



**ПРИВРЕДНА КОМОРА СРБИЈЕ**  
**CHAMBER OF COMMERCE AND INDUSTRY OF SERBIA**

**Economic trends in the territory of Regional Chambers  
of Commerce and Industry of the Nišava, Pirot and Toplica  
Administrative Districts**

Niš, April 2019

## THE CONTENT

1. Basic data on territory, local self-governments and population .....	3
1.1. Surface and degree of development .....	3
1.2 Population.....	4
2. National accounts .....	5
2.1. Gross domestic product and gross value added (Regional GDP).....	5
2.2. Investments (by local governments).....	6
3. Industrial production (RZS data for internal use of RCC / CC BG).....	8
4. Agricultural production in the territory of RCC.....	8
5. Construction.....	9
6. Traffic .....	10
7. Tourism .....	11
8. Employment and earnings .....	12
8.1. Registered employment (by local government units) .....	12
8.2. Earnings.....	13
9. Unemployment .....	14
10. Foreign trade of goods.....	15
11. Structure of the economy .....	17
12. Foreign direct investment in the territory of RPK.....	18
Methodological notes .....	188
Sources of data .....	20

## 1. Basic data on territory, local self-governments and population

### 1.1. Surface and degree of development

The territory covered by the Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts with headquarters in Nis covers an area of 7.720 square kilometers, which is 8.74 per cent of the total territory of the Republic of Serbia. Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts covers economic activities of 19 local self-government units (municipal area: City of Niš with its municipalities (Nis-GO Mediana, Nis-GO Pantelej, Nis-GO Palilula, Nis-GO Crveni Krst, Niš-GO Niska Banja, Aleksinac, Doljevac, Merošina, Razanj, Gadžin Han, Svrlijig, Pirot, Bela Palanka, Babušnica, Dimitrovgrad, Prokuplje, Blace, Kuršumlija, Žitorađa). The largest territorial area occupies the City of Pirot with 16% of the total area.

When it comes to the level of development, the highest level of development is in the City of Nis (listed municipalities are individual), as development group I, and the City of Pirot as development group II.

Table 1. Surface and degree of development

Name RCC and LSG	Surface area			Degree of development
	y km <sup>2</sup>	Contribution, %		
		Republic of Serbia	РПК	
<b>Republic of Serbia</b>	<b>88.499</b>	-	-	-
Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts	<b>7.720</b>	<b>8,74</b>	<b>100</b>	-
<b>City of Niš, total</b>	<b>596</b>	<b>0,67</b>	<b>7,73</b>	<b>I group</b>
Niš-GO Medijana	10	0,01	0,13	I group
Niš-GO Pantelej	141	0,16	1,83	I group
Niš-Go Cveni Krst	182	0,21	2,36	I group
Niš-GO Palilula	117	0,13	1,52	I group
Niš-GO Niška Banja	146	0,16	1,89	I group
Aleksinac	707	0,80	9,16	IV group
Doljevac	121	0,14	1,57	IV group
Merošina	193	0,22	2,50	IV group
Ražanj	289	0,33	3,74	IV group
Gadžin Han	325	0,37	4,21	IV group
Svrlijig	497	0,56	6,44	IV group
City of Pirot	1.232	1,39	15,96	II group
Bela Palanka	517	0,58	6,70	IV group
Babušnica	529	0,60	6,85	IV group
Dimitrovgrad	483	0,55	6,26	IV group
City of Prokuplje	759	0,86	9,83	III group
Blace	306	0,35	3,96	IV group
Kuršumlija	952	1,08	12,33	IV group
Žitorađa	214	0,24	2,77	IV group

Source: Statistical Office of the Republic of Serbia, Republic Geodetic Authority, Decree on the establishment of a single list of regional development and local self-government units for 2014.

## **1.2 Population**

According to the estimates of the Republic Institute for Statistics in mid 2016, the number of inhabitants in the territory of the Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts amounted to 541,371, of which 48% live on the territory of the City of Niš, 10% in the territory of the City of Pirot and the Municipality of Aleksinac 8% in the City of Prokuplje. Estimates were made on the basis of the Census of population, households and housing in 2011 and data on the natural and mechanical movement of the population (internal migration).

Table 2. **Estimated population in mid 2015 and 2016**

Name RCC and LSG	Number of inhabitants (estimate)		Contribution (2016), %		Index 2016/2015.
	2015.	2016.	Republic of Serbia	РПК	
<b>Republic of Serbia</b>	<b>7.095.383</b>	<b>7.058.322</b>	<b>100,0</b>	-	<b>99,5</b>
Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts	<b>545.834</b>	<b>541.371</b>	<b>7,67</b>	<b>100,0</b>	<b>99,18</b>
<b>City of Niš, total</b>	<b>258.163</b>	<b>257.603</b>	<b>3,65</b>	<b>47,57</b>	<b>99,78</b>
Niš-GO Medijana	85.525	85.400	1,21	15,77	99,85
Niš-GO Pantelejš	53.363	53.339	0,76	9,85	99,96
Niš-Go Cveni Krst	31.652	31.368	0,44	5,79	99,10
Niš-GO Niška Banja	14.444	14.395	0,20	2,66	99,66
Niš-GO Palilula	73.179	73.101	1,04	13,50	99,89
Aleksinac	49.628	48.963	0,69	9,04	98,66
Doljevac	18.300	18.116	0,26	3,35	98,99
Merošina	13.520	13.379	0,19	2,47	98,96
Ražanj	8.554	8.382	0,12	1,55	97,99
Gadžin Han	7.642	7.428	0,11	1,37	97,20
Svrljig	13.364	13.145	0,19	2,43	98,36
City of Pirot	56.143	55.628	0,79	10,28	99,08
Bela Palanka	11.471	11.283	0,16	2,08	98,36
Babušnica	11.360	11.060	0,16	2,04	97,36
Dimitrovgrad	9.703	9.542	0,14	1,76	98,34
City of Prokuplje	42.755	42.275	0,60	7,81	98,88
Blace	11.135	10.935	0,15	2,02	98,20
Kuršumlija	18.407	18.117	0,26	3,35	98,42
Žitorađa	15.689	15.516	0,22	2,87	98,90

Source: Statistical Office of the Republic of Serbia

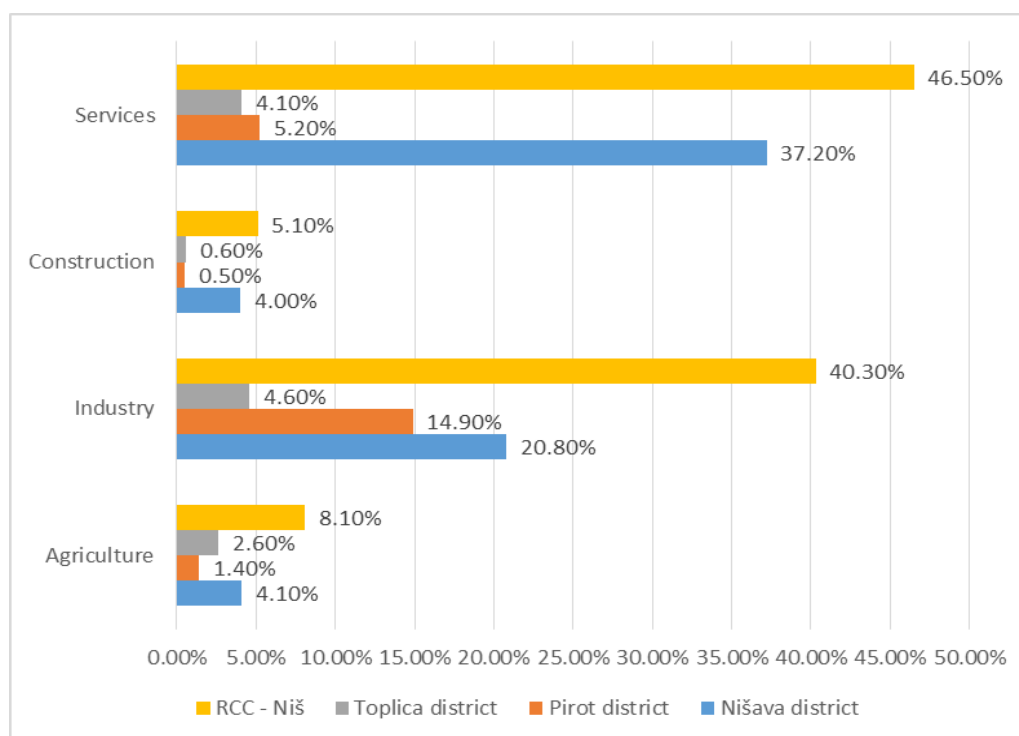
## 2. National accounts

### 2.1. Gross domestic product and gross value added (Regional GDP)

In the structure of GDP of the RCC Nišava, Pirot and Toplica Administrative Districts, the most frequent services are 46.5%, which is below the national average, 40.3%, which is above the national average and agriculture with 8.1%, which is at the level of the national average. Construction accounts for 5.1%, which is slightly above the national average.

Chart 1: The structure of gross value added (GDP) in the Region of RCC Nišava, Pirot and Toplica Administrative Districts in 2016

	Agriculture	Industry	Construction	Services
Nišava district	4,1%	20,8%	4,0%	37,2%
Pirot district	1,4%	14,9%	0,5%	5,2%
Toplica district	2,6%	4,6%	0,6%	4,1%
RCC - Niš	8,1%	40,3%	5,1%	46,5%



Source: Calculation of the RCC based on the data of the Republic Statistical Office

## 2.2. Investments (by local governments)

The largest investments in basic funds in the region of RCC Nišava, Pirot and Toplica Administrative Districts in 2017 were in the city of Nis with the amount of 7,736,085,000 RSD, which is 87.5% of the total amount.

Table 3. Payments for investments in basic funds by technical structure, 2017 (in 000 RSD)

Name RCC and LSG	Total	Construction works	Land	Domestic equipment	Import equipment	Cultivated biological resources	Intellectual property
<b>Republic of Serbia</b>							
Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts	<b>8.833.525</b>	<b>3.422.139</b>	<b>89.683</b>	<b>2.012.808</b>	<b>3.228.621</b>	<b>19.800</b>	<b>60.474</b>
<b>City of Niš, total</b>	<b>7.736.085</b>	<b>2.784.541</b>	<b>77.927</b>	<b>1.747.473</b>	<b>3.054.741</b>	<b>19.800</b>	<b>51.603</b>
Niš-GO Medijana	3.545.631	2.336.837	204	695.122	500.426	0	13.042
Niš-GO Pantelej	424.161	76.701	6.360	212.794	125.536	0	2.770
Niš-Go Cveni Krst	3.330.355	323.484	52.308	588.362	2.324.928	19.800	21.473
Niš-GO Niška Banja	63.410	4.438	0	7.624	51.102	0	246
Niš-GO Palilula	372.528	43.081	19.055	243.571	52.749	0	14.072
Aleksinac	478.801	205.248	4.673	110.890	155.690	0	2.300
Doljevac	123.171	93.193	1.314	13.861	10.795	0	4.008
Merošina	206.693	149.975	1.962	48.104	6.378	0	274
Ražanj	70.167	57.559	0	12.476	0	0	132
Gadžin Han	62.489	26.623	541	34.716	303	0	306
Svrljig	156.119	105.000	3.266	45.288	714	0	1.851
City of Pirot	110.137	99.488	478	6.690	0	0	3.481
Bela Palanka	110.137	99.488	478	6.690	0	0	3.481
Babušnica	361.013	81.592	0	38.476	236.474	0	4.471
Dimitrovgrad	110.668	83.912	2.720	23.839	197	0	0
City of Prokuplje	26.629	13.509	1.350	4.230	7.529	0	9
Blace	4.859	1.472	124	945	2.295	0	22
Kuršumlija	4.859	1.472	124	945	2.295	0	22
Žitorađa	367	175	87	96	4	2	0

Source: Statistical Office of the Republic of Serbia

In the RCC Nišava, Pirot and Toplica Administrative Districts total investments in 2017 amounted to 17,439,506 (in thousands of RSD), out of which the investments with domestic capital amounted to

8,597,296, or 49.3%, investments with foreign capital were 8.562.294, or 49.1%, and investments with mixed capital were 279.296, or 1.6%.

**Table 4. Total investments by origin of capital, 2017 (in 000 RSD)**

Name RCC and LSG	Total	No tag	Home capital	Foreign capital	Mixed capital
<b>Republic of Serbia</b>					
Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts	<b>17.439.516</b>	<b>0</b>	<b>8.597.296</b>	<b>8.562.924</b>	<b>279.296</b>
<b>City of Niš, total</b>	<b>7.736.085</b>	<b>0</b>	<b>4.788.680</b>	<b>2.670.852</b>	<b>276.553</b>
Niš-GO Medijana	3.545.631	0	2.722.534	570.286	252.811
Niš-GO Pantelej	424.161	0	256.886	167.275	0
Niš-Go Cveni Krst	3.330.355	0	1.437.473	1.869.140	23.742
Niš-GO Niška Banja	63.410	0	63.410	0	0
Niš-GO Palilula	372.528	0	308.377	64.151	0
Aleksinac	478.801	0	307.921	168.137	2.743
Doljevac	123.171	0	123.171	0	0
Merošina	206.693	0	4.684	202.009	0
Ražanj	70.167	0	70.167	0	0
Gadžin Han	62.489	0	62.489	0	0
Svrljig	156.119	0	138.785	17.334	0
City of Pirot	3.702.306	0	1.150.848	2.551.458	0
Bela Palanka	110.137	0	110.137	0	0
Babušnica	361.013	0	353.966	7.047	0
Dimitrovgrad	110.668	0	110.668	0	0
City of Prokuplje	3.231.187	0	285.100	2.946.087	0
Blace	456.434	0	456.434	0	0

Name RCC and LSG	Total	No tag	Home capital	Foreign capital	Mixed capital
Kuršumlija	589.674	0	589.674	0	0
Žitorađa	44.572	0	44.572	0	0

Source: Statistical Office of the Republic of Serbia

### **3. Industrial production**

Industry sector of the Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts consists of six associations: Association for Metal ..., Association for Construction ..., Association for Chemical..., Association for Textile..., Association for Energy ... and Association for Pharmaceutical and medical industry, with 146 different activity codes and 1,076 companies, which is 16,20% compared to the previous period (926). According to the latest data for the APR for 2017, the business income of all companies was 178.519.926.000 RSD, or 33.45% more compared to the previous year (133.776.177.000 RSD). The number of workers, of all PD Industries, was 28,440, which is 12,92% more than in the previous period (25,412).

In the Sector of Industry, the most dominant companies are companies with a size of 4 - large PD, which has 6, and which employed 11,469 workers and earned business income of 109,466,738,000 RSD.

It can be seen from the enclosure that there is an increase in industrial production in the observed periods SI.

### **4. Agricultural production in the territory of RCC**

In the territory of Nišava, Pirot and Toplica Administrative Districts covered by RCC Niš, it is estimated that 52000 ha were sown with wheat crops in the past year, and 55000 ha with corn. Compared to the perennial average, that amounts to 15-20% less areas under corn, due to the very unfavorable and dry year during 2017 and very low corn yield, as well as the rarely favorable conditions for wheat sowing. Wheat yield was about 4 tons per hectare, while corn yield was about 8 tons per hectare.

**In vegetable farming** this year was kind for some species and unfavorable to others. First began the production of tomatoes and cucumbers in greenhouses. Production was somewhat later than usual, but crops, especially tomatoes, accelerated the vegetation and maturation was timely. However, most cucumber and tomato producers are unhappy with the price of their product. The start price of tomatoes is 30-40% below the perennial average.

Potatoes with regular and adequate lightning protection in the production area has given rare excellent yields. It can be said that the average yield of potatoes was about 15 t/ha, and there were also producers and with a yield of 40 to 50 t/ha. Unfortunately, heavy moisture and frequent rainfall made it difficult to achieve high quality trowel, increased moisture of the tuber, and later deterioration of the tubers and significant damage to the warehouses.

**When it comes to fruit-growing production**, frequent precipitation during the spring and summer months led to the disease and pests in fruit-plants, which resulted in the decrease of fruit quality. In some localities, the hail also caused damages to the fruits.

In the production of plums, rusty plums were often present in plantations compared to the past vegetation.

The problem with fruit production is the lack of processing capacities in our area. Many capacities have been built or revitalized in recent years, for example, the cold storage in Aleksinac, but that is still insufficient for the processing of raw materials, primarily fruits in this area.

