

The Post-war Economy in Koper: Development Plans for the Port Industrial Activities, with an Emphasis on the Oil Sector

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Regional Archive in Koper

Industrialization and perspectives for oil economy development in the Koper district after the Second World War

Starting in 1953, a period of rapid economic growth began in Yugoslavia. By 1960, its social product growth was among the largest in the world. As production, exports, labour productivity, and living standards increased significantly during this period, Yugoslavia began to be ranked among the middle-developed countries (Prinčič 2005, 1019). After the settlement of the territorial dispute with Italy, the Koper area was gradually economically integrated within Yugoslavia (Rogoznica 2011, 292–8). The rapid rise of industrial activity in the coastal municipalities of Koper, Izola, and Piran after 1954 is clearly evidenced by data on investment growth in the industrial sector, which amounted to 2 billion 256 million dinars in 1954–1956, and 6 billion 527 million dinars in 1956–1961. The number of industrial employees increased by as much as 83%, from 3,098 units in 1953 to 5,673 in 1961. The share of the national income coming from industrial activities increased from 1 billion 187 million dinars in 1954 to 7 billion 208 million in 1961, equal to a 522% increase.¹ With the acceler-

- 1 During the post-war period, completely new metal-processing industrial plants were established: Tomos in Koper, Lama in Dekani, Mehanotehnika in Izola, the Stil furniture factory and Iplas plastic factory in Koper, an electrical materials factory, and then a metal haberdashery in Šmarje. The fish-processing industries Iris (ex Ampelea), Argo (ex Arrigoni), Ikra (ex Delanglande) merged in 1959 into a large food industry, named Delamaris; PAK, 712.1, t. e. 214.4, Skupščina občine Koper, Urbanistični program slovenske obale, Investbiro Koper, 1966, Izdala Skupščina občin Koper, Izola in Piran – Tiskalo Časopisno založniško podjetje 'Primorski tisk' v Kopru 1966, 46.

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ated industrialization, the Koper district gained exceptional importance within the Slovenian economy, mainly in relation to its traffic-strategic coastal location, which in the post-war period influenced the construction of the port of Koper (Terčon 2015, 293–8).

Along with this new economic development, the growing need for fuels and lubricants began to appear in the Koper district, both in relation to land transport as well as for the needs of maritime transport and industry. After the end of the Second World War, fuel contingents for the Koper area were provided by the Yugoslav federal government and supplied by the companies Jugopetrol and Jugonafta.² Local companies carried out the distribution of fuels. Initially, the fuel depots were managed by the fuel department at Avtopodjetje Adrija, and in 1948 an independent company, called Istra-benz Koper,³ was established to supply fuels and lubricants to the then zone B of the Free Territory of Trieste. Fuel was supplied from Rijeka, Solin, Bosanski Brod, and Osijek, and after the annexation to Yugoslavia, the supply of fuel and lubricants to the Koper area took place mainly from the Rijeka and Sisak refineries.⁴ From the refinery in Rijeka, the Istra-benz company was supplied directly by tank trucks, and from the Sisak refinery using railway tanks to the Podgorje railway station. The gas was then transported to the depots in Koper or to individual pumps. Sales of fuel and lubricants took place at pumping stations in Divača, Koper, Izola, Piran, Buje, Umag, Novigrad, and Kozina. The company supplied goods directly to customers of larger quantities of fuel using tankers. The transport capacity was initially supplied by all types of ships, namely fishing, passenger, and cargo ships, as well as the suction excavator *Peter Klepec*, which performed dredging works in the new port areas in Koper. Due to the growing fuel consumption, the company bought a new tanker with a trailer with a total capacity of 29,000 litres in 1959 and the associated equipment with which, with the development of the port of Koper, they wanted to supply fuel for larger ocean-going ships. The customers of fuel and lubricants were mainly local and regional companies. After the signing of the Udine Agreement between Yugoslavia and Italy, in 1955 there was a sharp increase regard-

2 PAK, 170, Istrska banka, t. e. 33. 65, 'Dopis Jugopetrola Zagreb', rec. n. 106/47, Koper, dated 22 December 1947.

3 PAK, 170, Istrska banka, t. e. 40. 78. 'Splošno poslovanje trgovine s tekočimi gorivi in mazivi Istra-Benz in načrt za izboljšanje in koordinacijo dela v celoti'.

