

#### Project: "Further Development of Civil Dialogue Between Serbia and Kosovo"

## Workshop in Dimitrovgrad February 26, 2025

#### TOPIC 1

Define measures, through incentive programs from the local budget and in cooperation with relevant ministries, to increase the share of employment in agriculture, forestry, and fisheries

- 1. Opportunities readiness of the local budget to create an environment for increasing employment in agriculture
- According to the Budget Law, the local government regularly allocates funds through public calls for the item "Development of Agriculture and Rural Areas."
- On an annual basis, approximately 4% of the total local budget is allocated for these purposes.
- The capacities of the local government provide necessary logistical support to farmers when applying for domestic and international funds.
- Investments are made in infrastructure development (roads, water supply, transport) as a necessary condition for livestock development, especially considering the mountainous terrain.

#### 2. Value Chain

- Inability to provide more dynamic employment and the search for better-paid jobs have led to significant migration of young and working-age population to neighboring Bulgaria.
- The municipality of Dimitrovgrad is one of the least populated communities in Serbia.
- A significant portion of arable land and areas for livestock farming remains abandoned by their owners.
- Abandoned agricultural resources are often handed over for cultivation to interested individuals free of charge.
- In rural areas where agriculture and livestock production occur, the population mostly consists of elderly people.
- Assistance from state and international funds only maintains the level of agricultural production, without indicators of production or employment growth.
- Agricultural cooperatives are underdeveloped.
- There is no developed market for agricultural products.

## 3. Process Management

- The development of agriculture and rural development falls under the responsibility of the Office for Local Economic Development of the Municipality of Dimitrovgrad.
- The Office works intensively with the relevant Regional Development Agency.

- Agricultural experts from the Agricultural Station in Pirot provide professional advice to farmers.
- General agricultural development directions are defined by the Agricultural Development Plan of the Ministry of Agriculture, which sets the planning framework for every local community.

## 4. Challenges and Limitations

- Rapid decline of the working-age population due to pronounced migration.
- A large share of the population is over the age of 65.
- Mountainous terrain configuration.
- Lack of a developed agricultural product market.
- Insufficient financial incentives for initiating or maintaining intensive agricultural production.
- Regional economic and legal discrepancies between the municipality of Dimitrovgrad and neighboring Bulgaria.

## 5. Sustainability

- The Dimitrovgrad municipal budget allocates funds, in accordance with the Budget Law, that encourage agricultural production.
- Investments in agriculture only maintain the multi-year level of agricultural production.
- There is no progress index.

#### 6. Social Cohesion

- Significant migration to neighboring Bulgaria severely undermines community cohesion.
- The participation of youth in the total population is decreasing, while the share of elderly over 65 is increasing.
- The municipality's economic power is based on agriculture (livestock farming), without a significant share of other economic activities.

## 7. Recommendation

The socio-economic status of the municipality of Dimitrovgrad should be addressed at a broader regional level, considering the influence of the proximity of an EU member state, which is also the home country of the majority population in this municipality. Solutions should be sought at the state level, with more political will. Use the experience and solutions from the Serbia-Hungary relationship. The first priority is resolving the border crossing at Gradina on the Serbian side.

### **TOPIC 2**

Pay attention to the fact that a number of young people with dual citizenship will study in Bulgaria and take measures to encourage as many of them as possible to return by creating employment opportunities upon their return

1. Local budget capacity to create an environment for the return of young people to Dimitrovgrad after completing studies in Bulgaria

- The local government provides scholarships to young people attending higher education institutions in both Serbia and Bulgaria.
- It does not possess legal mechanisms and financial measures that would directly influence the return of young people and graduates to the local community.
- Indirectly, there are initial solutions to stimulate the return of young people and graduates to the local community by offering affordable housing options.

#### 2. Value Chain

- The imbalance in the age structure of the population is a concerning indicator of the community's overall socio-economic development.
- The permanent decrease in the share of young people in the population structure due to migration poses a threat to the municipality's future development.
- Progress indicators do not show socio-economic growth.

# 3. Process Management

- Youth Office
- Office for Local Economic Development
- Youth Strategy
- Local Action Plan for Youth

# 4. Challenges and Limitations

- The absence of progress indicators in the local community generates decisions by young people to continue their careers abroad.
- Border areas in eastern Serbia are among the most underdeveloped parts of the country, which influences intense migration processes.
- Local communities with a permanently declining number of young and educated residents cannot expect dynamic development.
- The absence of capital investments directly affects the potential creation of new jobs for educated young workers.
- A distorted system of basic social values discourages young people from continuing their professional careers in Serbia after studying abroad.

#### 5. Recommendation

The issue of the emigration of educated young residents from Dimitrovgrad should be addressed at the regional level, i.e., with the relevant state institutions of neighboring Bulgaria. Solutions should be sought through balanced regional development programs for eastern Serbia and cross-border cooperation programs (Interreg, IPA, etc.), as well as with funds from the Republic of Serbia. More political will should be demonstrated, along with intensified cooperation with the relevant Regional Development Agency for this part of Serbia.



# Implemented by:



