Increasing Slovenia's defence capacity

The following are the Conclusions of the Strategic Defence Review. The Review was carried out at the Ministry of Defence in order to obtain the answers to questions on the current defence capacity of the Republic of Slovenia. It allows us to understand the situation and the reasons why national defence is not at the expected level. I believe that, through diligent work and thorough analyses, we have acquired a good basis for directing the further development of the defence system, along with its capabilities, so that it will be able to function effectively and in accordance with its mission. The activities that will have to be carried out in order to accomplish the set objectives have now been more precisely defined.

The fact is that Slovenia, together with other European countries, is facing a complex and highly dynamic security environment. There is instability in both its eastern and southern European neighbourhood. No part of Europe is safe from the operation of extremists. Hybrid operations require renewed and strengthened military and non-military defence mechanisms and the increased resilience of countries.

This changed security environment has been recognized both at the level of NATO and the European Union. In response to new threats, the North Atlantic Alliance opted for a strategy based on the deterrence of potential aggression; a strategy that would limit threats and protects against them, and establish the necessary responsiveness and preparedness to allow the successful defence of its members. The EU Global Strategy is focused on strengthening the mechanisms of mutual assistance for the provision of security and stability.

The Ministry of Defence of the Republic of Slovenia recognizes the changed security situation, which requires appropriate defence capabilities in order to address future sources of threats and risks to national and international security.

The Strategic Defence Review has shown that the main objectives of the further development of the defence system and defence capacity of the Republic of Slovenia are the provision of necessary defence capabilities, greater resilience of the state and society against security threats, the improved preparedness and sustainability of the Slovenian Armed Forces, and the pursuit of common objectives and commitments in the framework of the EU and NATO. Unfortunately, the transition from a mass to a predominantly professional army supplemented by the contract reserve has not allowed the defence system to achieve the necessary capabilities and sustainability of the Slovenian Armed Forces to carry out the tasks arising from the national security documents.

The Strategic Defence Review was conducted in the year in which Slovenia celebrated 25 years of independence. This anniversary reminded us of the broad political and social unity and the importance of Slovenian security and defence forces, without which autonomy would not exist. Now, 25 years after independence, Slovenia is not faced with such milestone events, but decisions on the future of the national security are no less important. The security of the country and its citizens is not self-evident and should not be taken for granted. We are aware that the efforts to reform the fundamental legal, strategic guidance and planning documents will require thoughtfulness, maturity and selflessness in shaping the political and social consensus.

The defence capacity of a country is not a separate responsibility. The strength of the Alliance is based on the strength of its individual members. Each member state is required to provide the necessary level of national defence and resilience. History teaches us that we must be able to provide our own defence. Our Allies will support us and provide for certain missing defence capabilities, but they will not conduct defence on our behalf.

Awareness of the necessity of changing our approach in addressing the questions of national security and defence is of crucial importance in both political and academic circles and the public. The Ministry of Defence will continue to strive for a broad political and expert discussion of interests, objectives and ambitions in the field of defence, and in particular of the further development of the Slovenian Armed Forces.

As Minister of Defence, I am committed to ensuring that the Ministry of Defence continues to lead a professional discussion within its powers, and to develop solutions with the goal of ensuring an effective and resilient defence system which will provide the necessary level of the country's defence.

Andreja Katič
Minister

Conclusions of the Strategic Defence Review 2016

CONTENTS

Part 1 is devoted to understanding the process of preparing the Strategic Defence Review, with an emphasis on its objectives and purpose.

Part 2 presents the current position, which is the basis for directing the operations of the defence system of the Republic of Slovenia, and arises from the strategic guidance documents of the National Assembly and the Government of the Republic of Slovenia.

Part 3 defines the international security environment and the current and future security risks and threats.

Part 4 presents the main findings on the defence of the Republic of Slovenia and the reasons for the fact that its ability to address future security risks and threats is not at the expected level.

Part 5 gives an overview of the objectives to be pursued in order to improve the defence of the state, and the main activities to be carried out to this end.

Part 6 presents the conclusions on the status of the defence system and further steps in its development.

1 INTRODUCTION

In February 2016, the Government of the Republic of Slovenia adopted the Medium-Term Defence Programme of the Republic of Slovenia for 2016-2020. It instructed the Ministry of Defence to conduct a Strategic Defence Review which would: 1) provide an assessment of the state of defence of the Republic of Slovenia for the implementation of the tasks associated with the changing international security environment, 2) assess the effectiveness of the defence system, and 3) propose measures to improve the situation.

The Ministry of Defence carried out a comprehensive defence review of its powers. The decision of the Government of the Republic of Slovenia will dictate the reform of the strategic assessments and of the development and guidance documents which determine the implementation of national interests and objectives in the field of defence.

The main objective of the Strategic Defence Review is to identify the measures and activities required to ensure the readiness and defence capability of the Republic of Slovenia, in accordance with the national level of defence ambitions set out in the Defence Strategy of the Republic of Slovenia (Government of the Republic of Slovenia, no. 80000-1/4 of 7th December 2012) and the Resolution on the General Long-Term Development and Equipping Programme of the Slovenian Armed Forces up to 2025 (Official Gazette of the Republic of Slovenia, no. 99/10).

The Strategic Defence Review gives answers to the question of whether the organization and functioning of the defence system and defence capabilities of the Republic of Slovenia ensure the responsiveness and ability of the state to cope with current and possible future security threats and risks. The achieved level of development of the defence system and its capabilities is assessed in the light of the current national defence ambitions in connection with its international commitments and declared capabilities. Reasons for the gap between the planned and actual state of the defence capabilities of the Republic of Slovenia are identified.