4 PAK, 170, Istrska banka, t. e. 40. 78. Letter n. G/Š-49, dated Koper 22 November 1949.

ing the sale of fuel to the holders of small border passes, who came daily from nearby parts of Italy by motor vehicle.⁵

With the increase of local consumption, the demand for petroleum products increased rapidly by the beginning of the 1960s, both at the national and state level. During the first period, the oil turnover at the Yugoslav level was constant until 1961 and amounted to around 600,000 tons, which accounted for imports and exports between domestic ports for the needs of the Adriatic coast. Then, the oil trade doubled in 1962, and in 1963 it even tripled compared to 1961, reaching a height of 1,840,000 tons of oil.⁶ Given the increased needs for petroleum products during this period, an idea emerged with the goal to establish a special channel for the import of gasoline and heating oil through the port of Koper, through which about 116,000 tons of oil were imported annually. For the manipulation and storage of imported oil and its derivatives, the construction of tanks was planned in the Port of Koper, with an initial static capacity of 35,000 tons, which would be gradually increased to 100,000 tons. In this way, the new depots would at least partially cover not only the local, but all the Slovenian needs for this energy source.⁷

Plans for the development of the port industrial zone in Koper

Along with the plans for the import and transshipment of the petroleum products in the port of Koper, in the early 1960s many new ideas about the development of industrial facilities related to oil refining began to emerge. Within the then prevailing economic concept of the need for rapid industrialization of the country, the development of the Port of Koper was inevitably linked to that of the industrial sector and industrial production: 'The Slovenian industry supplies raw materials and exports through Rijeka and other ports, which are overloaded with maritime cargo. The Port of Koper has all the conditions to meet the needs of Slovenian industry, as it is the most natural economic partner of this industry and forms an economic whole with it.'⁸

5 PAK, 24.3. 'Investicijski programi pri OLO Koper', t. e. 13. 3. 'Investicijski program za nakup avtocisterne, Trgovinsko podjetje Istra -Benz Koper', dated 1959.

6 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964, 28.

7 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964, 67.

8 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964, 64.

In 1963, the highest governing body in Primorska, the Koper District People's Committee, prepared a *Study on the development of the economy in the Koper basin*. In accordance with the prevailing socialist economic syntagm, the development of the port of Koper also included the industrialization of its hinterland, following the example of the highly developed European port and industrial centres, especially nearby Trieste, with which economic connections were planned. According to the plan, an ironworks, an oil refinery, and petrochemical plants were to be built in the hinterland of the port of Koper, employing a total of 7,505 people. The refinery was expected to employ 1,020 people, petrochemical plants 1,485 people, and the ironworks as many as 6,000 people. The total industrial area was expected to cover approximately 220 ha of land. The facilities were to be built in the area along the riverbed of the relocated Rižana, along which cargo ships would be able to navigate, for unloading iron ore and coal for the ironworks. The main petrochemical plants were to be built along the planned canal, which could also be used for unloading raw materials, if necessary. The immediate coastal area was intended for locating tanks of various petrochemical or raw materials for the refinery. According to the plans, the area intended for storage included 32 ha of land. The stored fuel would be distributed among three consumers, namely 38% of the stored fuel would be made available for consumer needs of the Slovenian and Croatian hinterland, 38% of the fuel would be used for the needs of the Koper refinery, and 24% for international traffic with Austria. For the supply of gas or liquid distillates from Trieste's refineries, the committee planned the construction of a pipeline, the so-called 'Pipe line Trieste-Koper', with a length between 6 and 8 km, while domestic raw materials would be supplied via land transport. The railway network was supposed to be extended in order to reach the petrochemical plants along the main core, which was to be connected to the international receiving of raw materials, and along the side cores, which were planned along individual sectors. The loop connection to the main port vessel would allow the movement of freight traffic within the port area, or directly to the ironworks, located on the east side of the basin.⁹

In March 1962, a meeting of representatives of the SRS Executive Council, the Koper District People's Committee, and representatives of

9 PAK, 24, OLO Koper, t. e. 1787. 1, OLO Koper, 'Študija razvoja gospodarstva v koprskem bazenu, Zvezek 3, Sekundarna in finalna predelava nafte (petrolkemija)'. Koper: Invest-Biro, 1963.

Luka Koper discussed the SRS Executive Council's proposal to divide Luka Koper into two parts: the Port Administration and Construction Institute and a special Goods Transfer and Storage Company. The proposed reorganization did not take place but two years later a new business association, called the Koper Industrial Zone, was founded in Ljubljana. The association reunited some of the most important Slovenian industrial and commercial companies (Tovarna dušika Ruše, Železarna Jesenice, Tovarna aluminija Kidričevo, Etol Celje, Petrol Ljubljana and Prehrana Ljubljana), the import-export Yugoslav company Centroprom Beograd, and Luka Koper. Its aim was to prepare a plan for the arrangement of the port complex and the gradual preparation of construction surfaces, communications, and other infrastructure facilities, in order to make more rational use of industrial shores, conversion plants, warehouses for raw materials, and similar facilities. Otherwise, each company was to independently manage its facilities inside the area. The development of the port, in connection with the import of raw materials from overseas countries, was supposed to enable, above all, the modern tendency of industry to approach the sea'.¹⁰

From this perspective, the establishment of the Business Association was expected to have a significant impact on the further development of the Port of Koper. With the agglomeration of commercial and industrial traffic in the port, it was thought possible to achieve quotas sufficient to make profitable the construction of modern converters. On the other hand, international business cooperation was also favoured in 1963, with the declaration of the Port of Koper as a free customs zone. In addition to customs facilities for the movement of foreign and domestic goods through the port, the aim was to encourage the cooperation of domestic and foreign companies with additional services, including industrial processing for Central Europe and overseas.¹¹

From 1966, the urbanization program for the Slovenian coast also foresaw the possibility of the development of new industries within the port activity, inside the port 'industrial' zone. According to the urban plan for Koper, the industrial port and zone were located in the area of the so-called Ankaran bonifika, which included land from the Rižana

10 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964, 135.

11 PAK, 728, Petrinja Danilo, t. e. 14. 7, 'Program razvoja Luke Koper do leta 1975', Koper, June 1969, 34.

River to the Križišče-Ankaran road on the north side, and the Križišče-Koper road on the east side, so that the entire Sermin hill belonged to the industrial zone. The building plan of the Port was harmonized with the building plan of the city of Koper, and included in the urban plan of Koper according to the proposal of the Port.¹²

Koper was supposed to offer some advantages for the development of the processing industry in the immediate port hinterland, In particular: the extensive available space over an area of 600 ha; the organized free customs zone; proximity to the port and the port converters; a developed communication network between the sea and the hinterland; the possibility of providing satisfactory quantities of fresh water; the potential reserve of workforce in the immediate hinterland; and the interest of domestic and foreign industrial companies in setting up their plants in the industrial zone of the Port of Koper. In addition to the plans drawn up in 1963, which provided for the installation of a refinery and the development of ferrous metallurgy and petrochemistry, the installation of a thermal power plant run on liquid fuels was planned inside the industrial zone of the Port of Koper, with a capacity of 200 MW, which would gradually increase to 600 MW. The produced power was supposed to be partly used for the needs of the Slovenian coast and Istria, while most of it would flow through the power line towards Ljubljana, to cover the growing electricity deficit in Slovenia. The planned connection with the transmission line from the Divača substation to Trieste would also enable the exchange of energy with Italy. In addition to the construction of a terminal for storage of fuel oil and heavy oils, they also planned a terminal for liquid chemicals, and devised plans for the construction of a terminal for receiving specialized ships with liquefied Saharan natural gas, with facil-

12 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964, n. 137. The port area destined for the trade operations stretched along the northern coast of the town, along the Škocjan Bay barrier to the Rižana River, and ran west along the sea in a north-south direction to the extreme western edge of the breakwater in the 'old port of Koper'. It covered the old port area, to the Harbour Master's Office, and from there it ran in a straight line to the northern edge of the road at Belvedere, and from west to east along the natural border between Koper Hill and the coastal plateau to the so-called port square with the passenger station. On the west side of the port square, it turned to the northeast and ran parallel to the Škocjan Bay closure and included all the permanent and most important warehouses. The border of the trading port turned east, near the oil tanks, and ran along the south side of the railway tracks to below Sermin, where it crossed the tracks under the Koper freight station and returned west north of the railway tracks to the Rižana River, along which it ran to reach the sea.

ities for its storage and regasification. From Koper, gas would be transported via a gas pipeline through Slovenian territory to consumption centres in Austria and the Czechoslovak Socialist Republic. The capacity of the underground reservoirs was expected to be 125,000 cubic metres. In order to make the most of the free customs zone status, the plan called for the construction of other facilities inside the industrial zone of the port of Koper. The plan involved the building of an oil mill with a capacity of 200–300 tons of processed raw materials per day, a feed factory, and a plywood factory (based on imports and processing of exotic wood from West Africa). Moreover, other productions were expected to start: rice husk, hazelnut packing, textile confection, assembly of bicycles, production of hats, processing of waste cirrus into essential oil, production of various metal objects, and the like. At the same time, they noted that the implementation and concretization of the offers and plans for the industrial zone were linked to the harmonization of Yugoslav foreign trade regulations, with the possibility of an active integration into the international economy.¹³

The kerosene port terminal and the liquid fuel storage facilities in Sermin

At first, the company Petrol was established on 12 May, 1945 by the Yugoslav government as part of the establishment of the State Petroleum Company Jugopetrol, headquartered in Belgrade. Immediately after its foundation, the company opened branches in all the federated Republics, and two years later each branch became an autonomous company, as did Jugopetrol Ljubljana.¹⁴ This Company became independent after the Government of the People's Republic of Slovenia, by Decision no. S-zak. 571 of 18 January 1947, founded the Trade and Production Company 'PETROL' Ljubljana. The company's main business was wholesale and retail: oil, petroleum products, lubricating oils and lubricants, motor vehicles, spare parts and accessories, paints, varnishes, chemicals and supplies, rubber, and rubber and plastic products. Moreover, among other activities, the refining of oil and petroleum products was also envisaged.¹⁵

13 PAK, 712.1, Skupščina občine Koper, t. e. 214, Skupščina občine Koper, Urbanistični program slovenske obale, Investbiro Koper, 1966. Published by the Municipal Assemblies of Koper, Izola and Piran. Koper: Primorski tisk, 44–49.

14 Petrol 2019c.

15 PAK, 95, Okrožno gospodarsko sodišče Koper, t. e. 434.4, Okrožno gospodarsko sodišče v Ljubljani, III R 10/71. Izpisek iz registra podjetij in obratov.

In 1953, Jugopetrol Ljubljana was renamed Petrol Ljubljana and obtained registration for the import of petroleum products. By the end of 1960, Petrol Ljubljana thus had 31 service stations.¹⁶ By far the biggest and most important milestone in this period was the launch of the Sermin installation in Koper by Petrol, and with it the supply of goods from sources other than the previous exclusive supplier, INA.¹⁷

As the main republican company authorized to trade in oil and its derivatives, Petrol obtained a location permit in 1963 for the construction of a liquid fuel storage facility in Sermin, at the extreme western end of the future industrial port in Koper. INA Zagreb developed the projects for the construction of the installation, in cooperation with the Port of Koper, and the Petrol Ljubljana company acted as an investor. According to the calculations at the time, the investment for the entire 'Petrol' complex, which was expected to reach a total capacity of more than 100,000 tons of storage, was estimated at 2,330 million dinars.¹⁸ The project envisaged the bridging of the Rižana River by pipelines and the construction of an industrial railway track with a temporary filling station for tank trucks, utilizing an extension of the pipeline. It was planned that the supply of fuel would be undertaken by tankers, and the removal by tank trucks, and, after the construction of the railway line, also by rail tanks,¹⁹ and that the kerosene port would use the same floating basin originally reserved for bulk cargo. A tanker landing bridge was planned on the north side of this basin, from where pipelines were to run to the oil storage complex. In the first phase, the construction of tanks with a total capacity of 35,000 tons of single storage was planned and, in the final phase, 100,000 tons of single storage.²⁰ In addition to the tanks, the following was planned as part of the warehouse: an administrative building, a gatehouse, a building for liquid fuel pumps, a building for fire and cooling pumps, a tanker filling station, an access road, technological pipelines, fire pipelines, and an industrial track on the south side of Rižana.²¹

16 Petrol 2019b.

17 Petrol 2019a.

18 PAK, 728, Danilo Petrinja, t. e. 11, 'Program razvoja luke v Kopru', 1965, 310.

19 PAK, 712.1, Skupščina občine Koper, t. e. 265.15. Zadeva 351-608/1964: Petrol Ljubljana, Lokacija skladišča tekočih goriv pri Luki Koper.

20 PAK, 728, Petrinja Danilo, t. e. 11, 'Razvoj Luke Koper, Pregled programov in raziskav', November 1964.

21 PAK, 712.1, Skupščina občine Koper, t. e. 265.15. Zadeva 351-608/1964: Petrol Ljubljana, Lokacija skladišča tekočih goriv pri Luki Koper.

In connection with the construction of a terminal for petroleum products, a study for the construction of the Koper-Vienna oil pipeline was prepared, along with a project concerning the construction of a terminal for the storage of liquid chemicals was prepared. In the industrial zone, the construction of other facilities that were not directly connected to the oil terminal was also planned.²²

As a consequence of some infrastructural difficulties and other problems, the construction of the terminal for imported petroleum products was significantly delayed. The so-called kerosene port was completed by the end of 1968, after the construction of the Koper-Prešnica railway line in 1967. It was located in the area north of the mouth of the Rižana River.²³ The bridge for landing the ship was located together with the bridge for unloading liquefied gas and chemicals, by the middle port basin before the Rižana estuary. A 700 metre embankment was built from the mouth of the river Rižana to the west into the sea, and a second, deeper port basin was excavated. At the western end of the embankment, on its southern side, a platform for the erection of conversion arms was built. Two years later, two steel pipe bumpers were built next to the platform for the safe mooring of tankers, up to a carrying capacity of 80,000 DWT, and at a landing speed of 10 cm/sec. The so-called port basin II was deepened to 16 metres in 1970–1973 and widened. The largest tanker to land at the kerosene port by then had 96,000 DWT.²⁴ At that time, the storage capacity (55,000 m³) enabled an annual turnover of around 800,000 tons of fuel. Oil for the Bosanski Brod refinery began to be imported through the terminal. However, enterprises interested in oil transit to Austria were also expected to appear.²⁵

The installation was managed by a special business unit of Petrol: Instalacija tekočih goriv, Koper – Sermin (Installation of liquid fuels, Koper – Sermin), specializing in the storage of liquid fuels and the performance of related businesses. The founder company provided the fixed

22 PAK, 728, Danilo Petrinja, t. e. 11, 'Program razvoja luke v Kopru', 1965, 310–313.

23 PAK, 728, Danilo Petrinja, t. e. 11, 'Program razvoja luke v Kopru', 1965, 310.

24 PAK, 728, Danilo Petrinja, t. e. 24. 1, 'Študija povezave z naftovodom in produktovodoma luke Koper in Iplasa Koper z rafinerijo Aquila pri Trstu, Naročnik Luka Koper in Iplas Koper', Ljubljana, December 1978.

25 PAK, 728, Danilo Petrinja, t. e. 11 'Program razvoja Luke Koper do leta 1975', Koper, June 1969, 78; 97–98.

and current assets for the operation, since that business unit did not have independent rights.²⁶

The plans for the arrangement of the port industrial zone

The development of Slovenian industry in the 1960s was no longer as rapid as in the previous decade. In the years 1964–1967, and from 1970–1972, production growth slowed down, and the share of industry in the social product of the Republic decreased from 50% to 44%. However, as the Slovenian share in exports, investment, the value of fixed assets, the number of employees, etc. increased within Yugoslavia, the Republic continued to maintain its leading position in the economic field (Prinčič 2005, 1081).

After the construction of the Koper - Prešnica railway line, in 1968 the Koper Industrial Zone Induscona Koper Business Association was abolished. To continue the activities related to the planned industrialization, a new company based in Ljubljana was established, which was supposed to take on the role of 'organizer and carrier of the development of the port-industrial complex'. The founders of the new company were Kreditna Banka in Hranilnica Ljubljana, the Community of Railway Companies Ljubljana, Luka Koper, Petrol Ljubljana, Ladjedelnica 2. oktober Piran, and the company Prehrana Ljubljana.²⁷ Based on the investments and the joint risk, the partners were to decide within the Business Committee on concrete investments and on the work of the company. The connection between the port development programme and the concept of industrial zone development was conceived in three points, or directions of development. The most important of these was the expansion of the trade in liquid cargo (oil and liquid chemicals), which was also to sustain the activities dedicated to the appropriate industrial processing of oil and petroleum products. This was followed by the development of bulk transport (mainly phosphates and some other minerals) which, in turn, would push the development of the primary industrial processing.

26 PAK, 95, Okrožno gospodarsko sodišče Koper, t. e. 434.4., dated Ljubljana 26 March 1971, 'Conclusion'.

27 PAK, 728, Danilo Petrinja, t. e. 14. 20, 'Predlog o izločitvi gradnje luške in komunalne infrastrukture iz delovne organizacije LUKE koper', dated Koper, 21 May 1970.

The development of a trading port (general cargo) followed only as a third factor which was supposed to encourage the other industrial activities.²⁸

The planned Koper industrial area was supposed to enable the development of the entire Slovenian economy, offering a starting point for broader economic connections with the Central European hinterland countries.

*The Koper economic complex can satisfy most of the requirements of Slovenia's future economic programme, namely the future railway connection and a functional port. The development of the maritime industry and that of the basic processing industry could give direction to the Slovenian economy in connection with the Austrian, Czech, and Hungarian economies. In other words, the economic development of the mentioned countries can foster a certain development of our economy, and in particular the development of the economic complex in Koper.*²⁹

Within this context, taking into account the already prepared plans, the future Koper industrial zone was envisaged, with the development of the so-called basic industries: refinery, oil mill, petrochemical plant, iron-works, chemical production, and some other light and local industry facilities. The global needs of the industrial zone in the port were estimated to require a coastline long enough to accommodate 3 to 5 million tons of miscellaneous cargo per year (throughput, bulk cargo, and liquid fuels).³⁰

The port was supposed to provide investment funds for the construction of the so-called Second Basin, which would be entirely intended for industry (liquid and bulk cargo, with appropriate terminals), as an arrangement of the relevant water area and access channels. The company Industrijska zona Koper was expected to provide for the infrastructural equipment of land intended for industrial activity. At that time, the area envisioned for industrial and port activities measured 1,630 ha: 155 ha of land for the port and the public warehouses, and 1,450 ha for the needs of the industrial zone.

28 PAK, 728, Danilo Petrinja, t. e. 14. 8, 'Program razvoja luško-industrijskega kompleksa v Kopru', dated Koper, November 1969, 22.

29 PAK, 728, Danilo Petrinja, t. e. 14. 23, Koželj Bogomir (ed.), 'Generalni načrt industrijske cone Koper, Ekonomski del. Avtorji: Baškovič Ivo, Koželj Bogomir, Matjan Slavko, Sovinc Ivan, Prodan Silvan', 34.

30 Ibid., 47–61

A first phase concerned the arrangement of around 950 ha of land (the so-called zone A of the industrial zone Koper), of which 500 ha were to be allocated for industrial facilities. The construction of the basic road network, the arrangement of torrents and watercourses, the drainage of the terrain, and the construction of the basic sewerage network were planned. About 27 million dinars were needed to arrange the first 100 ha of land. Financial calculations were also prepared regarding the necessary investments to increase the capacity of the Koper - Prešnica railway line. It was estimated that the total investment for the rehabilitation of the line for traffic of up to 4 million tons of cargo would amount to 104.5 million dinars per year, of which 76.2 million dinars were for fixed, and 28.3 million for mobile devices.³¹

Simply, it was too much. Due to the lack of investment funds, it was not possible to proceed with the construction of planned industrial-port facilities and infrastructure in the following period. The management of the Port of Koper began to follow the example of Croatian ports, thinking about different business solutions.³² In 1967 and again at the beginning of 1969, the Port of Koper's Administration proposed that the construction of communal infrastructure and port facilities be separated from the Port administration, and that a special work organization be established for this purpose. The Slovenian Executive Council did not support this proposal, expressing the opinion that the industrial zone should be merged with the Port.³³

The Port of Koper Administration changed its mind at the beginning of the 1970s, abandoning the idea of a separation between the port activities and the management of the port and municipal infrastructure. This was due to the bettering of the conditions for obtaining credit funds, intended for communal arrangements and port infrastructure, and above all the adoption of the Republic Act on the Republic's Participation in Financing Port and Communal Infrastructure, on the basis of which Luka Koper obtained 13 billion dinars. Despite the provision of funds for the self-regulation of its own infrastructure, the management of Luka was still strongly in favour of the project to revive the planned industrial area over its hinterland. To this end, it was proposed to reorganize the Urban

31 PAK, 728, Danilo Petrinja, t. e. 14. 8, 'Program razvoja luško-industrijskega kompleksa v Kopru', dated Koper, November 1969, 25.

32 PAK, 728, Danilo Petrinja, t. e. 14. 19. 'Informacija o organizaciji upravljanja - vodenja in gradnji infrastrukturnih objektov'.

33 Ibidem.

Land Management Fund, which should take the initiative so that labour organizations would have a concrete interest in building industrial plants in the area. In doing so, they referred to the adopted urban programme of the Slovenian coast, which provided for the possibility of erecting larger industrial facilities in this area. Plans to build heavy industry facilities were given new impetus. In addition to the already prepared studies, in 1972, the working organizations Interexport Beograd, Krka Novo Mesto, Sava Kranj, Metalka Ljubljana, and Luka Koper, with the help of a foreign partner, commissioned the Industrial Planning and engineering company from Davos for a new study for the construction of a refinery in Koper. The working organizations Adriacommerce Koper, Agraria Koper, Interevropa Koper, Iplas Koper, Interexport Belgrade, Kreditna Banka Koper, Krka Novo Mesto, Splošna plovba Piran, and Tomos Koper decided to establish a new company called 'Sermin Koper' with joint funds. The focus of the business was: design; construction of municipal infrastructure facilities; construction of industrial processing capacities; and production, purchase, processing, sale and transport of gas, oil and their derivatives. In agreement with the Municipal Assembly of Koper and the Land Management Fund of the Municipality of Koper, the company Sermin Koper was expected to take over the management and arrangement of a land complex with a total area of around 260 ha in the Škocjan Bay, where a residential and business complex and a municipal industrial zone were planned. The complex was supposed to be located almost entirely in a depression, i.e. 2/3 under the seawater level, which was unusable for construction purposes at the time. It was planned to arrange the land, prepare urban and technical documentation, and regulate the entire area to the required height by arranging the reclamation regime (material would be obtained by deepening port basins) and planned stage construction.³⁴

From industrial to energy-economic zone: economic and social changes on the threshold of the 1990s

The 1970s marked a period of major investment projects and large foreign borrowing for Yugoslavia during the sharp rise in the international price of crude oil (the oil shock following the Israeli-Egyptian war in the au-

34 PAK, 728, Danilo Petrinja, t. e. 14.22, 'Sermin Koper, Podjetje v ustanavljanju, Osnove za program za izgradnjo komunalnih in infrastrukturnih objektov in industrijskih kapacite', dated Koper, July 1972.

tumn of 1973), leading the country into a debt crisis and the first period of Yugoslav inflation (Borak 2005, 1213).

While the ideas of developing heavy industries in the hinterland of the Port of Koper were eventually discarded, the development of port capacities for handling and storing liquid cargo in partnership with Ljubljana-based Petrol and the search for alternative energy sources came to the fore at the outbreak of the oil crisis. In 1971, Petrol sold more than a million tons of petroleum products and sales continued to grow in the following decades with two million tons of petroleum products. In the late 1970s, they turned to alternative energy sources such as gas. With the newly built gas pipelines in Austria and Italy, thinking about the possibility of supplying natural gas to Slovenia had become feasible. The gasification of Slovenia also dates back to this period, as the company TOZD Petrol Zemeljski Plin was founded in 1975, which began transporting gas in 1978 after the construction of the first main gas pipeline (Lorenčič 2013, 124).

A new study was prepared in 1975 (Žiberna et al. 1975) related to the construction of a refinery in Koper, followed, in 1978, by another prepared by the Port of Koper about the possibility of a connection between the port of Koper and the Aquila refinery near Trieste. The report envisaged an increase in the capacity of the Koper oil terminal and the construction of two pipelines, one for oil and the other for the refined product, connecting the port of Koper and the Iplas factory with the Trieste refinery. The oil pipeline was supposed to run along the western slope of Sermin, along the left bank of the Rižana across the Ankaran bonifika to Škofije; from there, along the route of the abandoned Trieste-Poreč line to the state border and then across the Miljska plain to the Aquila refinery. The total length of the pipeline was 6.0 km, 4.11 km of which was on the Yugoslav side and 1.89 km on the Italian side.³⁵ The product pipeline would run from the Aquila refinery along the same route in the opposite direction, crossing the Ankaran intersection and the Rižana river in a straight line to the petroleum products storage complex below and in the eastern part of Sermin. The length of the route of the product pipelines

35 A total of 6.5 km on the terrain, of which 4.53 km was on the Yugoslav side and 1.97 km on the Italian side.

was expected to be 5.0 km on the map, and 5.5 km along the terrain, 3.53 km of which was on the Yugoslav side and 1.97 km on the Italian side.³⁶

