljana will be the implementation of these demanding strategies, development goals, programmes, and projects - formulated at the national, regional and local levels, - especially now at the time of financial crisis since the end of year 2008 and economic and structural changes in Slovenia (e.g. unemployment, lack of new investments, property market collapse, etc.) and new demands for energy efficiency, retrofitting of buildings and low carbon cities.

6 CONCLUSION: FROM COMPETITIVENESS TO SUSTAINABILITY: OR VICE-VERSA'?

The jurisdiction and territory of the city of Ljubljana is different now than in it was before local government reforms in year 1994. Ljubljana is the capital city of Slovenia as the EU member state, the most important and the largest urban municipality in Slovenia. But the city agglomeration, urban region or functional urban area of Ljubljana is much larger than the City Municipality of Ljubljana. Due to lack of administrative NUTS 3 regions in Slovenia, the cooperation between the City Municipality of Ljubljana and 25 other municipalities in Ljubljana urban region is not sufficient for effective implementation of different horizontal and vertical strategies, programmes and projects being formulated at the (inter)national, regional or municipal levels.

Lack of coherent strategic and land use planning policies between the national, regional and city levels due to transition reforms in 1990s, and the »investment-led response of public leadership in a »planning« vacuum« in the City Municipality of Ljubljana, and surrounding municipalities in Ljubljana urban region, coupled with day-to-day urban problems and side-effects of transition reforms (e.g. privatisation, restitution, de-centralisation, etc.) have transformed the intra-urban pattern of Ljubljana (i.e. suburbanisation and urban sprawl, de-industrialisation, tertialisation, deferred maintenance of some buildings in the city centre and of housing estates, loss of urban identity, traffic congestion, etc.). Many projects were not developed according to the spatial development and land use planning strategies of Ljubljana from 1980s, but according to the needs and demands of the market economy and new public and private investors.

Recently there has been some cooperation between the City Municipality of Ljubljana and surrounding municipalities in Ljubljana Urban Region during formulation of the regional development programmes for 2004-2006 and 2007-2013 programming periods, implementation of some common infrastructure and environmental projects, and preparation of the first spatial development concept of Ljubljana urban region (2008-2010).

Therefore the successful implementation of the new spatial development strategies and land use planning policies of the city, municipality and urban region of Ljubljana depends upon the ability of local leaders to encourage active involvement of different professions, social groups and local communities, as well as efficient role of the city authority in implementation activities. Strong political leadership with co-operation and partnership between different public and private institutions and other stakeholders - that was often lacking until now - are important for the progress and essential for the implementation of comprehensive national, urban and regional development strategies in the future. The most important urban development activities need to be focused on improving the international position, role and identity of Ljubljana within the European urban networks, marketing the city's competitive advantages through implementation of the "flag-ship" projects. At the same time Ljubljana needs to strengthen economic, social and territorial cohesion to avoid the problems of homelessness, urban decline, social and spatial polarisation, crime and vandalism, or transport congestion, known to many other European cities. In order to achieve the overall goal of the new spatial development vision, strategy, programmes and individual land use projects - »competitive and sustainable Ljubljana with its own identity in national, cross-border, European and global networks« - a coherent horizontal and vertical actions are needed not only supporting growth but also other specificities of the territorial capital of Ljubljana in the (inter)national context.

Ljubljana may never become a Central European metropolis - as might be the result of global city formation and city competition between capital cities of Vienna, Berlin, Prague, Budapest or Warsaw. Yet, as a result of cultural heritage, quality of life, city identity and geo-strategic location in Europe - the middle size European capital city of Ljubljana has the opportunity to become an attractive meeting place and tourist destination between two global cities in Europe - Venice and Vienna.

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