“Strategy to support investments and employment opportunities in the cross-border area, taking into consideration the synergies between mixed centers for employment support”

Developed within the project

"Cross-border mixed centers for employment support in the fields of informational technologies, tourism and agriculture"

Project Code 16.4.2.077, ROBG 144,

Priority Axis 4 "A Qualified and Inclusive Region", OS 4.1 "Encouragement of the cross-border area integration in respect of employment and labor mobility"

Partners within the project:

Cross-border Association e (quilibrum) - Environment - Main Beneficiary

National Tourism Cluster "Bulgarian Guide" - Second Beneficiary

Regional Agribusiness Center Vidin - Third Beneficiary

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COMPARATIVE ANALYSIS

I. Labor market in the cross-border area

BULGARIA

Statistical data allows a general analysis of the socio-economic phenomena in Bulgaria. Thus, the analyzes that may be carried out are limited in relation to those concerning Romania.

General characteristics:
- Increasing of technological innovation
- Increasing of economic pressure
- Financial constraints
- Difficulty in creating a workplace
- Demographic changes

II. UNEMPLOYMENT

Unemployment is an indicator of the economic environment's functionality. The decline in occupational opportunities is the main cause of unemployment. Other causes of unemployment may be: the decline of some sectors of activity, due to low labor productivity, uncompetitive products on the profitable markets, defect management processes, economic crises, technological upgrading of certain industrial branches, etc.

Social reintegration involves an effort to recover the existing labor resources in a society or region. A long period of unemployment or non-implementation of an economic activity will have undesirable effects on the economic and social balance, opening the way to social marginalization, poverty, aggression or population exodus.

The consequences of unemployment affect in a negative way the social environment through the non-usage of available workforce, the loss of existing human capital and the social exclusion of the affected persons. After the end of the unemployment period, the personal and family crisis worsens and social costs become permanent to support these people.

The unemployment rate in the counties of the cross-border region is as follows:

The unemployment rate
During the analyzed period, it was found that unemployment at national level had an average of 4.8%, decreasing by 11.11% in five years, which represents the post-crisis economic recovery. From the counties of the cross-border region there is a significant positive trend in Constanța County: the unemployment rate is below the national average (3.5%) and the reduction is 22.22%, having double values from the national average. In the other counties the unemployment rate is above the national average. In Giurgiu (-6.78%) and Mehedinți (-5.26%), unemployment dropped below the national average, while in Dolj county the trend is zero and in Călărași, Teleorman and Olt counties unemployment increased with 4.17%, 5.21% and 15.58%.

Unemployment trend explain the emigration of the active population in the counties analyzed, and the sharp demographic decline is a consequence of current opportunities deficiency. Significant rationalization of counties in the region is another explanation for the opportunities deficiency. The mono-industrial character of Călărași, Teleorman and Olt counties due to the concentration of workforce in agriculture has effects on occupational opportunities.

The evolution of unemployment has also generated fluctuations in the expenditure incurred by the state budget for the support of these people. As far as the payment of
unemployment benefits is concerned, there is a decrease in these expenses, while the amounts granted for the guaranteed minimum income have increased.

In Bulgaria, the average of unemployment is higher than in Romania. The economic crisis of 2008-2012 has seriously affected the balance on the labor markets of both countries. We can talk about a common problem of both countries and the need for efforts that lead to common solutions. In the case of Romania, the average unemployment was 4.8% in 2016 and the rate decreased with 11.11% as compared to 2012 (the end of the economic crisis). In Bulgaria, unemployment trend are higher, 7.6% in 2016, with a decrease of 38.2% from 2012. These percentages reveal that Bulgaria was more affected by the economic crisis.

In the cross-border region there are discrepancies between administrative units in both countries. Thus, unemployment in Romania decreased in the counties of Constanța (-22.22%), Giurgiu (-6.78%) and Mehedinți (-5.26%). In the counties of Călărași, Teleorman and Olt it registered 4.17%, 5.21% , respectively 15.58%. In Dolj County, the fluctuations in the period 2012-2016 remained constant.

In Bulgaria, the decrease rate registered at national level is followed by Montana (-34.9%), Pleven (-5.5%), Veliko Tarnovo (-50.3%), Ruse (-48.9%), and Dobrich (-29.4%). In contrast, unemployment increased in the districts of Vidin (143.3%), Vratsa (109.2%), Razgrad (22.2%) and Silistra (116.9%). In the case of districts where unemployment rises exceeded 100% (meaning the doubling of those in unemployment), we consider that the effects of the economic crisis have not been mitigated, and this continues in 2016.

Efforts to integrate the available workforce require the development of integrated employment policies, involving economic agents, encouraging entrepreneurship and providing facilities for those who create workplaces and facilitating of workforce mobility. In these cases, the identified solutions have a role to play in securing the subsistence of the population. However, the low amount of income affects the consumption and the economic growth that allows the development of the Bulgarian companies due to a precarious economic market.

RESD - MONTANA (Vidin, Vratsa, Montana)
-There are plans and strategies for integrating a large number of people into the labor market.
- It seeks to improve services, but does not mention the evolution and development of employers or the business environment. References to employers include "encouragement" to create workplaces.

- By achieving the following indicators it is considered that the unemployment rate and the labor market shall be stabilized:
  
  - Average unemployment rate: 16.4% monthly average for the first half of the year, on an annual plan of 16.3% or with 0.1% higher;
  
  - Inactive persons in activity: 660 persons and 5.6% of the 979 newly registered persons in the annual plan and 3.7% of the newly registered ones;
  
  - Newly enrolled employees, students, retired compared to all newly registered persons - 47 persons or 0.4% out of 380 newly registered persons and 1.4% of those newly registered;
  
  - JV Employee on the primary market - 4298 persons;
  
  - JV, which are more than one month longer than the total number of JVs declared - 14.9% on a plan of 11.7% (3.2% higher than planned);
  
  - covered by Roma inclusion activities - 2809 people with a plan of 4960 people;
  
  - included in individual career guidance activities - 8797 persons with a plan of 20000 people;
  
  - included in the group's professional orientation activities - 4162 people per a plan of 8,000 people;
  
  - persons entering the labor market on the primary labor market - 6484 persons on a plan of 12200 people;
  
  - persons who started to work after the participation in the labor exchanges - 268 persons.

  In order to increase employment through the implementation of the programs, projects and measures of the Employment Promotion Act in the region, 1,832 unemployed and 762 unemployed persons in training were included - 2 323 077 BGN; in total, 654 unemployed, SB funds - 428 526 lei

  Particular attention is paid to young people whose training and employment are as follows:

  - 1050 young people were included in a job search studio - according to needs identified under the plan 2039;
- young people who have been individually informed by a case manager according to identified needs - 48;
- young people who have received psychological counseling - individual counseling and / or grouping - according to the identified needs - 336;
- young persons, unemployed, up to 24 years of age in LVT compared to all persons entering LPA - 9.2%;
- Unemployed young persons aged 25-29 in LVT compared to all persons entering LPA - 13.1% 
- average annual number of young people registered up to the age of 24 - 1835 performance at the 1500 or 335 monthly plan; 
- the average annual number of registered young persons aged 25-29 years - execution of 2466 on the plan 
- 2100 or 366 MB 
- a total of 1 832 unemployed persons were included in the employment program, including in new employment - 888 unemployed, 762 unemployed training, SB funds- 2 323 077 BGN; 
- 654 unemployed persons included in the total number of workplaces, including in new workplaces - 202 unemployed, funds from the state budget - 428 526 BGN.

Promoting and supporting labor mobility within the EURES employment network through the provision of information, consultation and job search services between the persons seeking for a job and employers in Bulgaria and other EU / EEA countries and Switzerland accomplishes by:

- 49 workshops on the "EURES network and professional mobility in Europe";
- 14 TLL information events;
- 10 information events for students;
- 3530 have provided information and counseling services, out of which 2579 have made this individually
- 3 interviews for strawberry collectors were conducted in Spain.

RESD - LOVECH (Lovech, Pleven, Veliko Tarnovo, Gabrovo)
Reducing regional and structural disparities in labor supply. The average monthly level reached in January-June is of 9.3%, which is 0.6 percentage points higher than planned. This is 2.2 points lower than in the first half of the previous year (11.5%).

At the end of June, the unemployed reached 27,152 and the unemployment rate was 8.3%. Compared with the data on 31.12.2016, the number of unemployed decreased by 4078 (13.1%) and the unemployment rate by 1.3%.

In the first half of the year, the number of unemployed persons with a registration duration of 6 to 12 months increased by 397 compared to estimates, and their relative share of the average annual number of unemployed was 17.1%, and the estimated share 2017 was 17.0%.

For the reported half of 2017, the average monthly number of LBR is 12324. The relative share of the group is 40.6% compared to the average annual number of unemployed registered for the first half of the year (30 342), compared with 42.5% in the same report.

Young people up to the age of 24 for the first half of 2017 are 1,691, and young people aged 25-29 for the first half of 2017 are 2,532.

Unemployed over 50 for the first half of 2017 are 12,716 people. LOBs in the Lovech region are actively working with JOBSEEKE for over 50 years because many of them are inactive customers for inaccurate reasons. People are involved in motivating and activating measures to achieve active labor market behavior and engagement in employment. For the first six months of 2017, 1,051 people were included in the "Job search" service, and 786 people participated in group work for professional orientation.

Without qualification, with basic and lower education, there are 12018 people. The relative share of the group is 39.6% of the average, the number of unemployed registered for the first semester is 30342.

Out of the total number of active inactive people, active young people up to the age of 24 are 187 people cumulatively, with an estimate of 233 for 2017. Out of the total number of active inactive people, active young people up to the age of 29 are 264 cumulative people with an estimate of 359 for 2017. For the first half of 2017, young unemployed up to 29 have 95 people under the estimate for the year. For the first half of 2017, young unemployed up to 29 have 95 persons under the annual estimate.

During the reporting period, 12403 jobs were announced. In 2017, labor demand in the region increased, and unsubsidised jobs were 947 places / 8.3% / more than in the previous year.
In the employment offices of the Lovech region for the reported half in 2017, 7,869 employees are announced.

Out of the total number of PM 353 employees are for one workers' profession (47.1% the indicator is estimated at 750) and for the specialists the number is 484 or 28.5% performance on the 1700 plan.

The primary and secondary labor market occupied 16434 people during the reporting period. In the first six months of the year 2017, 2,183 young people aged 25-29 were employed in the labor offices in the region, reaching 46.6% of the performance. Out of these, 1,780 young people are organized on the primary market and 403 young people are subsidized.

Based on the experience gained and in order to facilitate the access of persons who seek for jobs to information regarding the unoccupied workplaces and to ensure direct contact and contracting with employers, 20 labor fairs are planned in 2017: 9 general, 5 specialized in youth, one oriented to the field of agriculture, 1 specialized labor fair focusing on disadvantaged people, 1 specialized market focused on electronics and tools and 1 job fair focusing on the long-term unemployed persons and those over 50 years. There have been 14 shifts. There were 1 576 jobseekers and 268 employers who posted 1 258 unoccupied workplaces.