The Strategic Defence Review is the basis for the further development of the defence system so that it can function effectively in accordance with its mission. The findings and proposed measures are the basic planning assumptions and bases for the completion of the strategic and development documents pertaining to national security.

The functioning of the defence system depends on the coordinated operation of all partakers of the national security system, so the realization of the measures arising from the Strategic Defence Review will require a comprehensive interdepartmental approach. Some measures will require the cooperation of the National Assembly.

The conclusions of the Strategic Defence Review 2016 are a reflection of the functioning of the defence system since the last Strategic Defence Review in 2009, and since the beginning of the negative consequences of the financial and economic crisis from 2010 up to today.

2 BASIC PREMISES

The basic premises for the implementation of the Strategic Defence Review are the adopted national interests and objectives in the field of defence, and the purpose and tasks of the defence system and defence policy which provide for the implementation of these basic premises. These premises arise from the Resolution on the National Security Strategy of the Republic of Slovenia (Official Gazette of the RS, no. 27/10) and the Defence Strategy of the Republic of Slovenia (Government of the RS, no. 80000-1/4 of 7th December 2012).

National interests and objectives

The long-standing and vitally important interests of the Republic of Slovenia are (1) the preservation of the independence, sovereignty and territorial integrity of the state, and (2) the preservation of the national identity, culture and autonomy of the Slovenian nation, both within the internationally-recognized borders of the Republic of Slovenia, and abroad and throughout the world.

The strategic interests of the Republic of Slovenia:

(1) Recognition of and respect for the integrity of the country's internationally-recognized borders and the national territory, including the contact of Slovenia's territorial waters with the open sea;

(2) The functioning of the democratic parliamentary political system;

(3) Respect for human rights and fundamental freedoms;

(4) Strengthening of the rule of law and the social state;

(5) The welfare of the people and the comprehensive development of society;

(6) Protection of life and a high level of all forms of security for the people;

(7) Protection of the rights and development of indigenous Slovenian national minorities in neighbouring countries;

(8) Peace, security and stability in the world;

(9) Preservation of the environment and natural resources of the Republic of Slovenia.

The fundamental national security objectives are: (1) a high level of security based on proper prevention, organization, training level and preparedness of all capabilities required for the efficient and timely detection of and response to modern sources of threats and security risks, and (2) peacekeeping and strengthening of security and stability within the international community.

The Republic of Slovenia pursues its vital and strategic interests autonomously, through intense bilateral cooperation and an active role in the region, and through the United Nations Organization, the European Union, NATO and other international organizations.

Defence interests and objectives

Essential interests in the field of defence are:

(1) The preservation of the independence, sovereignty and territorial integrity of the state, and the integrity of the country's internationally-recognized borders and the national territory;
(2) An appropriate level of the country's defence capabilities and their readiness;
(3) The implementation of the common defence interests and adopted international obligations of the state in defence and military fields within NATO and the European Union;
(4) Peace, security and stability in the world, with a focus on South-east Europe.

The Republic of Slovenia pursues its interests in the field of defence in the context of six defence objectives:

(1) Provision of the country's defence capabilities;
(2) Effective deterrence of military and other modern threats, and the defence of the independence, inviolability and territorial integrity of the state;
(3) Continuous operation of the defence system and other social subsystems;
(4) Strengthening of bilateral and multilateral cooperation in defence and military fields;
(5) Participation in the efforts of the international community to establish and maintain peace and to strengthen security and stability in the world;
(6) Increasing the awareness in society of the importance of the national defence system, and strengthening its reputation among the citizens of the Republic of Slovenia.

Defence policy

The defence policy of the Republic of Slovenia, in accordance with the Resolution on National Security Strategy, is aimed at ensuring the country's defence capabilities as required for the provision of national defence within the system of collective defence and security. The basic guidelines are the enhancement of the quality of defence capabilities at the expense of their quantity, and taking a reasonable and proportionate share of the burden of challenges to collective defence and security.

The purpose of the Republic of Slovenia's defence policy based on the specified defence interests of the state and the assessment of threats and risks to national security which require a response of the defence system, is the use of optimal ways and means to achieve these objectives in the field of defence.

Key points of the defence policy:

(1) Ensuring the defence of the Republic of Slovenia through inclusion in the international environment, with particular emphasis on EU and NATO membership as well as on an equitable contribution to and assumption of burdens and responsibilities in these structures;
(2) Provision of national defence capabilities within the system of collective defence;
(3) Active participation in the operations of multinational structures, which are primarily oriented towards international operations and missions within the EU and NATO;

At its session on 23 December 2016, the Government of Slovenia took note of the Conclusions of the 2016 Strategic Defence Review. It recognized the fact that the development of defence capabilities has stalled since 2010, and that the state now has limited capacity for dealing with future threats to national security. In order to enhance the country's defence capacity and resilience, the Government tasked the Ministry of Defence and other relevant institutions to adopt concrete measures to overcome the current situation, taking into account the changed international security environment.

The Conclusions of the Strategic Defence Review emphasize the need for nominal growth in defence expenditure in order to provide for the Republic of Slovenia's defence capacity. Based on the Government's decisions, and in consideration of the adopted programme priorities and the fiscal framework for the sector's budget, preparation of future defence budget proposals for the next mid-term period will have to take into account the conditions to provide for a gradual nominal growth from EUR 20 million to 30 million annually. The main goal is to gradually come close to the accepted obligation within NATO with regard to the target level of defence expenditure, with an interim goal of 1.2% of GDP in the next ten years.