Bacteriophage was registered with pear and quince.

The Asian fruit fly that appeared in the area in recent years has been a huge problem in the production of blackberries, raspberries, of re-cultivating varieties, as well as vines, resulting in the appearance of rotting during maturation.

The occurrence of cicadas on the vineyard is alarming, and due to its appearance, the spread of the phytoplasma of the vines.

**In livestock production** there is a constant decrease in cattle breeding regarding the number of dairy cows, while on the other hand there is an increase in the number of cattles for fattening, which is the result of the low price of milk in the purchase and slightly increased price of cattle.

There is a trend of farm consolidation, i.e. increasing the capacity of existing farms and forming the so-called farms-goods manufacturers.

Swine industry is at the level of perennial averages with periodic oscillations in production and it follows market needs.

## **5. Construction**

Association for the construction, building materials industry and housing industry, CCS - RCC Nis, according to official figures APR for 2017, is the second largest in the SI, just behind the Association for the metal and engineering, electrical engineering, metal mines and metallurgy.

In the Construction Association there are 333 companies with 23 different activity codes and 3,203 workers. Operating income, realized by the Association for Construction in the mentioned period, is 20,442,883,000 RSD.

The most dominant branches in the Construction Association ... are:

- Construction of residential and non-residential buildings (106 PD, 748 workers, PP 5.653.388.000 CSD);
- Construction of roads and highways (23 PD, 956 workers, 8,890,310,000 RSD);
- Engineering activities and technical consulting (59 PD, 239 workers, 745.476.000 RSD);

## **6. Traffic**

In the area of RCC of the Nišava, Pirot and Toplica Administrative Districts, there is passenger and cargo transport as a part of road transport, passenger and cargo transport as a part of rail transport, as well as passenger and cargo transport in air transport.

269 companies were registered for carrying out transport activities.

### **Travel infrastructure**

The most important road in the territory is the international highway E-75, which is located on the territory north of Niš, on the E-75 highway that leads to Skopje, Thessaloniki and Athens and the international E-80 route leading to Sofia. Apart from Corridor X, the E-771 Nis-Svrljig-Zaječar-Negotin-Kladovo-Turnu Severin, the regional road M-25 Niš-Prokuplje-Kuršumlja-Podujevo-Pristina, as well as the regional road M- 9 Pirot-Babushnica-Vlasotince-Leskovac-Lebane-Pristina. The south and east end of Corridor 10 will be completed in 2019. It is expected that in 2020 the construction of the Nis-Merdare-Pristina highway, worth 5 billion euros, will begin.

The total length of the state roads in the region is 1315,60 km. The length of the state roads of the first order is 451,20 km, of which the length of the highways is 182,00 km. The length of the second-tier state roads is 864,40 km.

### **Railway infrastructure**

There are two important intersections on the territory of the region: One is the city of Niš, where the Belgrade-Niš railway line, marked 70, is separated into the routes Niš-Svrljig-Zaječar-Pristanište Prahovo marked 75, Niš-Pirot-Border with the Republic of Bulgaria marked 80, as well as the route Niš-Doljevac-Leskovac-Preševo-State border with Macedonia marked 90. The second important intersection is Doljevac, in which the route Doljevac-Kastrat-Kosovo Polje marked 85 is allocated from the main route marked 90. There are three main routes in the region 70,80 and 90 belonging to the Corridor X, and two of the regional 75 and 85 linking the area to the east of Serbia, or with Kosovo. The Niš-Belgrade Railway, marked 90, is dual-colored and electrified throughout the territory of the Nishava district, although the electrical equipment has deteriorated and reconstruction is needed. According to the strategic plan for the construction of Corridor X, EUR 1.073 billion is to be invested in this section. The first set of agreements worth more than 200 million euros of loans and grants from EU funds related to the reconstruction and modernization of the railway line Nis - Dimitrovgrad on Corridor 10 were signed. The first agreement, worth 44.66 million euros, refers to works on reconstruction and modernization of existing railway infrastructure on the section Sićevo - Dimitrovgrad and preparatory work for electrification and signaling. The second agreement worth € 28.37 million refers to works on electrification and signaling of the northern bypass around the city of Niš and works on electrification and signaling on sections Crveni Krst - the road with the bypass and Sićevo - Dimitrovgrad.

### **Airport Constantine the Great**

In all modes of transport there is a growth in the volume of passenger and cargo transport, and especially the development of Aerodrom Niš, which had 351,581 passengers in 2018, as well as goods transport of 688,307 tons.

Air traffic takes place via airport Konstantin Veliki, which is 4 km from the center of Nis. The airport is located in the zone with very favorable weather conditions throughout the year, with few foggy and snowy days, so in the past period it was used as an alternative airport for airports in Pristina, Podgorica, Belgrade, Tivat, Ohrid, Skopje and Sofia. The airports is used regularly for charter flights and alternative landings: JAT, Montenegro Airlines, Aviogenex, Macedonian Airline, Balkan, Tea, Crossair, Deutsche BA, Lufthansa, Thomson and others. Konstantin Veliki Airport is located at an altitude of 197 m. The airport was built in 1986, and in 2003 reconstruction of the summer-runway and installation of a light marking system was carried out. Runway is 2500 m long, 45 m wide, beside which there is a platform of 275 x 100 m, as well as a 25 m wide track. There are 4 marked parking spaces for the aircraft on the platform. The total capacity of the airport in emergency situations is 20 aircrafts.

In the summer season of 2019, there were routes to Memmingen, Vienna, Basel (Wizzair), Bratislava, Dortmund, Malmo, Milan, Berlin and Stockholm (Ryanair) and Zurich (Swissair)

New lines, installation of accessory lights for category 1, and the development of a project to expand the passenger terminal are just some of the plans for 2019. Subsidies for new lines will start from July 1, 2019, will last until the end of 2021 and amount to 5 million euros. The lines will connect Niš and Nuremberg, Frankfurt (Han), Rome, Hanover, Ljubljana, Salzburg, Bologna, Budapest, Gothenburg, Friedrichshafen, Karlsruhe and Tivat.

\* Data source Regional Development Agency South

It is expected that the volume of transport will increase in the coming period. The Government of the Republic of Serbia has published a list of 12 lines of public importance that will be established from the airport "Konstantin Veliki" in Niš. In the decision of the Government of the Republic of Serbia it is stated that the lines of public importance for Niš are to Nuremberg, Frankfurt, Rome, Hanover, Ljubljana, Salzburg, Bologna, Budapest, Gothenburg, Friedrichshafen, Karlsruhe and Tivat. The list is composed of 11 regular and one seasonal route. New lines would most closely link Niš with Germany, with five routes, and then Italy with two new lines. The decision suggested that airlines fly twice a week to all destinations mentioned, except for Tivat, where airlines should fly three times a week during the summer period. It is expected that scheduled flights will be established from 1 July 2019 and to be active until June 30, 2023.

## **7. Tourism**

The region's tourist traffic increased the number of arrivals by 17% in 2018 compared to 2017, and the number of overnight stays by 23%, which led to an increase in income from residence tax.

**Table 5. Value of residence tax MRT in RCC of the Nišava, Pirot and Toplica Administrative Districts in period I-XII 2018**

Name RCC and LSG	Value of residence tax MRT in the RCC municipalities
<b>Republic of Serbia</b>	
<b>RCC of the Nišava, Pirot and Toplica Administrative Districts</b>	61.752.000
<b>City of Niš, total</b>	<b>26.780.000</b>
Niš-GO Medijana	11.895.000
Niš-GO Pantelej	2.580.000
Niš-Go Cveni Krst	1.420.000
Niš-GO Niška Banja	3.758.000
Niš-GO Palilula	7.127.000
Aleksinac	1.550.000
Doljevac	-
Merošina	-
Ražanj	-
Gadžin Han	-
Svrljig	730.000
City of Pirot	8.500.000
Bela Palanka	968.000
Babušnica	-
Dimitrovgrad	2.650.000
City of Prokuplje	3.650.000
Blace	730.000
Kuršumlija	16.194.000
Žitorađa	-

Source: Tourist Organizations of the municipalities of RCC of the Nišava, Pirot and Toplica Administrative Districts

## **8. Employment and earnings**

### **8.1. Registered employment (by local government units)**

In 2016, there were 135774 employees in the RCC of the Nišava, Pirot and Toplica Administrative Districts, or 6.7% of the employees in the Republic of Serbia.

Table 6. **Registered employment in 2015 and 2016**

Name RCC and LSG	Number of employees		Contribution (2016), %		Index 2016/2015
	2015	2016	Republic of Serbia	RCC	
<b>Republic of Serbia</b>	<b>1989617</b>	<b>2009785</b>	<b>100,0</b>	<b>-</b>	<b>101,0</b>
Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative	126134	135774	6,76	100,00	107,64

Districts					
<b>City of Niš, total</b>	<b>68327</b>	<b>75458</b>	<b>3,75</b>	<b>55,58</b>	<b>110,44</b>
Niš-GO Medijana	39551	35374	1,76	26,05	89,44
Niš-GO Pantelej	6711	7978	0,40	5,88	118,88
Niš-Go Cveni Krst	9804	13139	0,65	9,68	134,02
Niš-GO Niška Banja	2108	2467	0,12	1,82	117,03
Niš-GO Palilula	10153	16500	0,82	12,15	162,51
Aleksinac	8698	8960	0,45	6,60	103,01
Doljevac	1756	4610	0,23	3,40	262,53
Merošina	1487	1677	0,08	1,24	112,78
Ražanj	1096	1120	0,06	0,82	102,19
Gadžin Han	1706	1483	0,07	1,09	86,93
Svrljig	2355	2420	0,12	1,78	102,76
City of Pirot	14449	15136	0,75	11,15	104,75
Bela Palanka	1735	1694	0,08	1,25	97,64
Babušnica	2108	2137	0,11	1,57	101,38
Dimitrovgrad	2250	2332	0,12	1,72	103,64
City of Prokuplje	12347	10796	0,54	7,95	87,44
Blace	2293	2306	0,11	1,70	100,57
Kuršumlija	4094	3997	0,20	2,94	97,63
Žitorađa	1733	1648	0,08	1,21	95,10

Source: Statistical Office of the Republic of Serbia

\*Registered employment includes employees in legal entities (companies, companies, cooperatives, institutions and other organizations), entrepreneurs and registered individual farmers

## 8.2. Earnings

The average salary in the RCC of the Nišava, Pirot and Toplica Administrative Districts was 31.8% lower than the nation average. Compared to the same period of 2016, the average net salary increased by 3.9%.

Table 7. Average earnings net of taxes and contributions (net) in 2015 and 2016

Name RCC and LSG	Net earnings, in RSD		Contribution (2016), %		Index I-XI 2016/ I-XI 2015
	I-XII 2015	I-XII 2016	Republic of Serbia	RCC	
<b>Republic of Serbia</b>	<b>46097</b>	<b>47893</b>	<b>100,0</b>	<b>-</b>	
<b>Regional Chambers of Commerce and Industry of the Nišava,</b>	<b>34964</b>	<b>36328</b>	<b>75,85</b>	<b>100,0</b>	<b>103,90</b>

<b>Pirot and Toplica Administrative Districts</b>					
<b>City of Niš, total</b>	<b>37998</b>	<b>39194</b>	<b>81,83</b>	<b>107,88</b>	<b>103,14</b>
Niš-GO Medijana	41793	43257	90,32	119,07	103,50
Niš-GO Pantelej	32520	33227	69,38	91,46	102,17
Niš-Go Cveni Krst	47435	49417	103,18	136,03	104,18
Niš-GO Niška Banja	32703	32387	67,62	89,15	99,03
Niš-GO Palilula	35538	37683	78,68	103,73	106,04
Aleksinac	37683	40477	84,52	111,42	107,41
Doljevac	33682	34875	72,82	96,00	103,54
Merošina	33301	35550	74,23	97,86	106,75
Ražanj	30573	31511	65,79	86,74	103,07
Gadžin Han	27770	28242	58,97	77,74	101,70
Svrljig	29663	29065	60,69	80,01	97,98
City of Pirot	48005	52705	110,05	145,08	109,79
Bela Palanka	28060	28009	58,48	77,10	99,82
Babušnica	37760	38144	79,64	105,00	101,02
Dimitrovgrad	30912	31757	66,31	87,42	102,73
City of Prokuplje	34231	35440	74,00	97,56	103,53
Blace	32785	35256	73,61	97,05	107,54
Kuršumlija	34631	36396	75,99	100,19	105,10
Žitorađa	35268	36840	76,92	101,41	104,46

Source: Statistical Office of the Republic of Serbia

## 9. Unemployment

According to the records of the National Employment Service, at the end of December 2016, 10.6% of the unemployed in the Republic of Serbia were registered in the RCC of the Nišava, Pirot and Toplica Administrative Districts. The largest number of unemployed was recorded in the territory of the City of Niš, the City of Pirot, the City of Prokuplje and the municipality of Aleksinac.

Table 8. **Unemployed persons, the situation at the end of December 2015 and 2016**

Name RCC and LSG	Unemployed persons		Contribution (2016), %		Index 2016/2015
	31122015	31122016	Република Србија	ЈЛС	
<b>Republic of Serbia</b>	<b>703020</b>	<b>678837</b>	<b>100,0</b>	-	<b>96,6</b>
<b>Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts</b>	72407	72351	10,66	100,00	99,92
<b>City of Niš, total</b>	<b>32111</b>	<b>30680</b>	<b>4,52</b>	<b>42,39</b>	<b>95,54</b>
Niš-GO Medijana	9429	9045	1,33	12,50	95,93
Niš-GO Pantelej	5963	5704	0,84	7,88	95,66
Niš-Go Cveni Krst	4618	4306	0,63	5,95	93,24
Niš-GO Niška Banja	2523	2426	0,36	3,35	96,16
Niš-GO Palilula	9578	9199	1,36	12,71	96,04
Aleksinac	7213	7187	1,06	9,93	99,64

Doljevac	2212	2015	0,30	2,79	91,09
Merošina	2156	2206	0,32	3,05	102,32
Ražanj	674	688	0,10	0,95	102,08
Gadžin Han	1272	1294	0,19	1,79	101,73
Svrljig	1625	1819	0,27	2,51	111,94
City of Pirot	7206	7033	1,04	9,72	97,60
Bela Palanka	1926	1897	0,28	2,62	98,49
Babušnica	1399	1344	0,20	1,86	96,07
Dimitrovgrad	1364	1387	0,20	1,92	101,69
City of Prokuplje	7315	6982	1,03	9,65	95,45
Blace	1717	1675	0,25	2,32	97,55
Kuršumlija	3183	3180	0,47	4,40	99,91
Žitorađa	2958	2964	0,44	4,10	100,20

Source: National Employment Service

## 10. Foreign trade of goods

The foreign trade of the economy of RCC Niš reached ~ 2.3 billion euros in 2018, with exports amounting to 1,337 billion euros, and imports of 982 million euros. The realized surplus in the exchange at the level of RCC Niš amounted to 355.2 million euros. There is surplus in the trade of goods for Pirot and Prokuplje, as well as municipalities: Aleksinac, Blace, Kuršumlija, Babušnica, Svrljig, Merošina, Bela Palanka and Ražanj, while higher import/export ratios were in the City of Niš (5 city municipalities) and the municipalities of Žitorađa, Doljevac, Gadžin Han and Dimitrovgrad.

Compared to 2017, in 2018, trade in goods increased in the cities and municipalities of Niš, Pirot, Svrljig, Kuršumlija, Dimitrovgrad, Gadžin Han and Doljevac, while it was reduced to Ražanj, Bela Palanka, Žitorađa, Merošina, Blace, Babušnica, Aleksinac and Prokuplje.

Table 9. Review of foreign trade commodity exchange for 2018

Name RCC and LSG	Total commodity exchange (000 EUR)	Export (000 EUR)	Index 2018 --- 2017 (in%)	Participation in export of RCC (in%)	Import (000 EUR)	Index 2018 --- 2017 (in%)	Participation in imports of RCC (in%)	Balance (000 EUR)	Import coverage by exports (in%)
<b>Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts</b>	23192003	13371884	103,7	8,2	9820118	101,7	4,5	3551	36,2
<b>City of Niš, total</b>	<b>10231958</b>	<b>4893492</b>	<b>106</b>	<b>36,6</b>	<b>5338467</b>	<b>106,4</b>	<b>54,3</b>	<b>-444975</b>	<b>96,9</b>

Niš-GO Medijana	1457111	562498	111,0	4,2	894613	122,2	9,1	-332115	62,9
Niš-GO Pantelej	1118146	641189	101,2	4,8	476957	109,1	4,9	164232	134,4
Niš-GO Palilula	797284	168028	116,3	1,3	629257	123,9	6,4	-461229	26,7
Niš-Go Cveni Krst	6571455	3345942	106,3	25,0	3225514	100,3	32,8	120428	103,7
Niš-GO Niška Banja	287962	175835	95,1	1,3	112126	76,4	1,1	63709	156,8
City of Pirot	7551774	5368952	114,9	40,2	2182822	111,5	22,2	3186131	246,0
City of Prokuplje	2512830	1427399	84,7	10,7	1085430	82,6	11,1	341969	131,5
Aleksinac	1840407	1028969	89,2	7,7	811438	90,0	8,3	217532	126,8
Babušnica	238435	134763	88,0	1,0	103673	82,3	1,1	31090	130,0
Svrljig	230582	123759	123,0	0,9	106823	132,7	1,1	16936	115,9
Blace	148681	123181	83,1	0,9	25500	50,5	0,3	97681	483,1
Kuršumlja	148234	122198	100,1	0,9	26036	62,9	0,3	96162	469,3
Merošina	129331	81974	88,2	0,6	47356	91,6	0,5	34618	173,1
Dimitrovgrad	72430	33990	114,9	0,3	38440	112,8	0,4	-4449	88,4
Gadžin Han	36866	16177	114,3	0,1	20690	119,1	0,2	-4513	78,2
Doljevac	16863	2638	119,2	0,0	14226	113,8	0,1	-11588	18,5
Žitorađa	16678	4100	69,5	0,0	12578	58,7	0,1	-8478	32,6
Bela Palanka	10940	5565	97,5	0,0	5375	81,2	0,1	189	103,5
Ražanj	5994	4728	19,8	0,0	1266	108,3	0,0	3462	373,5

Source: Statistical Office of the Republic of Serbia

The most prevalent products exported from the territory of RCC Niš (CT4) in 2018 were new external pneumatic tires (~ 113,000 tons, ~ 508 million EUR, 38%), cigars, cigarillos and cigarettes, tobacco and smoked tobacco (~ 25,000 tons, 157 million EUR, 11.7%), insulated wire, cables and other electrical conductors (~ 8.100 tons, ~ 136 million EUR, 10.1%).

The most common products in the imports for the territory of RCC Niš (CT4) in 2018 were unclassified goods by CT (~ 23,000 tons, ~ 90 million EUR, 9.1%), tobacco, raw or unmanufactured tobacco waste (~ 16,000 tons, ~ 60 million EUR, 6.2%), insulated wire, cables and other electrical conductors (~ 5.700 tons, ~ 54 million EUR, 5.5%).

In exports during 2018, the most important partner countries were Germany, Italy and the UK (~ 30% of exports), and in imports, the most important countries were Germany, Italy and Turkey (~ 34% of imports).

**Table 10. A review of 15 countries, the most important foreign trade partners, ranked according to the value of exports and imports, in 2018**

Country name - export	Export RCC (mln EUR)	Participation in export of RCC (in%)	Country name - import	Import RCC (mln EUR)	Participation in imports of RCC (in%)
Germany	152,49	11,4	Germany	164,38	16,7

Country name - export	Export RCC (mln EUR)	Participation in export of RCC (in%)	Country name - import	Import RCC (mln EUR)	Participation in imports of RCC (in%)
Italy	146,22	10,9	Italy	83,75	8,5
United Kingdom	97,53	7,3	Turkey	81,44	8,3
France	95,73	7,2	Russian Federation	73,95	7,5
Spain	72,17	5,4	China	72,92	7,4
Russian Federation	69,89	5,2	Poland	33,11	3,4
Poland	54,97	4,1	Hungary	30,83	3,1
Hungary	53,15	4,0	Bulgaria	29,74	3
Japan	48,90	3,7	France	28,72	2,9
Turkey	47,99	3,6	Romania	27,81	2,8
Czech Republic	43,09	3,2	Slovakia	27,22	2,8
Romania	42,48	3,2	Czech Republic	25,29	2,6
Bosnia and Herzegovina	38,32	2,9	USA	20,87	2,1
Bulgaria	27,97	2,1	Belgium	20,06	2
Algeria	26,10	2,0	Netherlands	17,96	1,8
<b>TOTAL first 15:</b>	<b>1,017</b>	<b>76,2</b>		<b>738,05</b>	<b>74,9</b>

Source: Statistical Office of the Republic of Serbia

## **11. Structure of the economy**

In 2017, there were 5666 active companies in the Regions of the Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts (by 4.7% more than in 2016) and 15665 entrepreneurs (by 5.4% more active entrepreneurs in relation to 2016).

Table 11. **Structure of the economy, in the period 2015, 2016 and January-June 2017**

Structure of the economy	2015	2016	January-June 2017
<b>Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts</b>			
<i>Number of companies</i>			

<b>Structure of the economy</b>	<b>2015</b>	<b>2016</b>	<b>January-June 2017</b>
Active	5191	5410	5666
Newly established	328	374	387
Deleted / extinguished	147	122	158
<b>Number of entrepreneurs</b>			
Active	14056	14862	15665
Newly established	2613	2540	2520
Deleted / extinguished	2406	1745	1728

Source: Business Registers Agency

Note: The register of business entities is a unique, central and electronic database in which an entrepreneur, a company, a cooperative and a cooperative association, a public company, a branch and a representative office of a foreign company, as well as other forms of organization in the Republic of Serbia, are subject to registration in accordance with the law, and in accordance with EU directives.