In 2017, the "Employer Day" initiative was launched, as well as for the first half of the year 2017, 12 information forums initiated by the Labor Office of Veliko Tarnovo, LOD (Labor on Demand) Gabrovo, LOD Pavlikeni, LOD Troyan, LOD Svishtov, LOD Lovech and Levski. There were 252 jobseekers, 87 hiring employees for 13 employers were announced. As a result, 51 people started working, out of which 43 were registered at the Labor Office.

During the reporting period, 828 people were employed, out of which 444 are registered within the Labor Office, following participation in labor exchanges and other information forums.

The national labor market policy, an integral part of the European labor market, promotes labor mobility as a means of overcoming unemployment, combating labor supply and demand gaps in different countries and regions across Europe and mediating effective job seekers and employers. The EURES (European Employment Services) network offers exchange of jobs and information in the European Economic Area. The European Employment Network EURES provides information, consultation and mediation services to jobseekers and employers, and works closely with social partners and other stakeholders.
In the first half of 2017, a total of 89 EURES information meetings / consultation of the group with jobseekers were organized. In the 17 days of information organized for pupils and students, there were 279 people. 62 workshops for seeking jobs were registered, visited by 646 unemployed persons. 10 days of information were organized for unregistered jobseekers in LOD and LOD Gabrovo, visited by 163 people.

A network of 7 general or specialist EURES labor markets took place within the LRA in the region, with stands visited by 94 jobseekers. There were 1 671 registered unemployed persons personally consulted.

During the 69 period, employers, including foreigners, were consulted. An information day was organized for employers at the Gabrovo Labor Office, where 13 employers were present. 46 employers are consulted on labor markets.

Following the recruitment campaigns for agricultural workers in Spain and Portugal, 16 people in the region were approved for work after interviews.

**RESD - ROUSSE (Rousse, Silistra, Targovishte, Razgrad)**

Improving the intermediation services to enable the unemployed and inactive persons, including discouraged people, to apply a flexible, individual or integrated approach to provide mediation services to the unemployed to move to a fast and sustainable job.

The average monthly unemployment rate for the first half of 2017 is 10.8%, 0.2 percentage points below the estimated annual average of 11.0% for 2017. Unemployment in the 12 labor offices in the Ruse region between January and June 2017 covered 26,931 average (average) people. On an annual basis, there is a significant negative increase of 4496 (-14.3%) people. On June 30th, 2017, the number of unemployed persons was 24,837, decreasing with 3572 or 12.6% compared to the end of June last year (28,409 persons) and decreased by 2,657 (9.7%) as against the end of March 2017 (27 494 people).

In territorial terms, the annual unemployment rate has a negative growth rate in the four constituent areas, ranging from 1.4 percentage points for the Ruse region to 1.7 percentage points in the Silistra region and the Targovishte region and 2.9 percentage points in the Razgrad district.

The level of the indicator in the Ruse region remains below the national average, with a drop in the difference to 1.1 percentage points, to 1.4 percentage points in the first six months of 2016. In the other three districts, the unemployment rate remains constantly higher than the average for the country (4.8 percentage points in Razgrad, 6.4 percentage points in
Silistra and 6.8 percentage points in Targoviste). Areas continue to be among the highest values.

There is a year-on-year increase in the level of small age groups - by 2.9 percentage points of young people aged up to 29 (from 8.7% to 11.6% median) and 1.1 percentage points.

The average monthly relative weights of young unemployed persons in the groups up to 24 years (4.6%) and 25-29 years (7.0%) is 1.3 and respectively, 1.5 percentage points. Over the projected annual average (3.3% and 5.5%), 0.5 percentage points and 0.8 percentage points respectively over those reported in 2016.

The number of registered employers, real partners in the LOD of the Russian Region, is of 10 699 employers. In the first half of 2017, registered employers were 342, out of whom 23 were identified as key. LOD Laboratories registered 22 key employers and the Labor Office - Popovo - 1. The number of registered employers increased by 1599 compared to the first half of 2016. The number of registered employers increased by 1599 compared to the first half of 2016. In January - June fewer employers were recruited (366).

The inconsistencies in the correspondence between continuous supply and demand of workforce continue.

In the first half of 2017, according to the Ruse Region, there were 10 labor scholarships - 6 general and 4 specialized, 2 youth / labor survivors - Silistra and Razgrad, 1 targeting the Roma community – Labor Office - Vetovo and 1 in the field of agriculture and forestry - LOD-Tutrakan. 109 employers have announced 352 CVs. The stock exchanges were visited by 617 people seeking for a job: 6 general and 4 specialized, 2 for young people - Silistra and Razgrad, 1 targeting the Roma community - the Labor Office - Vetovo and 1 in the field of agriculture and forestry - LOD -Tutrakan. 109 employers have announced 352 CVs. The stock exchanges were visited by 617 people seeking for a job.

A number of 41 days of employers were organized.

A total of 705 jobseekers and 61 employers participated. A total of 197 SRMs have been requested in various branches - production of cars, pieces and parts for the automotive industry, sanitary ware production, clothing and footwear, furniture, food, agriculture, construction, tourism, trade, services.

Most of the employer's days were held by LOD Ruse (17), Târgoviște, Silistra, Razgrad, Tutrakan (3), Dulovo, Byala, Vetovo, Omurtag and Kubrat (2), Popovo and Isperih (1).
Representatives of companies who participated in employers' days, work and information meetings are pleased with the opportunity to get acquainted with the services provided by the Employment Agency and its territorial units, the opportunities and conditions for subsidized employment and training offered by opportunities and the conditions for subsidized employment and training provided by the Labor Office.

**RESD - Varna (Varna, Shumen, Dobrich)**

The unemployment rate in the Varna region at the end of the semester is 7.35%. Compared to the same period in 2016, the average unemployment rate reached 1.6 percentage points lower.

On June 30\textsuperscript{th}, 2017, the reported unemployment rate is 5.89%. This is the lowest level of unemployment in the last eight years. This is proportional to the one reported in June 2008 (5.91%).

In 2017, the active labor market policy targets the following main target groups: young unemployed persons up to the age of 29 with a subset of up to 25 years, young people who are neither educated nor employed (NEET) and young people who have abandoned the education system; long-term unemployed - without qualifications and low education, unemployed from Roma population or unemployed with social assistance; unemployed aged over 50 - without qualifications and with low education, pre-retirement or occupation and unpaid specialty; the unemployed without a job, with no qualifications or with an unqualified professional qualification on the labor market - with low or unskilled vocational qualifications and lack of key competences on the labor market, low-skilled unemployed (including Roma population); disabled persons; people out of workforce who want to work, including discouraged persons.

Data reporting the average monthly number of unemployed persons registered by the Labor Offices shows a decreasing rate of all the unequal groups observed on the labor market for the first half of 2017 compared to the same period in 2016.

The change in the relative share of the unemployed persons from vulnerable groups on the labor market compared to the year 2016 during the period for a part of the monitored groups is as follows:

- Unemployed persons with medium and lower education - account for 48.3% of unemployed persons registered in the first six months of 2017 compared to 49.7% in 2016. A decrease of 1.3%, with a decrease of 0.6%;
- Unemployed persons over 50 years represent 40.3% of the unemployed registered in the six months of 2017 compared to 41.4% in 2016. Decreases of 1.1% were recorded at a projected decline of 0.7% ;
• Long-term unemployed persons - represent 35.0% of unemployed registered in the first half of 2017, compared with 38.6% in 2016. Decreases of 3.6% were registered with a decrease of 1.8%;

• Unemployed registered persons in the LOD from 6 to 12 months - represents 16.7% of the unemployed registered in the period January - June 2017, with a share of 15.8%, with more by 0.9 percentage points. Compared to 2016, the share of this group increased with 0.1%;

• Young people aged 25-29 have a share of 8.2% of unemployed registered for the six months of 2017, with a relative share of 7.4%; with 0.8 percentage points more. Compared to 2016, the share of this group increased by 0.4%;

• Young unemployed until the age of 24 represent 4.9% of the unemployed registered for the first six months of 2017, with a relative share of 4.2%, ie by 0.7 percentage points more. Compared to 2016, the share of this group increased with 0.2%.

To promote the free movement of workers within the European Union, 109 events in the Varna region took place in EURES in the first half of 2017:

• 10 informative days with the participation of 179 unregistered persons;

• 68 workshops on the "EURES network and professional mobility in Europe" for TLL took place in the Varna region. ATPs were visited by 549 unemployed persons;

• 15 EURES information meetings with students from vocational schools and students from higher education institutions were organized by the Regional Labor Office of the region. 257 young people and girls participated in the events;

• EURES compartments on work exchanges were visited by 153 people;

• 1 EURES stand at the Information Day of the Youth Day on the youth guarantee project in Bulgaria was visited by 138 young people;

• 12 information sessions with 193 employees from the Labor Office.

• 1 EURES team working in the region with 17 employees.

**Conclusions Bulgaria**

Positive aspects of the labor market in the cross-border region for the first half of 2017 compared to the same period in 2016 are:

• Reducing total unemployment;

• Reducing the number of newly registered persons due to the general stabilization of enterprises;

• Reducing the average monthly number of long-term unemployed persons;

• Reducing the average monthly number of people over 50;
• Involvement of young people up to 29 years in various training and employment programs as part of the European Youth Guarantee and UCITS activities;

• There is a considerable interest from jobseekers and employers in working stock organized days and employers’ days, as well as through direct negotiation between jobseekers and representatives of companies with specific workforce needs.

Negative factors affecting the structure and magnitude of registered unemployment:

• Deterioration of the continuous demographic image;

• Reducing inequalities between supply and demand for workforce;

• Problems with risk groups when setting up an activity;

• Lack of development perspectives and new jobs in small municipalities;

• Ability to work abroad for the benefit of highly qualified people;

• Reduced salary for work.

**Trend for the occupied population in 2012-2015**

<table>
<thead>
<tr>
<th>Region</th>
<th>Occupancy trend</th>
<th>Income trend</th>
<th>Occupancy trend</th>
<th>Income trend</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Romania</strong></td>
<td>Persons (thousand persons)</td>
<td>Occupancy trend</td>
<td>Incomes RON</td>
<td>Incomes trend</td>
</tr>
<tr>
<td>Călărași</td>
<td>916</td>
<td>-7.46</td>
<td>1435</td>
<td>27.78</td>
</tr>
<tr>
<td>Constanța</td>
<td>289.2</td>
<td>0.66</td>
<td>1735</td>
<td>23.66</td>
</tr>
<tr>
<td>Dolj</td>
<td>248.8</td>
<td>-4.71</td>
<td>1672</td>
<td>25.53</td>
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<tr>
<td>Giurgiu</td>
<td>82</td>
<td>-6.29</td>
<td>1546</td>
<td>-6.29</td>
</tr>
<tr>
<td>Mehedinți</td>
<td>99.3</td>
<td>-5.79</td>
<td>1544</td>
<td>18.95</td>
</tr>
<tr>
<td>Olt</td>
<td>154.6</td>
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<tr>
<td>Teleorman</td>
<td>140.6</td>
<td>-7.86</td>
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<td>24.23</td>
</tr>
<tr>
<td><strong>Total region</strong></td>
<td><strong>1106.3</strong></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Bulgaria</strong></th>
<th>Persons (thousand persons)</th>
<th>Occupancy trend</th>
<th>Incomes Leva</th>
<th>Incomes trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vidin</td>
<td>16.8</td>
<td>-4.79</td>
<td>7011</td>
<td>19.74</td>
</tr>
<tr>
<td>Vratsa</td>
<td>37.2</td>
<td>-8.16</td>
<td>10332</td>
<td>11.93</td>
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<tr>
<td>Montana</td>
<td>28.2</td>
<td>-1.98</td>
<td>7971</td>
<td>21.29</td>
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<tr>
<td>Plevn</td>
<td>59.6</td>
<td>-2.36</td>
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<td>Veliko Tarnovo</td>
<td>67.1</td>
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<td>Razgrad</td>
<td>26.1</td>
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<td>Ruse</td>
<td>69.1</td>
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<tr>
<td>Silistra</td>
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<tr>
<td>Dobrich</td>
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<tr>
<td><strong>Total region</strong></td>
<td><strong>365.8</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources:

Comparing the dynamic of the revenues from the dynamic of the administrative units between the two countries we can notice as follows:

The territorial administrative units that border the cross-border area, both in Romania and Bulgaria, are characterized by similar phenomena: employment difficulties, with dynamics placed below national averages. Income from the cross-border area is also below national averages. Regional economic contexts highlight the existence of certain gaps between component regions. Current trends show that the gaps between the counties and the districts bordering the Danube and the national averages tend to increase. This conclusion is emphasized through the fact that in most territorial administrative units there is a dynamic, apart from isolated, under the national trends.

In respect of Romania, for example, only in Constanta County there is a positive trend of employment. In all the other counties the employment trends are negative at values well above the national level. The income obtained from work is below the national average in all counties, and the dynamics of their growth is above the national average only in Olt County. It can be estimated that the current conjuncture of the Romanian cross-border region is negative, assuming the development of public policies to reduce the gap with the rest of the country.

In respect of Bulgaria, we find the same phenomenon: the dynamics of employment are below the national average. Moreover, the gaps between the districts of the cross-border region and the national average are increasing. Bulgaria's employment has a positive trend of 2.64%, but in the districts that border the Danube, we find that the values of these trends are negative, in the opposite direction to the national average. Recent efforts have shown disparate success in integrating a small number of people into the labor market and analyzing performance indicators in isolation and not by linking to an analytical set. Thus, the impact on the general state is reduced, with the need for public policies to change the current trends and the enrollment in the direction followed by the other regions of Bulgaria. In terms of revenue, it is clear that all of these districts are below the national averages, with the exception of Montana, Veliko Tarnovo and Razgrad.

From the comparison of the specific trend of the two countries we conclude that there are common problems of employment, which separate them from the existing national trend. Reducing the existing gaps implies the use of regional potential and increasing the employment of the population in parallel with the increase in the income of the population, which can increase the attractiveness of the cross-border region.

The current regional context (including the entire cross-border region, both in Romania and Bulgaria) reveals an unattractive area in terms of existing offers on the labor
market. Reduced earnings for work done are accepted in areas of economic activity that require a lower level of activity. However, in areas that bring added value and which rely on employees with a higher training, they will suffer due to fluctuations in labor and migration.

Differences towards national averages also reveal the differences that should be compensated by public policies:

**Share of incomes from national averages**

<table>
<thead>
<tr>
<th></th>
<th><strong>ROMÂNIA</strong></th>
<th></th>
<th><strong>BULGARIA</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incomes RON</strong></td>
<td>Incomes trend</td>
<td>Share of incomes from national averages</td>
<td>Dynamic Income Differences</td>
<td>Incomes Leva</td>
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<tr>
<td>Romania</td>
<td>1859</td>
<td>28,74</td>
<td>100,00</td>
<td>0,00</td>
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<tr>
<td>Calărași</td>
<td>1435</td>
<td>27,78</td>
<td>77,19</td>
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<tr>
<td>Constanța</td>
<td>1735</td>
<td>23,66</td>
<td>93,33</td>
<td>-17,68</td>
</tr>
<tr>
<td>Dolj</td>
<td>1672</td>
<td>25,53</td>
<td>89,94</td>
<td>-11,17</td>
</tr>
<tr>
<td>Giurgiu</td>
<td>1546</td>
<td>-6,29</td>
<td>83,16</td>
<td>-121,89</td>
</tr>
<tr>
<td>Mehedinți</td>
<td>1544</td>
<td>18,95</td>
<td>83,06</td>
<td>-34,06</td>
</tr>
<tr>
<td>Olt</td>
<td>1624</td>
<td>32,57</td>
<td>87,36</td>
<td>13,33</td>
</tr>
<tr>
<td>Teleorman</td>
<td>1415</td>
<td>24,23</td>
<td>76,12</td>
<td>-15,69</td>
</tr>
<tr>
<td></td>
<td>7494</td>
<td>17,28</td>
<td>71,13</td>
<td>-13,94</td>
</tr>
</tbody>
</table>


In respect of Romania, there is a gap between the national average and the counties. The nearest average of the national one is found in Constanța County (93.33%), and the most remote from the national one is the one in Teleorman County (76.12%). Trends in income growth reveal trends in five years: In six of the seven counties, revenue increases are insufficient, and in the perspective of 2020 (the next five years), wage gaps shall worsen. The only county where there is a dynamic reduction of the gap is Olt County, where 13.33% means the recovery from 2012-2015. But maintaining current trends means maintaining the current dynamics of increasing discrepancies between county and national media.
In respect of Bulgaria, it is noticed that Vratsa district is close to the national average, with employee earnings accounting for 98.07% of the national average. The lowest share of the national average is observed in the Vidin district (66.55%). In three districts, revenue dynamics tend to reduce the gap in the five analyzed years (2012-2015): Montana (6.03%), Veliko Tarnovo (8.67%) and Razgrad (15.39%). These tendencies represent the pace of getting closer to the national environment in the context of finding discrepancies. At the same time, maintaining the same pace will reduce the gap without district averages equaling or exceeding the national average. In the other districts there is a tendency to increase the gap with the national average. Identifying the factors that determine dynamic negativity in relation to the national average is a first step in building integrated public policies for the development of an inclusive labor market. Analyzing the existing dynamics, we observe that there is a negative dynamic in the district Vrața, closest to the national average, which reveals a 40.59% departure trend, which means a trend towards a reduction of the employees' incomes. We note that employee earnings are of particular importance in increasing the attractiveness of the regional labor market.

The limits on labor productivity justify the weighting of wages, but the performance of employees is correlated with satisfaction towards the obtained earnings. Employees with a high degree of professionalism will migrate to a highly professional area, which will raise the difficulty for investors in areas of activity involving highly qualified employees.

Low income levels also mean the risks to which workers from a region are exposed. The low standard of living, concerning an official economic activity, reveals the precariousness of these people and a low resilience in case of events such as job loss, illness or retirement.

In both regions, there are similar phenomena that allow, by analogy, to try to develop policies that will facilitate the development of common economic policies based on the economic potential of the Danube River.
Active civilian population employed in agriculture, forestry and fishing in 2015 (thousands of people)

<table>
<thead>
<tr>
<th>ROMANIA</th>
<th>BULGARIA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Persons</strong></td>
<td><strong>Occupancy Trend</strong></td>
</tr>
<tr>
<td>Romania</td>
<td>2003,1</td>
</tr>
<tr>
<td>Călărași</td>
<td>40,9</td>
</tr>
<tr>
<td>Constanța</td>
<td>53,6</td>
</tr>
<tr>
<td>Dolj</td>
<td>88,2</td>
</tr>
<tr>
<td>Giurgiu</td>
<td>37,8</td>
</tr>
<tr>
<td>Mehedinți</td>
<td>39,7</td>
</tr>
<tr>
<td>Olt</td>
<td>64,8</td>
</tr>
<tr>
<td>Teleorman</td>
<td>69,6</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>394,6</td>
</tr>
</tbody>
</table>


In Romania, the employment of the population in agriculture registered negative trends both at the national level and at the level of the cross-border region. We find that the counties of Călărași, Constanța and Olt tend to be below the national average, while in the counties of Dolj, Giurgiu, Mehedinți and Teleorman they have higher tendencies to reduce the employment of the population in agriculture. This field of activity reduces its impact on the labor market in the country and the cross-border region.

In Bulgaria, the employment in agriculture is different depending on the regions of the territorial administrative units. Thus, in the districts of Vratsa, Montana, Razgrad, Ruse, Silistra and Dobrich, the employment trends in agriculture are negative, as is also the case at national level. In the districts of Vidin, Pleven and Veliko Tarnovo, the employment in agriculture had an upward trend. We remember that for both countries, agriculture is a subsistence activity for many families, ensuring a minimum standard of living.
III. INFLUENCE OF ACTIVITY SECTORS ON THE LABOR MARKET

The way in which economic activity is evolving or engaging is a fundamental element in the influence that these areas have on the employment of the civilian active population. Moreover, the comparison of trends followed by employment and revenue growth allows estimates of the attractiveness of some areas of activity or their decline. On the one hand, the sectors with a positive evolution will be understood, and on the other hand there will be a need for support or intervention to correct the problems that generate undesirable consequences.

Comparing demographic data from component counties revealed the existence of undesirable phenomena that are the consequences of an unstable, hostile social context that involves the existence of many social and economic problems. The analysis of the main economic activities has the role of explaining these consequences, on the one hand, and, on the other hand, the role to reveal the milestones that can be at the basis of coherent strategies for the development of the cross-border region.

In the model adopted in this study, we analyze the labor market impact of the economic sectors from two perspectives: employment of the civilian active population and income achieved. By referring to the national average we can deduce the attractiveness of a field of activity, the growth potential and the probability of economic growth, and on the other hand we can deduce the emergence of problems that will lead to the economic regression of some fields of activity, with effects found in the demographic structure of the population, especially the emigration and the loss of work force in the counties that form the southern cross-border area of Romania.

Also, in areas with the highest added value, the need for growth and development shall be identified, so that support policies can be introduced in order to ensure a positive trend.

<p>| Share of employment in the activity sectors in the counties of the cross-border region |
|-------------------------------------------------|----------------|------------------|-----------------|----------------|----------------|----------------|----------------|</p>
<table>
<thead>
<tr>
<th>Romania</th>
<th>Regiune</th>
<th>Călărași</th>
<th>Constanța</th>
<th>Dolj</th>
<th>Giurgiu</th>
<th>Mehedinți</th>
<th>Olt</th>
<th>Teleorman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>24,02</td>
<td>35,38</td>
<td>44,55</td>
<td>18,53</td>
<td>35,45</td>
<td>41,09</td>
<td>39,98</td>
<td>42,19</td>
</tr>
<tr>
<td>Extractive industry</td>
<td>0,69</td>
<td>1,43</td>
<td>0,11</td>
<td>0,48</td>
<td>0,36</td>
<td>11,63</td>
<td>0,70</td>
<td>0,52</td>
</tr>
<tr>
<td>Manufacturing industry</td>
<td>19,58</td>
<td>13,92</td>
<td>15,03</td>
<td>13,97</td>
<td>13,38</td>
<td>6,41</td>
<td>13,49</td>
<td>19,08</td>
</tr>
<tr>
<td>Production and supply of</td>
<td>0,66</td>
<td>0,82</td>
<td>0,33</td>
<td>1,28</td>
<td>1,13</td>
<td>0,33</td>
<td>1,31</td>
<td>0,26</td>
</tr>
</tbody>
</table>
Sustainable and economic development policies require diversification of areas of activity, support for high value added areas and services sector where job opportunities for people with a higher education level are created.

The structure of the fields of activity also highlights a certain professional specialization of the active civilian population, on the one hand, but it also reveals the areas with significant growth potential, as investors appear or are supported in these areas.

A first feature of the cross-border region is held by the high share of agriculture in the employment of the civilian active population. The regional average is higher than the national

<table>
<thead>
<tr>
<th>Activity</th>
<th>1.90</th>
<th>1.46</th>
<th>0.65</th>
<th>2.42</th>
<th>1.29</th>
<th>1.09</th>
<th>0.81</th>
<th>1.56</th>
<th>0.92</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricit...</td>
<td>1.51</td>
<td>1.68</td>
<td>2.07</td>
<td>2.18</td>
<td>1.37</td>
<td>1.63</td>
<td>1.51</td>
<td>1.04</td>
<td>1.78</td>
</tr>
<tr>
<td>Water distribution, salubrity ...</td>
<td>7.71</td>
<td>7.33</td>
<td>5.12</td>
<td>11.10</td>
<td>6.43</td>
<td>8.15</td>
<td>8.66</td>
<td>5.79</td>
<td>2.77</td>
</tr>
<tr>
<td>Constructions</td>
<td>14.67</td>
<td>12.82</td>
<td>9.91</td>
<td>16.87</td>
<td>14.35</td>
<td>7.72</td>
<td>11.48</td>
<td>9.96</td>
<td>11.10</td>
</tr>
<tr>
<td>Wholesale</td>
<td>5.14</td>
<td>5.37</td>
<td>3.70</td>
<td>9.34</td>
<td>4.14</td>
<td>5.33</td>
<td>4.43</td>
<td>3.45</td>
<td>3.27</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>2.09</td>
<td>1.68</td>
<td>1.20</td>
<td>3.28</td>
<td>1.61</td>
<td>0.43</td>
<td>1.51</td>
<td>0.72</td>
<td>0.78</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>2.24</td>
<td>1.05</td>
<td>0.33</td>
<td>1.87</td>
<td>1.33</td>
<td>0.33</td>
<td>0.20</td>
<td>1.17</td>
<td>0.28</td>
</tr>
<tr>
<td>Information and communications</td>
<td>1.22</td>
<td>0.67</td>
<td>0.54</td>
<td>0.93</td>
<td>0.76</td>
<td>0.43</td>
<td>0.60</td>
<td>0.52</td>
<td>0.43</td>
</tr>
<tr>
<td>Financial intermediaries and insurances</td>
<td>0.38</td>
<td>0.32</td>
<td>0.11</td>
<td>0.45</td>
<td>0.28</td>
<td>0.33</td>
<td>0.40</td>
<td>0.26</td>
<td>0.28</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>2.19</td>
<td>1.38</td>
<td>1.74</td>
<td>1.31</td>
<td>2.13</td>
<td>0.65</td>
<td>1.01</td>
<td>1.04</td>
<td>1.07</td>
</tr>
<tr>
<td>Professional, scientific and technical activities</td>
<td>3.56</td>
<td>2.91</td>
<td>2.83</td>
<td>4.25</td>
<td>2.53</td>
<td>3.15</td>
<td>1.91</td>
<td>1.69</td>
<td>2.77</td>
</tr>
<tr>
<td>Public administration and defense</td>
<td>4.47</td>
<td>4.21</td>
<td>4.25</td>
<td>3.80</td>
<td>5.02</td>
<td>3.26</td>
<td>4.53</td>
<td>4.36</td>
<td>3.77</td>
</tr>
<tr>
<td>Education</td>
<td>4.65</td>
<td>4.36</td>
<td>3.70</td>
<td>4.70</td>
<td>5.18</td>
<td>4.24</td>
<td>3.63</td>
<td>4.10</td>
<td>3.49</td>
</tr>
<tr>
<td>Health and social assistance</td>
<td>0.93</td>
<td>0.77</td>
<td>0.76</td>
<td>1.04</td>
<td>0.88</td>
<td>0.87</td>
<td>0.70</td>
<td>0.46</td>
<td>0.36</td>
</tr>
<tr>
<td>Performing, cultural and recreational activities</td>
<td>1.90</td>
<td>1.46</td>
<td>0.65</td>
<td>2.42</td>
<td>1.29</td>
<td>1.09</td>
<td>0.81</td>
<td>1.56</td>
<td>0.92</td>
</tr>
</tbody>
</table>

Source: *Tempo-Online* database, [http://statistici.insse.ro/shop](http://statistici.insse.ro/shop) - data processing
share. The lowest employment rate in agriculture was in Constanta County (18.53%), and the highest employment rate of the population in agriculture was 49.50% in Teleorman County. The regional media reveals the importance of agriculture as an area of economic activity that occupies a large part of the available workforce.

By comparing the share of occupations in the civilian active population, we can see that the first five areas offer employment of more than 50.0% out of the total. In their structure there are differences regarding the share held or minor changes. In the case of comparison between national and regional averages there is the same distribution of the domains with weight differences, with some county specificities. Major differences in employment rates in a small number of activities (one or two areas) reveal both a professional specialization of the population and the lack of occupational opportunities of the population due to the poor diversification of economic activities. The near percentages highlight the tendency of the diversification economy, the existence of investors and the possibilities of qualification in various occupations of the population.

In Calarasi County, 44.55% of the civilian population of active age is employed in agriculture, followed by manufacturing (15.03%), wholesale (9.91%) and education (4.25%). The most important areas of activity in terms of occupational opportunities are agriculture and manufacturing, accounting for 59.58% of the total employment of the civilian active population. This distribution highlights the concentration of the work force in agriculture, an economic activity which has preponderant social connotations in relation to the economic dimension due to reduced incomes on the background of limited professional choices. The county's rurality is high, 63.87%.

In Constanta County economic activities are more diverse, as this can be seen from the smaller differences between the shares held by the main fields of activity. The first place is agriculture, with 18.53% of the total active civilian population, followed by trade, which holds 16.87%, the manufacturing industry, which holds 13.97%, construction, where it is 11.10% the employed population and the transport and storage sector, which holds 9.34% out of the total. By comparing the population's employment trends, it is noticed that agriculture has a negative trend, while the main areas have increasing trends, such as trade, construction and transport. In a few years we can expect that the main area of activity in Constanta County will be trade. The high degree of urbanization of the county (68.03%) is one of the factors determining the diversification of occupational opportunities.

In Dolj County, the main field of activity consists in agriculture, which holds 35.45% of the total active civilian population, followed by trade, which holds 14.35%, manufacturing
(13.38%), construction (6.43% %) and health and social care (5.18%). The trend followed by agriculture is negative, with the employment in this sector declining during the period 2011-2015. Instead, trade, construction, health and social care are on rising trends at different levels. Considering the high urbanization rate of 51.9%, we appreciate that there is a high potential for development of the non-agricultural economic activity sectors. Agricultural activities generate low incomes, with no significant impact on the quality of life.

In Giurgiu County, the main field of economic activity is agriculture, which holds 41.09% of the total population. The second area is the extractive industry (the gravel exploitations from the stream bed of the Danube) which holds 11.63%, followed by construction (8.15%), trade (7.72%) and the processing industry holding 6.41%. The degree of urbanization is reduced by 29.08%, which indicates that the diversification of the fields of activity is dependent on the significant support of the non-agricultural economic sectors. Also, the following four areas of activity have a very low share of agriculture. The trend followed between 2011-2015 shows that agriculture is in decline, in the same situation as construction. The main areas of growth above the national average are the extractive industry and trade, followed by the processing industry which has a slower growth trend.

Mehedinți County has the highest degree of civilian population active in agriculture (39.98%), manufacturing (13.49%), trade (11.48%), construction (8.66%) and education (4.53%). The difference between the main sector of activity and the other is very high, which shows the influence of agriculture on employment. The number of jobs in agriculture decreased between 2011-2015, and in this county there is a significant demand for jobs from the population, due to insufficient supply. In several areas of activity, there is an increase in the number of people employed amid incomes decreasing. Trade and construction have seen positive growth trends, but their current influence on the workforce is low.

In Olt County, the areas where the largest part of the active civil population is occupied are: agriculture (42.19%), manufacturing (19.08%), trade (9.96%), constructions (5.79 %) and education (4.36%). It is noticed that the main field of activity is far superior to other areas of economic activity. Economic development implies diversification of economic activities, so that the secondary and tertiary sectors overtake the current employment at the expense of employment in agriculture.

In Teleorman County there is the highest occupancy rate in agriculture, which reaches almost half of the civilian active population of 49.50%. The second field of activity is manufacturing (13.66%), the third area is (trade), the fourth field is education (3.77%), and
the fifth area is health and social assistance (3.49%). Occupational problems are generated by declining employment in agriculture and slow or inconsistent trends in other areas of activity.

At regional level it is found that in the counties of Călăraşi, Giurgiu, Mehedinţi, Olt and Teleorman, the first places in terms of occupancy are areas of activity where the jobs are occupied predominantly by men. The integration of women into the labor market in these counties is more difficult and requires specific measures.

<table>
<thead>
<tr>
<th>Bulgaria</th>
<th>Agriculture, forestry and fishing</th>
<th>Extractive industry; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities</th>
<th>Which of: Manufacturing</th>
<th>Construction</th>
<th>Wholesale and retail trade; transport; accommodation and food service activities; information and communication</th>
<th>Financial and insurance activities; real estate activities; professional, scientific and technical activities; administrative and support service activities</th>
<th>Public administration and defence; compulsory social security; education; human health and social work activities; arts, entertainments and recreation, repair of household goods and other services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>3.79</td>
<td>25.61</td>
<td>21.92</td>
<td>5.95</td>
<td>29.69</td>
<td>11.16</td>
<td>23.81</td>
</tr>
<tr>
<td>Vidin</td>
<td>6.48</td>
<td>21.98</td>
<td>17.14</td>
<td>3.39</td>
<td>22.27</td>
<td>7.35</td>
<td>38.52</td>
</tr>
<tr>
<td>Vratsa</td>
<td>6.08</td>
<td>29.77</td>
<td>19.09</td>
<td>6.26</td>
<td>21.15</td>
<td>5.08</td>
<td>31.66</td>
</tr>
<tr>
<td>Montana</td>
<td>6.67</td>
<td>32.63</td>
<td>28.45</td>
<td>3.86</td>
<td>20.49</td>
<td>4.05</td>
<td>32.30</td>
</tr>
<tr>
<td>Pleven</td>
<td>7.81</td>
<td>31.01</td>
<td>27.99</td>
<td>4.05</td>
<td>20.76</td>
<td>5.95</td>
<td>30.41</td>
</tr>
<tr>
<td>Veliko Tarnovo</td>
<td>7.35</td>
<td>31.61</td>
<td>29.43</td>
<td>4.91</td>
<td>24.57</td>
<td>4.52</td>
<td>27.04</td>
</tr>
<tr>
<td>Razgrad</td>
<td>10.29</td>
<td>41.06</td>
<td>21.98</td>
<td>3.62</td>
<td>17.80</td>
<td>4.12</td>
<td>23.10</td>
</tr>
<tr>
<td>Ruse</td>
<td>5.90</td>
<td>37.89</td>
<td>34.42</td>
<td>4.09</td>
<td>25.27</td>
<td>6.01</td>
<td>20.85</td>
</tr>
<tr>
<td>Silistra</td>
<td>14.52</td>
<td>22.72</td>
<td>19.71</td>
<td>4.37</td>
<td>21.59</td>
<td>5.10</td>
<td>31.71</td>
</tr>
<tr>
<td>Dobrich</td>
<td>13.55</td>
<td>22.36</td>
<td>19.58</td>
<td>4.45</td>
<td>27.15</td>
<td>6.29</td>
<td>26.20</td>
</tr>
</tbody>
</table>
At national level, in Bulgaria, the main sector of economic activity with impact on employment is the trade and related activities (29.69%), the second area of employment is the extractive industry (25.61%), to which are added services related to urban infrastructure, and on third place is the public administration (23.81%).

At the level of the districts in the cross-border region there are some differences, both in terms of hierarchy of jobs offered and in terms of their weight in each district. These can be divided into two categories: the first category comprises: the districts of Vidin, Vratsa, Silistra and Dobrich, which have a structure similar to the national average, while in the second group there are the districts Montana, Pleven, Veliko Tarnovo and Razgrad, which have a different hierarchy. In the first group, activities specific to the tertiary sector are better represented, as it may also be observed in the national average, while in the second group, the secondary sector is better represented. Development directions can be built on these structures. In Ruse district there is a particular structure, where the weight of public servants is not in the first three areas of employment.

The high degree of occupancy in public institutions indicates that the private environment is in a stagnant or slow-moving phase of the business environment.

**IV. The economic environment in the cross-border region**

The economic environment describes the specificity of a region in terms of existing potential, labor productivity and capacity to ensure a high quality of life. The functionality of the economic environment is found in a whole series of indicators, such as profit, employment, population incomes, etc.

The structure of the economic activity sectors reveals the orientation of local entrepreneurs towards high efficiency areas and the use of highly qualified workforce or areas where labor costs are reduced focusing on the primary sector.

The structure of economic agents is the main form of exploiting the potential existing in a geographic area. The effectiveness of how existing resources are used is a condition of local or regional development.
The main trends of economic agents describe the areas of activity attractive to investors, those for which there are material and human resources and those that ensure the integration of the workforce into the labor market.

In Romania, between 2011 and 2015, the general trend is growing. The national average is 13.68% and the counties of the region can be divided into two categories: the first consists of Dolj and Giurgiu counties, where the pace of multiplication of the active enterprises is above the national average. In the counties of Călărași, Constanța, Mehedinți, Olt and Teleorman, the growth rate is below the national average. In absolute figures, Constanța and Dolj counties have the highest number of economic agents.

The category of small enterprises (0-9 employees) has the most weight in relation to the other categories. The growth trend is similar to the general one. The configuration, according to the national average, is the same as for the general trend: the Dolj and Giurgiu counties register increases above the national average, while in the other counties there are increases below the national average.

The category of medium-sized enterprises (0-49 employees) registers trends according to the specificity of each county. The national average indicates an upward trend close to zero (0.56%), indicating a slow increase in the number of companies in this category. There are increases in the counties of Constanța (3.92%), Dolj (2.01%) and Teleorman (1.56%). A negative trend exists in Călărași (-1.81%), Giurgiu (-3.86%), Mehedinți (-9.09%) and Olt (-0.75%). The size of economic agents is important for economic development due to a higher turnover and a bigger number of employees.

In respect of large companies (50-249 employees), there are different trends: the national average has a negative trend (-0.26%), as in Dolj (-7.96%), Mehedinti (-23.64%), Olt (-2.04%) and Teleorman (-1.27%). In Călărași (12.5%), Constanța (4.89%) and Giurgiu (8.77%), the trend is positive. Very large companies (250 employees and over) registered positive trends in the counties of Dolj (14.81%) and Teleorman (18.18%). In Calarasi County the trend is zero, and in the other counties the trend is negative.

If through small companies we notice the propensity for entrepreneurship of the population, we are dealing with stability, continuity and development potential for other business categories. By comparing the categories of enterprises, we find that there is a general tendency to increase the number of small and medium-sized enterprises and to decrease the number of large enterprises. This phenomenon requires specialized analysis, as the reduction
in the number of large employers is due to undesirable phenomena of the business environment structure in the counties of the cross-border region.

The extractive industry is conditioned by the existence of natural resources. Thus, natural resources condition the existence of active enterprises. The trend is different according to each county: in Calarasi County there has been an increase in the number of small and medium-sized enterprises. In Constanta County, the number of active enterprises increased in all categories, in Dolj County the total number of enterprises in this sector decreased due to the decrease in the number of small enterprises (0-9 employees) and the increase of the number of medium-sized enterprises and the maintenance of the very large ones. Giurgiu County has increased the number of small businesses and has decreased the number of medium-sized ones; in Mehedinti County the number of small enterprises has increased, while in the Olt county the number of small enterprises has decreased. In Teleorman County, the number of enterprises remained constant. At the level of the cross-border region it is found that all categories of enterprises are not covered.

In the processing industry there is a tendency to multiply small companies (0-9 employees) and decrease in medium-sized enterprises (10-49 employees). The trends followed by large enterprises (50-249 employees) tend to be negative: both at the national level and in the counties of Constanta, Dolj and Olt there are decreases in their number, while the large enterprises tend to multiply both at national level as well as in Calarasi and Dolj counties, to remain constant in the counties of Constanta, Giurgiu, Olt and Teleorman and to decrease in Mehedinti County.

The number of economic agents in this area of activity also has a significance linked to the development of a region and the concern for the implementation of measures related to the European policies on environmental protection. Furthermore, water consumption is an indicator of the level of development of a region or area. Infrastructure for these economic activities is an indicator of the consumption of modern goods and services.

At national level there is a multiplication of small active enterprises (0-9 employees), while medium enterprises (10-49 employees) registered a small decline. The same trend of decline is also seen in large enterprises (50-249 employees) and very large enterprises (250 employees and over). At a county level there are local particularities, depending on the degree of urbanization and the realization of investments in modernization.

At national level there is a growing trend of small, medium and large companies and a regression of the number of very large companies in the field of "Water distribution; salubrity, waste management, decontamination activities ". In Calarasi County there is the same trend as
the national one, but where small and medium-sized companies have positive trends of less than the national average, while large enterprises have increased by 120.0%. Very large enterprises also have a negative trend. In Constanța County, all business categories have positive trends, except for the very high ones. In Dolj county there are increasing, above the national average, small and large enterprises, and increasing under the national average, the medium-sized enterprises. Very large enterprises have reduced their number. In the other counties, Giurgiu, Mehedinți, Olt and Teleorman, increasing trends belong to the small and medium enterprises categories.

In comparison with the influence on the labor market there is an increase in the number of economic agents, the incomes that can be obtained due to the decrease of the number of employees and incomes, despite the increases, below the average obtained in the other economic activities.

General data indicate a growth trend for companies active in construction. The largest increases are noticed in small enterprises. In respect of other categories of companies we find that the trends are influenced by the county economy and by the functionality of the real estate market.

Being a sector that depends on other factors such as income levels, the attractiveness of financial services and the housing need, we believe that current trends can be influenced at any time by some of the above-mentioned causes. Moreover, the emigration of young people may be a destabilizing factor in the construction market, as housing demand shall decrease.

Trade is one of the main areas of activity in which women are employed. At national level, the trend is to increase the number of small and very large enterprises and to decrease the medium and large enterprises. In Călărași, the number of small enterprises was decreasing, while the number of medium and large enterprises increased, which indicates that business activities are on an upward trend. In Constanța County, the number of small and medium-sized enterprises decreased and the number of large and very large enterprises increased. Dolj county has increased the number of small enterprises and has decreased the number of medium and large enterprises. In Giurgiu County, trade is developing, as can be seen from the increase in the number of commercial enterprises in all categories. In Mehedinți, commercial enterprises are in decline due to the negative trend of all categories. In Olt County, the number of small enterprises has increased, together with the decrease in the number of medium and large enterprises. In Teleorman, all business categories are on a downward trend, indicating a decline in this economic sector.
The general trend is of significant growth for enterprises working on transport and storage. The national average was 31.64%, being exceeded in the counties Dolj, Olt and Teleorman. In Calarasi, Constanta, Giurgiu and Mehedinți, the rising trend is below the national average. In case of Constanta County, the trend of 14.04% may also be due to a sufficiently covered market. The number of active enterprises is 2299, the highest in comparison with counties in the cross-border area. In respect of small enterprises (0-9 employees) there is a significant increase in all counties. In respect of medium-sized enterprises (10-49 employees) there are increases in the counties of Constanta and Teleorman, while in the counties of Câlărași, Dolj, Giurgiu, Mehedinți and Olt the trends are decreasing. Large enterprises register increases in Dolj County and decreases in Constanta and Giurgiu counties, while in Calarasi, Mehedinți, Olt and Teleorman counties the number is constant. In the case of very large enterprises there are increases in Giurgiu County and stagnation in the counties of Constanta and Dolj. It is noticed that this category of active enterprises does not exist in the other counties.

Business with hotels and restaurants are linked to tourism and tourism investments. The general trend is to increase the number of these enterprises both at national level and at the level of the counties in the cross-border region, except for Teleorman County, where the general trend is negative.

In the case of small enterprises (0-9 employees) there is an upward trend in six of the seven counties, the only county with a negative trend being Teleorman. In the case of medium-sized enterprises (10-49 employees), the trend is negative only in Mehedinți County. Large and very large enterprises are not present in all counties, but in Constanta County their number increased by 43.75%, which shows a significant increase in investments in tourism, while in Mehedinți and Teleorman counties these investments were doubled. Very large tourism enterprises exist only in Constanta County, where their number has doubled.

The "Information and Communication" domain is one of the top-rated areas, with very high profit rates, and high-skilled workforce. At national level it is noticed that the enterprises active in this sector have multiplied in all categories, with the highest increase among very large enterprises, with more than 250 employees. In the cross-border region there is only one county with active enterprises of all categories. The trend is growing in the case of small businesses and unchanged for large and very large enterprises. In Calarasi County predominate small enterprises, whose trend is growing, while medium-sized enterprises have almost halved. In Constanta County, there are increases in all existing business categories. In Giurgiu County there are small business growth and a stagnant trend of large enterprises. In
Mehedinti County there are small business growth and a regression of medium-sized enterprises. In Olt County there are positive trends for all existing categories. In Teleorman, the trend of small and medium enterprises is decreasing, while it has grown at the level of large enterprises. The predominance of small enterprises and the fact that in most of the counties there are not all categories of enterprises reveals that the potential of this area of activity is underdeveloped and probably the needs of each county are covered by enterprises in neighboring counties.

We mention that the number of enterprises in the field of information is conditioned by the existence of specialists. The cross-border region has only two strong university centers (Craiova and Constanta) and is bordering the largest university center in the country, Bucharest. Migration and settlement in another region may be the cause of a slower pace of growth in this area of economic activity.

Trends in hiring, active enterprises, and incomes obtained by the employees in various economic sectors highlight trends over a period of time. However, the stability of the economic environment and future trends are dependent on the way in which active enterprises operate in each county. The turnover indicates the potential for job growth, multiplication of economic agents in different fields of activity, profitability achieved in certain economic sectors and the potential for developing the economic environment. Thus, increasing or decreasing turnover signals positive or negative trends in an economic sector.

At national level, the most important areas, industry, trade, construction and other services have a positive trend, the turnover of 1177483 million RON representing an increase of 16.91% between 2011-2015. The same increase is registered in most of the counties in the cross-border region, except for Mehedinți County, where the trend is negative.

In the extractive industry, turnover has a positive trend at national level, as in Calarasi, Dolj, Giurgiu, Olt and Teleorman. Attention is drawn to the trend that is well above average in Calarasi, Dolj, Olt and Teleorman, which shows an accelerated growth of turnover in this field.

Processing industry is one of the areas with significant turnover figures. At national level, the increase was 18.21%. In all counties the processing industry holds a significant share of the total turnover. In five of the seven counties the turnover trend is positive, and in the counties of Constanta and Teleorman this is negative. In the first case, the share of the turnover is the highest in relation to other counties. The decrease of 2.77% may be due to reaching a maximum ceiling for activities in this area. In respect of Teleorman County there may be a regression due to the reconfiguration of the economic sectors. This sector of activity
ranks second among the sectors, and the regression can also be due to a significant increase in turnover in extractive industry, water distribution and information and communications.

*The production and supply of electric and thermal energy, gas, hot water and air conditioning* has a negative trend in national turnover. Negative trades are also observed in Călărași (-84.62%), Dolj (-9.52%), Giurgiu (-5.00%), Mehedinți (-78.08%) and Olt (-66.7%). In Constanta and Teleorman counties, turnover increases in this sector were 36.52% and respectively, 11.11%.

In the field of *water distribution, salubrity, waste management, decontamination activities*, there are decreases in turnover both at national level (-22.08%) and Călărași (-62.92%), Constanta (-52, 84%), Dolj (-25.67%); Mehedinți (-82.93%) and Olt (-40.38%). In Giurgiu and Teleorman counties, turnover increased by 25.53% and respectively, 66.67%.

In construction there is a slight increase in turnover at national level (2.46%), as in the counties of Dolj (11.61%), Giurgiu (31.86%), Olt (12.01%) and Teleorman (5.91%). In the other counties the turnover decreased as follows: Călărași, with 16.37%, Constanța, with 6.27% and Mehedinți, with 20.64%. These trends indicate that the exit from the financial crisis is differentiated according to the county.

Trade is one of the most important areas of economic activity. At national level, trade holds the highest turnover. The increase in 2011-2015 was 15.63%. This field of activity also recorded increases in turnover in the counties of the cross-border region: in Călărași county it increased with 61.98%, in Constanța county it increased with 9.33%, in Dolj county it increased with 36.67% , in Giurgiu county increased with 35.58%, in Mehedinți county it increased with 9.14%, in Olt county increased with 35.71%, while in Teleorman County it increased with 11.66%.

The "Transport and storage" domain has different trends in the counties analyzed. At national level, this area has an increasing turnover of 37.14%. Growth trends are visible in the counties of Constanța (22.47%), Olt (59.52%) and Teleorman (14.63%). In the Călărași, Constanța and Giurgiu counties, this field of activity holds the third position in the share of the county turnover, but it has a negative trend in Călărași and Giurgiu counties. There is a significant increase in Olt county, 59.52% and decreases in Dolj (-2.58%) and Mehedinți (-49.01%) counties.

Turnover in "Hotels and Restaurants" is increasing both at national level and in six of the seven counties in the cross-border region. The only exception is the Teleorman County where the turnover trend in this area is negative. The trend of turnover in Călărași (68.42%),
Constanta (70.36%) and Olt (67.31%) is above the national average, which indicates that this area is of interest to the business environment potential for continuation of this direction.

Turnover in the „Information and Communications” field has a positive trend in all counties of the cross-border region. The trends in 2011-2015 show that the turnover has grown steadily, in six of the seven counties being in the first three areas in terms of turnover growth, and the values being above the national average. The only growth below the national average and not in the first three growth trends can be noticed in Călărași County.

The last domain for which statistics are available on turnover is "Real estate, renting and service activities mainly provided to enterprises". Trends followed by turnover are positive in five of the seven counties. The overcoming of the economic crisis will probably improve current trends at both national and county level.

We note that the bulk of the turnover is generated by active enterprises that are among the very large, large and medium sized companies. Thus, the current prevailing structure, where the majority shareholding is held by small businesses, and where certain areas of activity are not covered by large and very large enterprises, can be understood as having an economically untapped potential. The development of existing active enterprises and the transition to larger size classes will surely lead to an increase in the turnover and, implicitly, to the improvement of the labor market conditions.

Investments in different areas of activity have complex meanings in understanding the attractiveness of a region. The statistical analysis of the investments made has the role to reveal the economic areas of interest to investors and the growth potential. It is easy to understand that an investment is preceded by feasibility studies, market analyzes, and material or human potential. Thus, through statistical analysis of centralized data, a general picture of the attractiveness of a field of economic activity in a geographical area can be outlined.

Investments in industry, trade, construction and other services show a negative trend in the counties of Calarasi, Dolj, Giurgiu, Mehedinti and Olt. In Constanta and Teleorman counties there are positive general trends, in both cases over the national average.

Extractive industry is an area of interest at national level as well as in five of the seven counties of the region. In Giurgiu, Mehedinti and Teleorman counties, investments are much higher than the national average, and in Olt County it is close to it.

Investment trends in the manufacturing sector reveal a stagnant market that is not of significant interest to potential investors. Apart from Mehedinți County, all trends have negative values. From the perspective of the employment potential, these forecasts indicate a limitation of the job offer in the future.
In the field of "Production and supply of electricity and heat, gas, hot water and air conditioning" there is a decline in national investments. This area has proved to be attractive in the counties of Constanța, Giurgiu and Teleorman.

The area "Water distribution, salubrity, waste management, decontamination activities" was attractive at national level, where investments increased by 134.97%, in Constanța County, where investments increased by 307.94% and in Mehedinti County, with an increase of 400.00%.

Constructions were less attractive for investors, both at national and regional level, except for Olt County, where investments grew by 18.42%.

The domain "Wholesale and retail trade; repair of vehicles and motorcycles " was attractive in the counties of Călărași and Dolj where positive trends were registered.

The investments in "Transport and storage" increased at national level by 46.05% and in Constanța (150.58%), Dolj (77.11%), Giurgiu (111.29%), Olt (127.27%) and Teleorman (60.00%) counties.

Investments in "Hotels and restaurants" were increasing at national level (11.68%) and in Călărași (950.00%), Constanța (38.26%), Dolj (168.00%), Giurgiu (33%) and Teleorman (225.00%). In Mehedinți and Olt counties these were constant.

The trend of development of the domain "Information and communications" is also proved by the increase of investments: at national level it increased with 10.93%, in Călărași county it increased with 600.00%, in Constanța county it increased with 13.04% in Dolj County increased with 28.57%, in Giurgiu county it increased with 20.00%, in Mehedinti county it increased with 33.33%, in Olt county it increased with 100.00%, and in Teleorman county it increased with 100.00%.

In the field of "Real estate transactions, rentals and services mainly provided to enterprises", investments at the national level increased with 98.73%, in Călărași county with 36.36% and in Dolj county with 60.98%. In Constanța they remained constant.

Through the investments made in 2011-2015 it can be noticed that the investments in the counties in the cross-border region generally follow the national trend, which indicates that the county economic systems are linked to the national ones. The distribution of economic agents is different in the counties of the region, depending on the county specificities, but it can be seen that the investments in certain fields of activity have a volume that tends to cover the economic potential not covered by the economic activities at a level close to the national average.
In Bulgaria, Vidin is one of the regions with the least developed economy in the country. Despite a positive return to the labor market over the past year, wages and living standards remain low. The high absorption of European funds fails to compensate for limited private investment, and one of the major projects is suspected of abuse. Low levels of local taxes and fees are not enough to create a good business environment, unsatisfactory infrastructure, and the long-term development of administrative services down the road. Vidin is the area where the negative demographic trends in Bulgaria are the most pronounced and is the only one with an average annual population of less than 100,000.

Vidin Region is distinguished by:

• the strategic geographical location, a preliminary condition for transport and logistics development. There is here the second bridge across the Danube between Bulgaria and Romania;
• conditions for cross-border cooperation with Romania and Serbia;
• a relatively clean environment - an attractive tourist destination;
• Good agricultural land and conditions for agricultural development.

On the other hand, the field needs to increase the skills of the workforce, improve the infrastructure, increase the productivity of the enterprises.

According to the development plans of Vidin, the most promising sectors are:

• tourism - rural, hunting;
• transport and logistics;
• agriculture;
• food and beverage production;
• mining industry - inert materials. The services sector is dominated by the economic structure of the area, followed by the agrarian and industry sectors. Fossil soils and the favorable climate determine well-developed agriculture. Information and communications technologies are very little developed in the field, particularly by micro and small businesses that support hardware and marketing and Internet advertising.

Vidin is one of the regions with the lowest GDP (Gross Domestic Product) per capita - 6034 BGN, compared to 11 574 BGN for the country. The low level of economic development is also reflected in the amount of incomes. The average gross wage of employees in 2015 is 6663 BGN, which is about 1/3 lower than the country average. In 2016, the average annual income per household member is lower than in Montana, Kardzhali and Silistra. Wage income represents only 45% of the total income of the average household in the area to 57% for the country. In recent years, the share of the population living below the national poverty
line has declined gradually but is almost twice as high as the country average (correspondingly 38.1% vs. 21.8%). The share of people living with material deprivation is 38.4%, with an average of 33.1% for the country.

Vidin is one of the areas with the lowest number of non-financial enterprises compared to the population. In 2014, the cost of enterprises for the acquisition of tangible assets amounts to 87 million lei, which is one of the highest values in the last 15 years. However, Vidin, Montana and Pernik are the only three areas where the cost of acquiring tangible assets is less than £ 1,000 per person. After an increase in 2012 over the past two years, foreign direct investment in the region has fallen by almost 10 million euros.

At the same time, Vidin is one of the four districts (together with Gabrovo, Lovech and Burgas) with the highest degree of absorption of European funds. The highest rates are obtained by the municipalities of Vidin and Belogradchik, and the smallest is Novo Selo and Gramada, the latter being the only municipality in the whole country without funds used as a beneficiary under the EU's operational programs.

Despite the positive developments in recent years, the development of Vidin's infrastructure is behind the country's average levels.

The density of the road network in the Vidin region (20.3 km / 100 km²) is higher than the country average (17.8 km / 100 km²). At the same time, only 12% of the roads in the area are first class (18% for the country), and good road surfaces are 8.4 percentage points lower than the country average (40.7%).

In 2016, less than half of the households (48.0%) in the area have access to the internet and less than half (49.0%) of people aged 16 to 74 used the Internet that year. Average levels for the country are 59.1 and 60.3%

Montana is the least attractive area for foreign investors, and municipalities in the area can not compensate for the lack of private investment with a high absorption of European funds.

The region is one of the most affected by the demographic crisis in the country. The education system manages to cover a relatively large proportion of those subject to education, but the decrease in mandatory matrix ratings indicates a decrease in quality. The quality of healthcare is close to the country's average, and the environment is in a relatively good state.

The area is distinguished by:

- strategic geographical location, a preliminary condition for transport and logistics development;
• conditions for cross-border cooperation with Romania and Serbia;
• a relatively clean environment - an attractive tourist destination;
• good agricultural land and conditions for agricultural development.

According to the development plans, the most promising sectors are:
• tourism - rural, hunting;
• transport and logistics;
• agriculture;
• food and beverage production;
• machineries manufacturing.

As in the Vidin region, Montana's economic development is considerably behind average levels for the country. GDP per capita in 2015 amounts to 6611 lei, which is more than 40% lower than the country average.

Although there are ten areas in the country where the gross average wage of employees within employment and service contracts is lower than in Montana (7499 BGN in 2015), according to NSI data, household income is one of the largest - the country. The main reason for this is the low employment of the population. Although wages are not among the lowest in the country, they account for only 33% of household income. This share is the lowest in the country and much lower than the country average (56.1%).

Low incomes are also the main cause of significant poverty in the area. The relative share of the poor population towards the poverty line for the country is 41.6%, with higher values being observed only in Kardjali and Pazardzhik.

Since 2015, Montana has become the area with the highest proportion of PPS accumulated and the number of local populations. Foreign direct investment (FDI) in enterprises in the non-financial sector in the Montana region by 2016 amounts to 27.4 million EUR, decreasing with 20.1% as compared to 2015. Their weight in the total volume of foreign investments made in the country is 0.1%, and 4.4% of FDI in the North West. Interms of the size of foreign investment, Montana is the last place in the country.

Unlike other less developed areas such as Vidin and neighboring Lovech, municipalities in Montana fail to exceed the average rate of absorption of European funds. In these environments, it is not surprising that the only area where entrepreneurial activity is weaker is the Kardzhalı region.

The density of the road network and railways in the area is slightly lower than the country average - 17.8 km / 100 km2 and 3.6 km / 100 km / h respectively. Differences in infrastructure development come mainly from high-speed lines. The only area where the share
of highways and first-class roads is lower is Smolyan, where the road infrastructure is underdeveloped due to the mountainous terrain. In 2015, 31.4% of the pavement in the area is in good condition, which, although it is the highest in the last six years, is lower than that of the country (40.7%).

And in 2016, Montana remains one of the areas with the lowest share of households with Internet access - 36.8%. Lower levels are recorded only in Vratsa and Targoviste.

The economy of Vratsa district is distinguished by a predominant industrial profile. The Institute for Market Economics identifies the manufacturing industry as the sector with the largest share in the local economy. According to the number of people employed in 2016, the most important manufacturing enterprises in Vratsa include Holcim (cement production), the ZMM metalworking plant and the Centromet metallurgical plant. Several large textile and clothing manufacturers - RBO, Chimbidium and Vratitsa Vratza, as well as those in the food industry - Lalov and Vachev (meat products) and SG Dyagant - Dimitrov and Grigorov (bread and pastry products) also work in the city.

In 2016, the labor market in Vratsa proves to be a deep crisis, but employment is the second lowest in the country. This has a negative impact on incomes and living conditions in the area that remain low. The region registers a relatively high absorption of EU funds, but the flow of foreign investment continues. Infrastructure is not well developed, with only 15% of roads in good condition.

Vratsa is among the areas where population growth is the fastest. Most indicators on education and health are approaching the country's average. The area is a result of the development of the sewerage network and the construction of wastewater treatment plants.

The area is distinguished by:

- strategic geographical location, a preliminary condition for transport and logistics development;
- conditions for cross-border cooperation with Romania and Serbia;
- energy development;
- the conditions for the development of agriculture.

On the other hand, the field needs to increase the skills of the workforce, improve the infrastructure, increase the productivity of the enterprises.

According to the development plans, the most promising sectors are:

- tourism - cave (Ledenika cave), rural, hunting;
- transport and logistics;
- agriculture;
• electricity;

GDP per capita in 2015 amounts to 9494 BGN, with an average of 11,574 BGN per country. Due to the high wages in Kozloduy nuclear power plants, there are only two areas where the gross average wage of employees is higher than that in Vratsa (9861 BGN in 2016). These are the Capital (13 542 BGN) and Stara Zagora (10 035 BGN). However, the living standard in the area is low due to the unfavorable structure of age and low jobs, i.e. the high salary is obtained by a relatively small proportion of the population. The share of the population living with material deprivation (42.7%) and of the poor population compared to the national poverty line (27.1%) remains higher than the average for the country - 33.1% and respectively, 21.8%.

Until the end of 2016, the volume of foreign direct investment decreased to 138 million, the lowest since 2007. The proportion of the population is 795 EUR / person, almost four times lower than the country average. However, the cost of acquiring tangible assets increased to 2152 BGN per capita in 2016, thus exceeding the previous peak of 1909 BGN / person in 2010.

The municipalities in the region make a relatively high absorption of EU funds - 161.5 million lei by 2016. The population is 930 BGN / person, on average 689 BGN / person for the country. Most of the funds are used by the municipalities Mezdra (1414 BGN / person) and Vratsa (1227 BGN / person), and the lowest - Borovan (43 BGN / person).

Although the density of the road network is close to that of the country (17.8 km / 100 km), the share of highways and first-class roads is low - 10.3% in 2016, with an average of 18.1% for the country. Road surface quality continues to deteriorate, with only 15.0% in good condition in 2015, which is the smallest share across the country. Vratsa is also the area with the lowest share of households with Internet access and the second lowest proportion of Internet users in 2016. The zone values are 31.1% and 30.2% respectively and are about 2 times higher than the national ones.

In Pleven, living conditions are higher due to income and revival of the labor market. Investments have exceeded the period before the crisis, but the national average has not been reached. There is a satisfactory absorption of European funds, but at local level there is a high level of taxation, and public administration is underdeveloped.

From a demographic point of view, population decline is slower than in other regions of the country, and age groups are in a better balance. Education is declining, existing high rates for the school dropout. Healthcare is appropriate, but the necessary attention is not given to environmental protection.
The area is distinguished by:

- strategic geographical location, a preliminary condition for transport and logistics development;
- conditions for cross-border cooperation with Romania and Serbia;
- a relatively clean environment - an attractive tourist destination;
- very good agricultural land and conditions for agricultural development.

Efforts are needed to increase the skills of the workforce, improve infrastructure and increase the productivity of enterprises.

According to the development plans, the most promising sectors are:

- industry;
- trade, repair and maintenance of vehicles and motorcycles, personal belongings and household goods;
- production and distribution of electric and thermal energy;
- transportation, storage and communications;
- construction.

The average annual wage per capita in Plevna is 5,445 BGN in 2016, 14% higher than the country average and 602 BGN more than in the previous year. The gross average annual wage is 7,400 BGN, or 25% lower than the country's, but this is offset by households' incomes from other activities and the relatively high share of pensions.

The area is characterized by relatively low levels of poverty. In 2016, the proportion of persons in possession of a dwelling was 29.3%, and the proportion of people below the relative poverty line relative to the rest of the country - 10.0%. Both values are lower than national averages. For the year 2016 GDP per capita in the region amounts to 6,710 leva, compared to 11,574 leva per country.

Investment activity in the region is relatively low on the background of most other areas, but contrary to predominant trends, it has grown since the crisis. In the past 3 years, the region also reports a significant net foreign investment flow. However, the EMI against the local population (1208 EUR / cumulative person by the end of 2015) continues to lag behind the average of the country (EUR 3006 / person). The region is characterized by a high absorption of European funds by municipal administrations. The value of the amounts paid in the municipal contracts as beneficiaries under the operational programs rises to BGN 822.3 per person by 2016.
In the district of Veliko Tarnovo the incomes are below the country average. However, in the last two years (2016-2017), the labor market in the region has been in full swing. In addition, the largest increase in employment in the country in 2015 compared to the previous year of the 2008 crisis is in the Veliko Tarnovo region. Investments, although below the average level, have shown a downward trend in recent years. In 2016, the Veliko Tarnovo region exceeded the country's average results in the e-government and "one-stop-shop" development.

The social development of the Veliko Tarnovo district is assessed as relatively good. On the one hand, demographic processes continue to deteriorate and are far less favorable than those in the country. Medical care is affected by the lack of doctors. The educational system is significant due to the national importance of the University of Veliko Tarnovo. The area has significant tourist resources, being a popular destination for cultural and historical tourism.

The district is distinguished by:

- favorable geographic and transport position;
- well-developed structures in the field of transport, communication, energy and water economy;
- significant areas of arable land;
- good hydrographic network;
- fossils rich in non-metals;
- preservation of cultural and historical heritage;
- balanced development of the business complex;
- existence of small and medium enterprises;
- existence of higher education institutions that create highly qualified human resources;
- the settlement network is well developed.

According to the development plans, the most promising sectors are:

- tourism – cultural, historical and rural;
- hotels and restaurants;
- transport and logistics;
- agriculture;
- industry.
In terms of economic development, the Veliko Tarnovo region is below the country's average indicators. The GDP per capita in the region in 2016 was about 1/3 lower than the country's average - 7801 BGN versus 11 600 BGN at national level.

Incomes in the area are also insufficient. In 2015, after a significantly slower growth in a few years, they reached 84% of the country's average, or 4180 pounds, an average annual per capita income of 5000 for the country. In 2016, wages in the field continued to grow - by 5.5% over the previous year.

The Veliko Tarnovo region is well below the country's average for domestic and foreign investment indicators. By the end of 2015, foreign investment in non-financial businesses in the region was 439 EUR per capita, which is almost 7 times lower than the country average.

At the same time, the European funds absorbed from the municipalities of Veliko Tarnovo as beneficiaries of the operational programs exceed the average of the country - by 2016 in Veliko Tarnovo 746 leva / person were used compared to 689 leva / person for the country. In the region, most of the funds were the municipalities of Pavlikeni, Svishtov and Veliko Tarnovo - about 1000 BGN / person, and at least Polski Trambesh and Suhindol, which reported less than 100 pounds per capita.

In recent years, investments have been made in the following sectors: trade and repair, production, transport and communications, and electricity power, gas and water. Fundamentally, funds target the acquisition of fixed assets - machinery, equipment and transport equipment, land, buildings and construction sites. Approximately 85% of the total investments are made in the municipalities of Veliko Tarnovo, Gorna Oryahovitsa, Svishtov and Elena. Large investors such as "E-ON", "Praktiker", "Technomarket Europa", "SBA", Veliko Tarnovo Mall and others have already been established on the territory of the region. Improving the business environment is an important factor in attracting foreign investments.

Low incomes still place Veliko Tarnovo among areas with a relatively high proportion (30.2%) of the poor compared to the poverty line. The share of the population living with physical deprivation also exceeds the country average.

Density of the road and rail network is higher than the country average, but the share of roads and highways remains lower. The share of good quality roads is still extremely low and even slightly declined in 2016. In 2016, under 27% of the roads in Veliko Tarnovo are in good condition, on average, almost 41% in the country. Internet access and the share of people in the area using them are rising in 2016 and is slightly higher than the average country.
**Ruse** district ranks the sixth position in terms of Gross Domestic Product per capita in 2016. Unemployment continues to decline and employment is rising. However, internal and external investments, as well as the absorption of EU funds by municipalities in the region, remain below the national average. Road quality remains far below average and continues to deteriorate. Over the last decade, the demographic situation in the region has deteriorated faster than in the country, mainly due to negative natural growth.