(4) Ensuring adequate defence preparedness to respond to current and future security threats, including the appropriate posture, structure, equipment and qualification of the Slovenian Armed Forces and civilian capabilities;
(5) Ensuring the greatest possible protection of the Slovenian Armed Forces' members and ensuring the basis of achieving an appropriate level of the army's interoperability with the armies of the EU and NATO member states;
(6) Intentional and selective equipping and training of the military to operate in the Alliance in a variety of circumstances in terms of combat intensity as well as geographic and climatic conditions, the aim being to ensure the deployability of at least 50% of the land forces and to maintain at least 10% of forces in a high level of readiness in the national territory or in multinational operations and missions;
(7) Maintaining the level of preparedness of defence capabilities to carry out all the prescribed essential tasks, which should not be reduced below the minimum of the internationally comparable military standards and the policy-acceptable levels of risk.

Defence system

The defence system of the Republic of Slovenia is part of the national security system, which has the task of pursuing national goals in the field of defence. The defence strategy defines the defence system as a series of political, regulatory, organizational, military, personnel, material and financial, intelligence and security, information and communication, development and research, educational and other activities organized by the state in order to provide effective defence.

The purpose of the defence system of the Republic of Slovenia is to ensure the defence capabilities of the state to enforce its interests and achieve its objectives in the field of defence, in order to protect the fundamental values of Slovenian society. The fundamental basis of the country's ability to defend itself lies in its defence capabilities.

The defence system is composed of the Slovenian Armed Forces, as the promoter of military defence and the development of military capabilities, and of non-military elements of the defence system, which formulate and implement the defence policy, provide conditions for the operation of the entire defence system, provide civilian capabilities in su-

pport of the Slovenian Armed Forces and allied forces, and carry out preparations and implement measures for the defence of the country and for the operation of the defence system in crisis situations. Other national authorities, local community bodies and civil society organizations which are of particular importance for defence are also included in the defence system through the implementation of their activities which contribute to the defence of the country.

3 SECURITY ENVIRONMENT, THREATS AND RISKS

International security environment

The international security environment, of which the Republic of Slovenia is a part, is complex, interdependent and subject to many sudden and unpredictable changes with a global dimension. This results in greatly increased and changing security threats and risks.

The Republic of Slovenia, together with its allies, recognizes the belt of instability surrounding the EU and NATO. The EU and the Alliance are facing a range of security challenges which occur mainly in the east and south. They are created by state and non-state actors using conventional and unconventional forces and resources. Particularly worrying is the increasingly active re-use of military forces and resources on the outskirts of the EU and in Europe (e.g. Ukraine).

Enhanced military threats are reflected in the building of tension in crisis areas leading to armed conflicts; in the acceleration of the arms race between regional competitors and in the consequent demonstration of power; in the global redistribution of power to control resources and supply options; in the protection of members of national groups in other countries by armed forces; in the geostrategic redistribution of the influence of important actors in the international community; and in the threats arising from deviations from the agreement on the scope of conventional forces and the reduction of nuclear weapons.

In the future, the changing international security environment will, in addition to the traditional (conventional) military threats which will be reflected in the building of tensions, new crisis areas and wars, and unconventional forms of military operation (including hybrid operations), be mainly affected by climate change, the scarcity of natural and other strategic resources, the unfavourable global demographic, financial, economic and social changes, the uncontrolled trade in sensitive materials and services, the deepening gap between the rich and the poor, and the effects of globalization.

The changed security environment requires greater preparedness and responsiveness of the entire defence system, mainly through faster decision-making and response to crises. It requires the high flexibility of military capabilities that should be able to respond, within their competence, to the unconventional forms of threat, as well as to traditional military forms of threat.

Changes in the international security environment are reflected in the strengthening of NATO's deterrent posture and a higher level of the readiness of forces, and in the enhanced efforts of the EU to deal with new security challenges, which also calls for the Republic of Slovenia to increasingly invest resources in the defence system.

Security threats and risks

Due to its geostrategic position and proximity to crisis areas, together with the still uncertain political situation in the Western Balkans, the Republic of Slovenia is exposed to various types of security threats and risks which could, at least indirectly, threaten its national security. The security of the Republic of Slovenia is also affected by the dynamics of the situation within the European Union, in which some countries are faced with a growing threat of terrorism. Due to its involvement in the wider international political and security structures, the Republic of Slovenia is, from the perspective of a potential threat to its security, also susceptible to developments in other regions of the world (the Middle East, North and Sub-Saharan Africa).

As a member of the EU and NATO, the Republic of Slovenia is, in addition to unconventional threats, indirectly faced with conventional forms of threat. Possible forms of threat include military threats, terrorism, hybrid threats, cyber threats, mass migrations, organized crime and the activities of foreign intelligence services.

These security threats will require the fast and decisive response of all actors within the entire national security system, with crucial political support to adaptations of the system in the normative, organizational, material, technical and human resources fields.

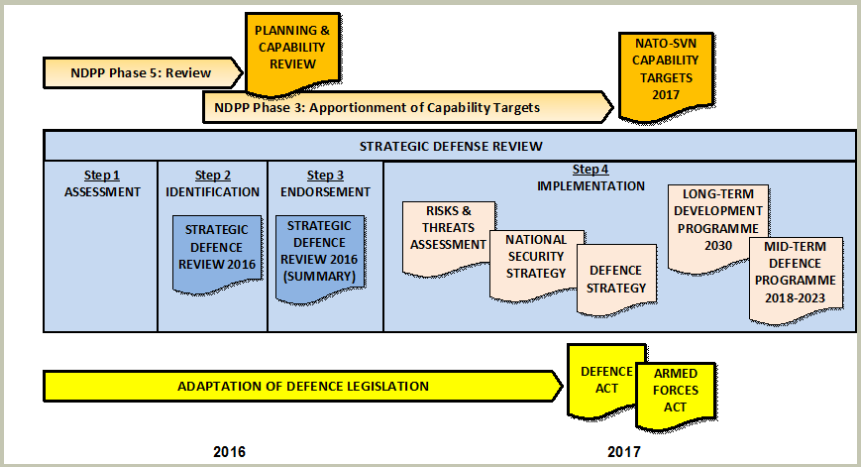
4 DEFENCE OF THE COUNTRY

The primary purposes of defence are to deter attacks and defend the independence, inviolability and integrity of the state. National defence in a broader sense includes the national contribution to the deterrence of attacks on the Alliance and to the defence of its members.

Defence ambitions

Defence ambitions result from the national political guidance and strategies, as well as the adopted political guidance and strategies in NATO and the EU, and are shaped into a common view by all member states and agreed to by the Republic of Slovenia. NATO complements that part of Slovenian defence capabilities that the Republic of Slovenia does not develop.

The level of ambition in the setting up of the national defence is a sovereign decision of each state, but each credible member of the Alliance must establish its own defence



The Strategic Defence Review is one of three processes which are taking place simultaneously over a two-year period and which relate to the review of the national security system of the Republic of Slovenia. They all address a comprehensive review of national interests, goals, ambitions and the normative basis in the area of defence. Preparation of new defence legislation and the NATO defence planning process are taking place in parallel to the Strategic Defence Review.

Step 1 of the Strategic Defence Review provided a detailed review of the status and efficiency of the Defence System of the Republic of Slovenia, as well as the implementation of interests and goals in the area of defence. Step 2 identified the actions and measures required to provide for the further development of the Defence System, particularly from the perspective of the required defence capability and resilience of Slovenia in relation to future security threats. Step 3 was intended for the endorsement of conclusions and recommendations by the Government of the Republic of Slovenia, which adopted several decisions for the achievement of the main objectives. Step 4 is intended for the adoption of the revised fundamental political guidance and strategic planning documents that define national security.

In spring 2016, Phase 5 of the NATO defence planning process was completed, which provided a defence planning and capability review for Slovenia. It also provided the status of the implementation of the assigned capability targets and the implementation of the common goals agreed in the Alliance. The process is currently in Phase 3, which is intended for the apportionment of a new set of capability targets for the next long-term period.

The preparation and coordination of a new Defence Act and the Service in the Slovenian Armed Forces Act took place throughout 2016. Both will be adopted by Parliament in 2017. They will provide conditions for the implementation of certain measures derived from the Strategic Defence Review.

capacity so as to ensure:
(1) The deterrence of attacks on the state, and defence of its independence, inviolability and integrity until the activation of the system of collective defence;
(2) The acceptance of joint operations and allied military capabilities in its territory;
(3) The taking of a fair share of the burden and risks of crisis response and collective defence outside the national territory;
(4) The independence, inviolability and integrity of the state, and the continuity of national authority after the withdrawal of allied military capabilities from its territory.

The defence ambitions of the Republic of Slovenia formally include the organization of defence forces to the level of brigade battle groups to carry out combat operations in the national territory with an appropriate level of sustainability of forces. An operation of high intensity within the Alliance formally includes a unit at the level of a battalion battle group on a one-year rotation, and simultaneous participation in a low-intensity operation in the region with a company-level unit.
The planned target size for the Slovenian Armed Forces is 10,000 members by 2018. This number is expected to increase by no more than 25,000 members in the event of a sharp deterioration in the security situation, which is consistent with the Military Strategic Reserve Doctrine of the Republic of Slovenia.

Defence capacity
The defence of the Republic of Slovenia is based on the country's own defence capabilities and the capabilities of the Alliance in the context of the system of collective defence.
The basic building blocks of national defence are:
(1) The national defence capabilities;
(2) The resilience of the state and society to potential security threats;
(3) The preparedness and sustainability of the Slovenian Armed Forces;
(4) The defence and security guarantees of the EU and NATO.
The analysis conducted in line with the objectives of the Strategic Defence Review showed a gap between the actual and projected level of defence capabilities of the Republic of Slovenia. The level is set at the basis of the current assessments, policies and objectives of the National Security Strategy, the Resolution on the General Long-Term Development and Equipping Programme of the Slovenian Armed Forces up to 2025, the Defence Strategy of the Republic of Slovenia, and the changes in the security environment in the EU's neighbourhood.
The lower than planned level of defence capabilities is reflected in the limited capacity to operate in high-intensity operations and in the lack of specific mechanisms to raise the resilience of the state to new forms of threats. There are limited organizational and structural capabilities of the defence system to facilitate the transition to operating in the most demanding and unpredictable situations.
It may be concluded that, in terms of possible future security threats, the future requirements for defence, and particularly for military capabilities, will be greater, and it will shortly be necessary to implement additional measures to improve the country's resilience to future threats. It will be necessary to prepare a national assessment of long-term security threats and risks by 2030 to clarify the answer to the necessary long-term defence capabilities and the level of preparedness of the defence system. This assessment will be an assessment by the EU and NATO, supplemented by national views.
The defence system of the Republic of Slovenia and its defence planning provide a transition to the response to a crisis in the field of defence and a gradual transition to war. The operation of the defence system is based on a normative foundation, strategic political guidance, and the strategies and doctrines, which must be reviewed and revised, taking into account the EU and NATO, in the light of the changed geostrategic security environment and the consequential changes in the policy guidelines and strategic documents.

In recent years, the Slovenian Armed Forces has developed into an army whose knowledge, skills and processes are complementary to the Alliance and which operates successfully in multinational operations and missions. It ensures the readiness of forces to deploy under the EU and NATO, and the planned level of preparedness to respond to natural and other disasters and to participate in protection and rescue activities. It is also prepared, within the framework of its powers and where necessary, to be included in the implementation of security tasks.
The Slovenian Armed Forces has limited resources to achieve its mission and the tasks assigned both within and outside the national territory to the extent required across the full spectrum of combat operations. The current human and material resources and their level of sustainability hinder its operations in the most demanding combat situations, so its performance is linked to a higher risk with regard to the effective implementation of the assigned tasks and possible casualties.
The operation and development of the Slovenian Armed Forces since 2009 has been negatively affected by the failure to modernize the Slovenian Armed Forces, which would enable further development, and by instability in the military leadership, the ageing of the members, and reduced investment in military education and training.
Not all the planned and necessary processes were carried out during the transition from a mass to a predominantly professional army. This applies to processes within the Slovenian Armed Forces and the Ministry of Defence, as well as at the level of the entire society, which is why the sustainability of the Slovenian Armed Forces to carry out its missions and tasks has not been achieved. Experience has shown that there are systemic weaknesses in the provision of an adequate number of sufficiently high quality human resources in the active and reserve structure, and that there is a risk that, in case of need, the increased size and structure of military capabilities of the Slovenian Armed Forces would not be achieved as is required by the Military Strategic Reserve Doctrine of the Republic of Slovenia. There is also a risk that a protracted or extremely grave crisis situation and/or military threat would not allow the country to increase its defence capabilities in time and ensure its sustainability.
The number of active component members of the Slovenian Armed Forces has been declining rapidly in recent years, and is now almost 700 members short of the planned number. The reasons for this trend are mainly found in the reduction in defence spending and consequently the inability to implement all the measures set out in the Service in the Slovenian Armed Forces Act. Changes in the retirement of military personnel have disturbed the career planning and entry and exit to and from the Slovenian Armed Forces.
The size of the contract reserve component has decreased in recent years due to the sharp reduction in the funds earmarked for the Slovenian Armed Forces. The number of members has not increased in any substantial way, despite the objectives set out in the Medium-Term Defence Programme 2016-2020. This is the result of a reduced interest in serving in the contract reserve, and the fact that the human resource base for the manning of the contract reserve has been greatly reduced due to the past abolition of compulsory military service. In recent years, the voluntary military service has been systematically decreased due to budget cuts, and remains symbolic despite several additional measures by the Ministry of Defence.
The Ministry of Defence is unable to establish all the military capabilities within the time

limits specified in the Resolution on the General Long-Term Development and Equipping Programme of the Slovenian Armed Forces up to 2025 and NATO's capability goals 2013 for the Republic of Slovenia, which is the consequence of a multi-annual reduction in defence spending. The purchase of weapons and key military equipment will only be implemented to a very limited extent according to the Medium-Term Defence Programme 2016-2020.

Establishment of the most important target capability and development challenge of the Slovenian Armed Forces, namely the medium battalion battle group, will, as a consequence of the current situation and the lack of financial resources, only be able to start in the next medium-term period after 2020, which is late in relation to the changes in the security environment and the adopted policy guidelines within the Alliance. In the light of the experience of and recommendations by the Allies, the process of establishing such a capability, having adequate funding, takes five years, so it can be assumed that Slovenia will be at least ten years late. It is also important to understand that Slovenia will have to establish an additional medium battalion battle group in the next scheduled cycle, due to the changed political and security situation on the outskirts of Europe. This means that the so-far unfulfilled commitment will become an even greater challenge in the medium term of six years.

The implementation of governmental measures in the financial crisis has been reflected in the constant and disproportionate cuts to the defence budget. A total of EUR 943 million less than planned was given to the defence system during the period 2010-2015, in accordance with the adopted medium-term defence programmes and defence budgets.

The current medium-term financial projection will not ensure the necessary growth in defence expenditure due to the balancing of public finances. The planned projection of financial resources does not reflect the commitments made to NATO on the progressive raising of defence expenditure to a level of two percent, which should begin immediately, with the corresponding annual growth, and enable the modernization of the Slovenian Armed Forces and the achievement of their performance targets. By 2020, the Republic of Slovenia will not be able to make any substantial positive changes in the establishment of defence capabilities for its own defence or for participation in collective defence in the event of military threats, with regard to the planned dynamics of increasing the defence budget in the context of the medium-term defence programme.

The European Union and NATO provide the Republic of Slovenia with an environment in which it can develop and implement its security, economic, cultural and other interests. As a member of both organizations, Slovenia should contribute its share to the development of joint military capabilities and operations. This share should be proportional to its size and economic power. However, the Republic of Slovenia dedicates a smaller share of social resources to defence than most members of both organizations, and it even dedicates the least resources to equipment investment. This means that it does not carry a fair share of the burden and the relative risk in relation to the common objectives of the Alliance.

Based on the findings of the Strategic Defence Review, it can be concluded that the main reasons for the fact that the preparedness and ability of the Republic of Slovenia to address future security risks and threats are not at the planned level are:

(1) The reduction in the funding for defence;
(2) Incomplete implementation of the policy guidelines, strategies and doctrines, of which a significant part is dependent on material resources;
(3) The unfinished project of a professional army supplemented by the contract reserve;
(4) Formal incompletion and substantive non-implementation of the Strategic Defence Review of 2009.

The Strategic Defence Review has shown the potential to improve the functioning of the Ministry of Defence, particularly from the standpoint of a rational organization and raising the quality of processes. Some progress was made in the past in the procedural and organizational integration of the military and non-military parts of the Ministry, but not all the goals of streamlining the structure and work processes, as well as the more efficient horizontal coordination, were met. The Review also pointed to the unfavourable age and status structure of the administrative part of the Ministry of Defence.

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5 STRENGTHENING DEFENCE CAPABILITY AND RESILIENCE

Efforts to improve the country's defence should be directed towards:

(1) Developing combat capabilities;
(2) Ensuring the conditions necessary to raise the level of preparedness and sustainability of the Slovenian Armed Forces;
(3) Establishing mechanisms for a rapid increase in defence forces in the event of a direct military threat to the country;
(4) Enhancing the resilience of the state to contemporary and future security threats.

In doing so, the essential factors are:

(1) A significant increase in the defence budget with predictable dynamics;
(2) Consistency in exercising its own commitments, decisions and policies arising from the adopted strategic and planning documents;
(3) A comprehensive approach to the provision of systemic conditions for the operation of a professional army;
(4) The ability to respond to new security threats and challenges.

The main objectives of the further development of the defence system and defence capabilities of the Republic of Slovenia, which arise from the findings of the Strategic Defence Review, are:

(1) Ensuring the necessary defence capabilities;
(2) Enhanced resilience of the state and society to security threats;
(3) Improving the preparedness and sustainability of the Slovenian Armed Forces;
(4) Pursuit of the common goals and commitments made in the context of the EU and NATO.

Objective 1: Ensuring the necessary defence capabilities

The development of defence capabilities should focus on increasing the national defence capabilities for responding to military threats, and on the potential provision of the required share of capabilities in order to participate in high-intensity operations in the context of collective defence.

The main development goal in the medium term 2018-2023 is the formation of two medium battalion battle groups.

To ensure the possibility of a rapid increase in defence forces in the event of an extreme deterioration in the security situation, it is necessary to start setting up mechanisms and creating a structural basis to ensure the structural, organizational and personnel conditions for the successful implementation of the Military Strategic Reserve Doctrine. To this end, an appropriate scope of material resources must be provided for the implementation of tasks to increase the number of military personnel to an additional 25,000 members.

Objective 2: Enhancing the resilience of the state and society to security threats

It is essential to implement national measures to strengthen the resilience of the state and society to contemporary and future security threats, with emphasis on the continuous operation of government at all levels; the continuity of public infrastructure and services; the uninterrupted provision of energy; the information and communication support and other resources important for the functioning of the state; the security and the lives of citizens; and the protection of critical infrastructure. It is also necessary to improve the mechanisms to enhance cybersecurity and increase resilience against hybrid threats.

It is important to ensure continuous monitoring and upgrading of crisis response measures in the field of defence, and their elaboration and coordinated operation in the context of defence planning, which will significantly influence the timely and effective response to threats.

It is essential to define in detail the tasks and responsibilities of the Slovenian Armed Forces to protect the critical infrastructure and assist the national authorities in times of crisis and war, especially in cases of extreme or/and long-term security destabilization of the international security environment.

The crisis management system and the state's ability to respond to various security threats should be periodically checked through national crisis management exercises which bring together high-level decision makers in the national security system, in particular the Government of the Republic of Slovenia and the National Security Council.

Even in peacetime conditions, it is important to increase activities to transfer defence and military knowledge and skills to the population fit for military service who are willing to voluntarily participate in such education and training. Provision should be made for the possibility of exercising the rights of citizens to organize themselves in a state of war.

Objective 3: Improving the preparedness and sustainability of the Slovenian Armed Forces

Short-term measures to improve the preparedness and sustainability of the Slovenian Armed Forces should be primarily focused on ensuring the conditions to improve the manning situation in both size and personnel structure; on education and training; on the operability of the key equipment and the equipment of individuals; on the modernization of the communication and information system; and on ensuring adequate operational and strategic stocks of ammunition and material resources.

Plans should be prepared to ensure readiness for the deployment of forces upon the activation of Article 5 of the North Atlantic Treaty, and to ensure the appropriate quantities of ammunition and equipment for rapid response in high-intensity operations.

Conditions should be provided to increase the participation of the Slovenian Armed Forces in NATO exercises, which would increase their ability to operate in high-intensity operations and support the implementation of the NATO Readiness Action Plan.

In the long term, it is necessary to ensure stability in the provision of sufficient financial resources for equipping, operations, training and exercises, maintenance, and the provision of stocks of ammunition and material resources.

It is important to find suitable solutions for the territorial organization of the Slovenian Armed Forces and its greater involvement in and connection to the local environment throughout the territory of the Republic of Slovenia.

Objective 4: Achieving common goals and commitments in the framework of the European Union and NATO

In accordance with the provisions of international and national law it is necessary to support the military, political and other efforts of the EU and NATO in the provision of security guarantees to member states, and of all efforts aimed at stabilizing the Western Balkans, the Middle East and North and Sub-Saharan Africa.

Adequate achievement of national capabilities should contribute to the common defence and security of the territory, population and values, through the implementation of the NATO Strategic Concept, particularly in relation to its basic tasks (collective defence, crisis management and cooperative security).

It is essential to contribute national capabilities to support the implementation of the EU Global Strategy on Foreign and Security Policy, in order to support the common interests of peace, security, prosperity, democracy and a rule-based world order. It is also necessary to defend the cooperation and synchronization of efforts and development between the EU and NATO, and to avoid the duplication of structures and capabilities.