## **12. Foreign direct investments in the territory of the RCC Nis**

Significant foreign direct investments were made in the territory of the RCP Nišavski, Pirotski and Toplički district districts and especially in the Nišava administrative district, while the largest foreign investors were: YURA CORPORATION, SHINWON, BENETTON (Olimpias Group), JOHNSON ELECTRIC, LEONI, INTEGRATED MICRO ELECTRONICS, ASTER , ZUMTOBEL.

In the Toplica Administrative District, the largest foreign investors in the previous period were LEONI, BIZLING.

In Pirot's administrative district, the largest foreign investors were TIGAR TYRES and E MIROGLIO.

### **Methodological notes**

The Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts includes the following units of local self-government: the City of Nis with its municipalities (Niš-GO Medijana, Niš-GO Pantelej, Niš-GO Palilula, Niš-GO Crveni Krst, Niš-GO Niška Banja ), Aleksinac, Doljevac, Merošina, Razanj, Gadžin Han, Svrljig, Pirot City, Bela Palanka, Babušnica, Dimitrovgrad, Prokuplje City, Blace, Kuršumlija, Žitorađa.

Some values are rounded to millions or billions, with one decimal place, therefore the total values (summaries) do not always agree with the collection of individual data, since uncomplicated numbers are used (which gives more precise data).

**Degree of development:** The Regulations on the Establishment of a Single List of Development of the Region and Local Self-Government Units for 2014 (Sl. RS, No. 104/2014) regions are classified according to the degree of development in developed regions (Belgrade Region and Vojvodina Region) and underdeveloped (Sumadija Region and Western Serbia, the Region of South and East Serbia and the

Region of Kosovo and Metohija), while the local self-government units are classified into groups I, II, III and IV and devastated areas:

- Group I (above the national average) - in this group there are 5 local self-government units;
- Group II (80% -100% of the national average) - in this group there is 1 local self-government unit;
- Group III (60% -80% of the national average) - in this group there is 1 local self-government unit;
- Group IV (below 60% of the national average) - there are 12 local self-government units in this group, within which 19 local self-government units fall into devastated areas (below 50% of the national average)

**Registered employment:** The term "employees" means persons who have a formal legal employment contract, or an employment relationship with an employer, for a fixed or indefinite period; persons working outside the employment relationship, on the basis of a contract of employment or on the basis of a contract on the performance of temporary and occasional affairs; persons who perform independent activities or are founders of companies or entrepreneurial shops; as well as persons who perform agricultural activities, and are located in the records of the Central Registry of Compulsory Social Security.

**Regional GDP:** Calculation of regional gross domestic product, as part of the system of national accounts of the Republic of Serbia, is based on the principles and methodology of the European System of National and Regional Accounts (ESA 2010), and the Nomenclature of Statistical Territorial Units of the Republic of Serbia (NSTJ), which is in accordance with the European Classification of Statistical Territorial Units (NUTS). For the Region of Kosovo and Metohia, there are currently no reliable statistical data and they are not included in the calculation.

Regional GDP represents the regional equivalent of gross domestic product, as the most important macroeconomic aggregate of a national economy and an indicator of its productivity and efficiency in the production of products and services necessary for different types of consumption. Regional GDP is the sum of the added value of all local units operating in the territory of a given region (plus product taxes reduced by product subsidies), while gross value added (GVA) represents the total value of output (output) of goods and services minus intermediate consumption, ie products and services used as inputs in the process of creating an output.

Calculation of the regional gross domestic product was carried out using the production approach at the level of NSTJ 2 (region) and NSTJ 3 (area) **There are no data at the level of local self-government units that are part of the administrative districts.**

**Size of companies:** According to the Law on Accounting ("Official Gazette of RS" No. 62/2013) legal entities are classified into large, medium, small and micro companies. The size is determined according to the criteria for classification of legal entities prescribed by the Law in the following manner: average number of employees, business income and average value of business assets (two of the three stated criteria determine the size). Those who do not exceed two of the following criteria are classified into micro-legal entities: average number of employees - 10, business income - 700 thousand euros and average value of business assets - 350 thousand euros. In small legal entities, those who do not exceed

two of the following criteria are classified: average number of employees - 50, business income - 8.8 million euros and average value of business assets - 4.4 million euros. The average legal persons are those who do not exceed two of the following criteria: average number of employees - 250, business income - 35 million euros and average value of business property - 17.5 million euros. Legal entities crossing the two criteria for medium-sized legal entities are classified into large legal entities.

The Annual Bulletin of Financial Statements provides an overview of aggregate data for statistical and other needs for legal entities and entrepreneurs operating in the Republic of Serbia. The data for **companies** include active companies and companies in bankruptcy and liquidation, as well as branches of foreign legal entities. In addition, cooperatives are included as a form of organizing natural persons who, on cooperative principles, realize economic, social and cultural interests. This group also provides data for public companies that perform activities of general interest, and are established by the Republic of Serbia, an autonomous province or a local self-government unit. The group of public enterprises is comprised of those applying the Accounting Act. Data for **entrepreneurs** include individuals who independently carry out economic activities for the purpose of gaining profit, which books run under the dual bookkeeping system and accordingly apply the Accounting Act.

## Sources of data

For the preparation of the document "Economic Trends in the Territory of Regional Chambers of Commerce and Industry of the Nišava, Pirot and Toplica Administrative Districts " the data of institutions were used:

1. Statistical Office of the Republic of Serbia
2. Agricultural, advisory expert service of Niš, Pirot and Prokuplje
3. National Bank of Serbia
4. Agency for Business Registers of the Republic of Serbia