The document 'Concept and Strategy of Coastal Development to 1985' presented a new concept for the long-term economic development of the coastal region and, again, the development of the energy-industrial zone with the chemical industry was pivotal. In accordance with the guidelines of the Slovenian economic strategy, or the so-called 'Programme of activities for the development of the concept of oil and gas economy', which was adopted in Slovenia in 1978, the long-term development plan in Koper aimed at the expansion of the petrochemical and energy-related industries. At the municipal and coastal level, this perspective began to consider the establishment of a Koper Energy and Industrial Zone Business Community, which would focus its activities on the construction of a liquefied natural gas terminal and its connection to the main gas pipeline in the medium term. The terminal was supposed to provide the necessary additional quantities of gas for the implementation of Slovenia's gasification programme, and was also expected to benefit the transit of gas to Croatia. Afterwards, the construction of propylene chemistry facilities and the construction of terminals for petrochemical products would follow. Together with the liquefied gas terminal, a propylene terminal was to be built, in order to connect the propylene pipeline with the Iplas plants, expected to become the leading company in the sector.³⁷ In line with this orientation, an enquiry was carried out in 1979 concerning some aspects of the construction of a liquefied natural gas terminal in the Sermin area.³⁸ Three years later, in 1982, a liquefied petroleum gas and carbon dioxide filling station began operating in Sermin's new industrial facilities of the company Istrabenz, and gas sales doubled during the first year. Until 1985, the construction of a thermal power plant and the arrangement of an industrial zone remained among the priority investments.³⁹ The entire area was expected to cover 4,572 ha of land, with

36 PAK, 728, Danilo Petrinja, t. e. 24. 1, 'Študija povezave z naftovodom in produktovodoma luke Koper in Iplasa Koper z rafinerijo Aquila pri Trstu, Naročnik Luka Koper, Koper in Iplas Koper', dated Ljubljana, December 1978.

37 PAK, 776, Skupnost obalnih občin Koper, t. e. 88, 'SRS Slovenija, Skupščina obalne skupnosti Koper, Analiza možnosti obale za obdobje 1981–1985', dated Koper, June 1979, 16–17.

38 See: Prijon 1979.

39 Istrabenz plini 2019.

infrastructure covering 1,332 ha, and the industrial zone covering 960 ha, with a total occupation of 15,000 people (Plut 1978, 47).

At the end of the 1970s, some analyses began to appear in Slovenia starting to consider industrialization not only from the point of view of economic efficiency, but also in the light of its possible negative consequences for the living environment. In 1979, a study prepared by Dušan Plut, inside the Environment Commission at the 1979 COMECOM Council, emphasized the need for recognition and consideration of ecological principles in social planning, and also for the future development of the Koper littoral and the planned construction of an industrial zone:

In the future, it will be necessary to pay more attention to ecological issues and take them into account to the same extent as all other components of social planning. All moments of planned development must be considered and sectoral approaches coordinated. The favouring of transport-industrial development and tourism without proper care for ecologically equalizing areas (food, oxygen, water), the accumulation of population and economy in the coastal zone while neglecting the rural environment, the dysfunctional use of the coastal zone, the sea pollution and other spatial problems require a coordinated approach. (Plut 1978, 47)

High-profile plans for the industrialization of the immediate hinterland were reconsidered inside a new intellectual framework during the 1980s, with greater ecological awareness and, above all, a lack of financial investment due to of the second period of Yugoslav inflation. Namely, industrial production stagnated, while the Slovenian economy declined, and the growth rates of the social product, industrial production, and investment in fixed assets were negative (Prinčič 2005, 1218–9).

In the context of the deep economic and financial crisis, the authorities eventually deviated from the planned facilities of heavy and petrochemical industry, and economic development focused on industrial manufacturing and especially tertiary activities related to the commercial development of the Port. The Long-Term Plan of the Coastal Area for the period from 1986 to 2000 clearly highlighted the new economic strategy and the orientation towards renewed technological approaches, under the influence of different social values:

A special role in the long-term industrial development on the [Slovenian] Coast will be played by the organization and develop-

ment of the industrial zone in the area between the Port of Koper, Ankaranska cesta, and the Ankaran-Koper intersection road. In accordance with modern development tendencies, as part of the efforts to restructure the Slovenian economy, we will establish our geopolitical position, built infrastructure, and institutional advantages (free customs zone, border cooperation) for the organization of a port industrial zone based on maritime development components, technological complementarities, developmental interdependencies, and economic security, providing new impulses for our assertion in the international exchange of labour. When selecting technological development programmes, we will strictly take into account the requirements of environmental protection and other ecological restrictions, especially with regard to pollution of the sea, air, soil, and watercourses.⁴⁰

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40 PAK, 776, Skupnost obalnih občin Koper, t. e. 88, 'SRS Slovenija, Skupnost obalnih občin Koper, Dolgoročni plan obalnega območja za obdobje od 1986 do 2000 leta', dated Koper, August 1987.

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