In the context of the EU's priorities (security of the EU, national and social resilience in the south and east of the EU, an integrated approach to conflicts and crises, cooperative regional arrangements and global management), efforts should be directed towards:

- Implementing commitments to mutual assistance and solidarity, with a focus on addressing security challenges such as terrorism, cyber threats, energy security and organized crime, and to supporting the management of external borders;
- Supporting joint efforts and closer cooperation in the field of defence for the development of defence capabilities;
- Supporting closer cooperation with NATO, especially in the area of operations in the Mediterranean and North and Sub-Saharan Africa, and to strengthening the mechanisms for dealing with hybrid threats;
- Supporting joint efforts to strengthen the security structures in the southern neighbourhood, with a focus on South-east Europe, where efforts should be made for a coordinated approach with NATO;
- Strengthening cooperation and solidarity in the fight against terrorism in the EU and mutual assistance for faster recovery of member states in the event of an attack;
- Strengthening national technological capabilities to reduce the risk and enhance the resilience of critical infrastructure, net-

works and services against cyber threats.

Efforts in the context of implementing NATO's enhanced defence and deterrence posture, achieved by strengthening the collective defence and defence capabilities and by increasing the resilience of countries and civil preparedness, should be directed towards:

- Continuous and comprehensive strengthening of the level of preparedness, interoperability and responsiveness of the defence system and the Slovenian Armed Forces, which directly supports the common enhanced defence and deterrence posture;
- An appropriate national contribution to the renewed NATO Response Force, which, in cooperation with the lead Allied nation, will signify a proportionate and credible share of the joint forces of the Alliance;
- Joint contribution to the security assurance measures, which will demonstrate Slovenia's commitment to the fundamentals of the North Atlantic Treaty; to deterrence and the collective defence of the Allies, with a focus on providing the capabilities of the Slovenian Armed Forces to NATO's Rapid Response Forces; and to participation in exercises and military operations, which will ensure preparedness to respond to threats coming from the south and south-east, including the periodic deployment of units in the context of the enhanced forward presence of the Alliance in the East. This should take into account the principles of military necessity, financial capacity and the sustainability of forces;
- Recognizing cyberspace as a new domain of operation of the Alliance and implementing the commitment to cyber defence through the development of national procedures and capabilities for an effective response to cyber threats and defence of national infrastructure and networks;
- Ensuring conditions for the development of national defence capabilities in the context of the NATO Capability Targets for Slovenia, including the new ones which will be adopted in 2017.

Provision of resources and other conditions

1. Personnel and organizational measures at the Ministry of Defence

Efforts in the development of human resources in the Slovenian Armed Forces should be directed to the planning of career paths, providing high-quality and stable leadership, education, and improving the status of active component members.

Measures to ensure the necessary human resources should focus on the creation of conditions for improving the preparedness and sustainability of the Slovenian Armed Forces and defence capabilities, in accordance with the target number of 10,000 members. Human resources should dynamically follow changes in the security situation and threats in the world, as well as the defence needs and ambitions of the Republic of Slovenia, both in terms of their number and quality.

It is important to significantly increase the possibilities of an increased scope of voluntary military service. Possibilities must be established for voluntary participation in various forms of the acquisition of knowledge and skills to defend the country.

Measures need to be carried out to increase interest in employment in the armed forces and to retain and stop the decline in the personnel structure of the peacetime and reserve structure of the Slovenian Armed Forces.

It is also necessary to suggest appropriate system solutions at the level of the entire public administration, and amendments to the labour regulations that will support the development of a professional army, supplemented by various forms of the reserve component.

Due to the increased combat characteristics, it is important to rejuvenate the personnel structure of the Slovenian Armed Forces and raise the level of the physical fitness of soldiers. Arrangements should be proposed governing the retirement of military personnel and ensuring the predictability of leaving the military organization.

The status of soldiers needs to be improved through both tangible and intangible measures, especially in terms of the implementation of the Service in the Slovenian Armed Forces Act, which will indirectly increase the competitiveness in the labour market. It is essential to improve the system of financial rewards for contract reserve members and members of the voluntary military service.

It is also important to reinforce the procedural and organizational measures for a more efficient structure and performance of the defence system, which will be based on greater integration of the civil and military dimensions. Moreover, it is necessary to implement changes in the organization and formation structure of the Slovenian Armed Forces and the command and control system.

2. Material resources

Activities to commence a new cycle of modernization should be started immediately to enable the purchase of combat vehicles for the medium battalion battle group, which includes the modernization of other capabilities of the Slovenian Armed Forces that are part of this group (CBRN, engineer support, logistic support, fire support, air defence and reconnaissance capabilities).

In order to facilitate the establishment of essential combat capabilities and to boost the modernization of the Slovenian Armed Forces, as many purchases as possible should be made directly through intergovernmental agreements and joint purchases through the EU and NATO agencies. Possibilities need to be considered for renting key equipment.

It is important to continue the sale of permanently discarded weapon systems and equipment which would no longer be used to equip the military strategic reserve even in a changed security situation. The acquired funding should be directed to the modernization of the main equipment of the Slovenian Armed Forces.

3. Financial resources

It is important to deliver on the commitment to defence spending by gradually increasing the defence budget to approximately 2% of GDP over the long term until 2027, and by focusing on the proportion of investments to the extent of 20% of the defence budget for the priority capabilities agreed within the Alliance. The medium-term projection of defence spending needs to be corrected. The nominal growth of the defence budget should reach EUR 30-45 million annually in order to economically maintain the already established defence capabilities of the Republic of Slovenia, and to establish the priority capabilities which the Republic of Slovenia needs in order to meet the national needs and fulfil the commitments to the EU and NATO.

A plan should be developed to gradually reduce the debt and to pay the overdue financial obligations to international organizations, and to properly define the obligations of individual ministries. In the future, payment of membership fees to the UN should be excluded from the financial plan of the Slovenian Armed Forces.

In order to ensure stability in providing resources to modernize the Slovenian Armed Forces it is necessary to consider legislative solutions that will enable the repayment of financial commitments in the long term.

4. Legal and other normative bases

Comprehensive systemic conditions for the performance and development of a professional army must be ensured, alongside an

appropriate regulatory framework in other areas related to the field of defence.
The new Defence Act must provide a basis for the further development of the defence system in the long term.
The new Service in the Slovenian Armed Forces Act, which will be proposed together with the new Defence Act, will need to regulate the areas which have so far been regulated by the Defence Act (for example, accomplishing the mission of the Slovenian Armed Forces, preparedness, military discipline and the like).
It is important to renew the concepts and implement solutions which will contribute to a greater ability to operate across the full spectrum of military operations (such as the renewal of the Military Doctrine, the Military Strategic Reserve Doctrine, the Contract Reserve Concept etc.).
It is also necessary to prepare a military assessment of the long-term target seize, structure and capabilities of the Slovenian Armed Forces.
Possibilities need to be considered for the re-enforcement of all the components of military service, with special attention paid to the extent of personnel capabilities to implement all the components of military service in the Slovenian Armed Forces and the administrative part of the Ministry of Defence at the regional level.
5. Strategic policy and planning guidance
It is necessary to prepare a projection of the security situation in the international environment of the Republic of Slovenia, and to prepare and, if necessary, annually update an assessment of security threats and risks to the Republic of Slovenia. A projection of the security situation, subject to the internal and external political priorities of Slovenia, will be the basis for the long-term development planning of the defence system of the Republic of Slovenia, and for the provision of the necessary level of defence capabilities. The assessment of security threats and risks will be the basis for the national security system's response to these threats and risks.
Based on the projection of the security situation in the international environment, and taking into account the relevant documents of international organizations which the Republic of Slovenia is also a member of, it is important to review the Resolution on the National Security Strategy of the Republic of Slovenia and possibly propose its renewal to the National Assembly. In doing so, it will be necessary to also renew the objectives and interests in the field of defence.
It is important to reform the Defence Strategy of the Republic of Slovenia, which will enable the implementation of the policies of the Resolution on the National Security Strategy of the Republic of Slovenia, and the potential new conceptual and strategic guidelines of the European Union and NATO in the field of common defence and security. The Defence Strategy will answer the questions on the required level of defence capabilities of the Republic of Slovenia and the country's resilience to current and future security threats.
The amendments to the national security documents and the policies of the European Union and NATO in the field of defence and security will, in relation to the modified projections of financial resources, be the basis for proposing that the National Assembly renews the Resolution on the General Long-Term Development and Equipping Programme of the Slovenian Armed Forces, which will provide long-term guidelines for exercising the defence ambitions of the Republic of Slovenia and establishing the necessary defence capabilities. It will be necessary to take into account the new NATO Capability Targets for 2017, which will be adopted by the Republic of Slovenia.
It will also be necessary to prepare a proposal of the new Medium-Term Defence Programme for 2018-2023, in line with the new NATO Capability Targets for the Republic of Slovenia for 2017, the amendments to the Resolution on the General Long-Term Development and Equipping Programme of the Slovenian Armed Forces, and changes to the financial projections.

6 CONCLUSION

The Republic of Slovenia is facing a worsening security situation in the region and the wider international environment. Individual EU and NATO member states have already been the target of direct terrorist activities, cyber attacks and certain types of hybrid operations. The EU will continue to face large-scale migrations which pose a greater security risk. A loose understanding of and failure to comply with the international legal order increases the likelihood of conventional military conflicts on the periphery of Europe and the Alliance. Contemporary threats, crises and armed conflicts in the EU's neighbourhood pose a potential security threat to the Republic of Slovenia, to which the country will have to respond appropriately.
The defence system of the Republic of Slovenia has stalled in its development. It currently does not reach the required level of ability to deal with future threats and risks to the national security, and cannot achieve all the assigned goals and tasks or set up all the necessary defence capabilities. Given the significantly changed international security environment, it is necessary to take concrete measures to overcome the current situation.
The Slovenian Armed Forces does not reach the necessary level of preparedness and ability to operate across the full spectrum of military operations. Modernization of the armed forces has ceased, and assessment of the human resources warns that this trend of reduced capacity to operate will continue in the future.
The Republic of Slovenia is at a point where it is necessary to consider its role in the Alliance and the concept of providing its own security and defence. It must urgently reform the basic principles that define the objectives and interests in the field of defence, and direct efforts and resources towards achieving the priority goals. However, in doing so, the increase in defence spending will not automatically improve defence capabilities. It is also essential to renew the strategies and doctrines, to implement system changes, to begin the modernization of the Slovenian Armed Forces, and to stop the negative trend in the area of human resources in the armed forces.
The political decision on a "small, modern and effective" army from the time when Slovenia abolished compulsory military service and was integrated into NATO did not materialize. The Republic of Slovenia needs an army which, in cooperation with the allied forces, will be able to defend the country, participate in the provision of security to the state and its citizens, and provide and establish security in the world. Renewed strategic guidelines and normative bases should include a decision on the future armed forces and provide the system, status, financial, material, personnel, doctrinal and other conditions for the armed forces' development and the provision of its necessary preparedness.
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