The area is distinguished by:
- Favorable geographic and transport position;
- well-developed transport and communication structure;
- Significant areas of arable land;
- Preservation of cultural and historical heritage in the country;
- Balanced development of the business complex;
- existence of small and medium enterprises;
- existence of higher education institutions that create highly qualified human resources;

According to the development plans, the most promising sectors are:
- tourism;
- transport and logistics;
- agriculture;
- textile industry

In 2016, Ruse has the highest GDP growth for the period of 5 years of the country after Stara Zagora, with a total of 30% and a GDP per capita of 41%. It ranks the sixth place in the highest GDP per capita. However, the GDP per capita in the area is lower than the country average - 9675 BGN, compared to 11 574 BGN / inhabitant at national level.

Incomes in the Ruse region are below the country average, but in 2016 they grow by over 16% (with a 3% increase in the country) to 5303 BGN per capita, but they do not exceed the national average.

Investment activity in the region remains below the national average, according to the number of non-financial enterprises in relation to the population, domestic and foreign investment. Towards the end of 2016, PICs reached nearly 390 million euros, or 1,701.8 euros per person, to 3,006.6 euros per person for this country.

The region is also the result of absorption of European funds by municipalities as beneficiaries of operational programs. Until 2016, the funds paid to the municipalities of Ruse
are 472.6 BGN / person of the population, to 688.8 persons per country. The largest amount of money for the population absorbed the municipality of Byala - 3124.9 BGN / person, and at least Vetovo municipality (57.4 BGN / person).

Ruse is an important transport center and the density of the road and rail network is higher than the average of the country. The share of highways and first-class roads in the area is also higher - 21.5% in 2014, compared to 18.1% in the country. However, road quality in the area is low and the share of pavement in good condition decreases in 2015, reaching 26.0%, compared to 40.7% for the country. Here is the first bridge over the Danube that links Bulgaria to Romania.

Internet access and use in the area are above average in the country. In 2015, 60.9% of households have access to the Internet (59.1% for the country), and 64.8% have used it in the last year (60.3% for the country).

In Silistra Region, GDP growth over the past two years has exceeded the national average, but is still below the national average. The relatively low economic development of the region is linked to limited business activity and low domestic and foreign investment. Household income and wage levels in the area are among the lowest in the country, and in 2015 Silistra remains the only area with less than 50% of the population that has a job. The area is distinguished by:

• Favorable geographic and transport position;
• Significant areas of arable land;
• the existence of small and medium-sized enterprises.

According to the development plans, the most promising sectors are:

• tourism;
• transport and logistics;
• agriculture;
• Manufacture of food and beverages.

Over the past two years, GDP per person in the region has increased faster than the country average, but remains close to twice the average - 5826 BGN / person of the population at 11,574 BGN / person for the country. Household income and wage levels in the area are among the lowest in the country. The breakdown of household gross income shows that while 57% of wages are in the country, 45% in Silistra is the result of low employment and relatively low wages in the region. On the other hand, pensions in the region account for
37% of income, with 27% in the country. The gross average wage in Silistra is 7215 lei, compared to 9860 in the country.

The comparatively low economic development of the region is linked to limited business activity and low domestic and foreign investment. PIC in the region is over 10 times less than the average for the country – 277,9 EUR / person cumulative at the end of 2015 at 3.006,6 EUR / person for the country.

Nevertheless, the municipalities in the area have absorbed more funds as beneficiaries of the operational programs compared to the average for the country. As of 2016, municipalities in the Silistra region paid a total of BGN 87 million, or BGN 766.3 per capita, at BGN 688.8 per capita on average. The greatest amount of funds has been made by the municipalities Silistra and Glavinitsa, and at least - Alphatar and Dulovo.

The density of the road network in the area is similar to the average in the country. Road quality continues to be fairly good - in 2016 46.8% of roads are in good condition at 40.7% in the country. The density of the railway network as well as the share of first-class roads and motorways are significantly lower than the average, but this can be explained by the location of Silistra region on the periphery of the country.

Over the last two years there has been an increase in the proportion of people using the Internet.

Gross domestic product, income and wages in the Dobrich region continue to remain behind the average country. Restoring the labor market is difficult, despite the fact that the low base and the educational structure of the workforce is severely aggravated. The described situation also refers to the business activity in the area as well as to the decrease in foreign investment. Electronic management and single services are relatively well developed. The low natural growth rate and the rising population emigration do not favor the demographic image of the area.

The district is distinguished by:

- geographical and favorable transport position;
- opportunities for agricultural development;
- the existence of small and medium-sized enterprises.

According to the development plans, the most promising sectors are:

- tourism that is linked to a river border and close to the sea;
- transport and logistics;
- agriculture;
- Manufacture of food and beverages.
The GDP per capita remains far below the country's average. In 2016, the GDP per capita in the region is 7802 lei, compared to 11 574 lv. Average for the country. Incomes and wages in the area are also behind the country's values. In 2016, gross wage in the Dobrich region is BGN 7581, at BGN 9860 in the country.

At the same time, in the Dobrich region, the proportion of the population living with material deprivation as well as that of the poor as compared to the poverty line in the country continues to be lower.

Local governments in the field absorb less European funds than the country average compared to the population. Starting with 2016 the value of the amounts paid in the municipal contracts as beneficiaries under the operational programs in the Dobrich region is 601.6 BGN / person, at 688.8 BGN / person for the respective country. In the region, the largest amount of funds for the population are the municipalities of Dobrich-Kavarna and Kavarna, and at least Krushari, Shabla and General Toshevo.

The density of the railway network in the area is almost 3 times lower than in the country, which can be explained by the location of Dobrich and the two water limits of the area. The density of the road network is close to the country average, but the share of highways and first-class roads is low. However, the quality of the road is similar to the country average. In 2016, 40.0% of the roads in the area have a good road quality of 40.7% for the country.

Based on the social and economic analysis of the state of the Danube municipalities, the low level of infrastructure development and connectivity - a factor that hampers investment activity and labor migration between municipalities - is a major issue. As a result, the population's unemployment and attitudes towards migration remain current phenomena.

Three economic areas are formed along the Danube - Rousse, Kozloduy and Pleven. The average salary level in these areas is growing more slowly than the country average, and this is especially true for municipalities that make up the Kozloduy Economic Zone. However, there are some of the highest levels of average wage in 2016 (1465 BGL gross / month), mainly due to employees at the Kozloduy nuclear power plant. The salaries in Ruse (719 BGN) and the surrounding municipalities are closer to the country average (878 BGN) than those in Pleven (666 BGN).

Between 2000 and 2016, the population of the Danube municipalities declined by almost 25%, which is twice as fast as the country average. The only locality where negative demographic trends are not so pronounced is Ruse, where population decline is 11%. Other
regional centers such as Vidin and Silistra lose about 30% of their population, and in smaller municipalities such as Bregovo and Nikopol, the decline is over 40%. In 2016, almost 60% of the population of the Danube municipalities live in Ruse, Vidin, Svishtov and Silistra. With negative natural growth, migratory trends have also been observed in the Danube municipalities, and these municipalities average more than 1,750 people per year in recent years. We recall that there are municipalities in which there has been an artificial increase in the population in some years, but this was not enough to change the general trends.

A major problem for the development of the region is the low level of foreign direct investment (FDI). In the 23 municipalities along the Danube River there are almost 7% of the country's population, but the volume of foreign direct investment by the end of 2016 amounts to only 1.75% of the total economy.

Nearly 75% of the total FDI is concentrated in the city of Ruse, but compared to the population, its total is even around here, almost one third less than the country average of 3000 EUR / person (accumulated by the end of 2016). There are no examples of foreign investors with the growth of turnover and the number of employees, but again, it is mainly concentrated in the industry of the city of Ruse. Another indicator of investment activity - corporate costs for the acquisition of tangible assets are gradually increasing, but in 2015 they shall remain 11% below 2011 levels, as well as below the country average. In the region of major importance for the development of the municipalities and the business environment are the funds from the European Union, provided through the operational programs, the cross-border and transnational cooperation programs, the Rural Development Program and others.

V. AGRICULTURE

Romania
Agriculture is the main occupation for a high share of the population in this region, consisting of counties whose urbanization degree is less than half in five of the seven counties. The development and diversification of agricultural activities can be a solution for the integration of a large workforce, especially with a low level of education.

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Călărași</th>
<th>Constanța</th>
<th>Dolj</th>
</tr>
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<tbody>
<tr>
<td><strong>Hectare</strong></td>
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<tr>
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</tr>
<tr>
<td><strong>Figure</strong></td>
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<tr>
<td><strong>Trend</strong></td>
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<td>Hectare</td>
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<td>--------------------------------</td>
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<td>23839071</td>
<td>0,00</td>
<td>508785</td>
<td>0,00</td>
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<td>Agricultural</td>
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<td>425798</td>
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<tr>
<td>Arable</td>
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<td>-0,09</td>
<td>410506</td>
<td>-0,04</td>
</tr>
<tr>
<td>Pastures</td>
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<td>-0,50</td>
<td>10482</td>
<td>11,98</td>
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<tr>
<td>Meadow</td>
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<td>208</td>
<td>188,89</td>
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<td>Grapevine and Grapevine Nurseries</td>
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<td>-1,95</td>
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<td>Olive trees and fruit nurseries</td>
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<td>Non-agricultural lands</td>
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<td>82987</td>
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<td>Forests and other forest vegetation</td>
<td>6734003</td>
<td>-0,36</td>
<td>22156</td>
<td>-0,62</td>
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<td>Occupied with water and ponds</td>
<td>831495</td>
<td>-0,29</td>
<td>27270</td>
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<tr>
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<td>4,12</td>
<td>18570</td>
<td>1,65</td>
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<td>Communication routes and railways</td>
<td>389795</td>
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<td>12566</td>
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<td>Degraded and unproductive lands</td>
<td>495421</td>
<td>0,00</td>
<td>2425</td>
<td>2,80</td>
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</table>

Source: *Tempo-Online* database, [http://statistici.insse.ro/shop](http://statistici.insse.ro/shop) - data processing
The land fund analysis has the role of highlighting the land use trends, the distribution of available land and the changes that have occurred over time. Statistical time series allow analysis by the end of 2014, and completing the five-year analysis involves calculating trends for 2010-2014.

The statistical data reveal a general tendency to reduce agricultural areas, arable land, vineyards, pasture and meadow areas, construction and communications and railways.

There is a significant increase in degraded and unproductive areas, which indicates that the Romanian and transnational region's agricultural potential tends to become unexploited. Statistical data on employment and investment in agriculture complements this picture of reducing the influence of agricultural activities on the national and regional economy.
Irrigated land areas are an indicator of investment in increasing agricultural productivity. It is noticed that on a national level the actualized and actually irrigated agricultural area is decreasing.

At the level of Călărași county, the irrigated agricultural area is totally destined for crops cultivated on arable land and has an increase of 1.56%.

In Constanta County there is a difference between the arranged agricultural area and the arable land. Thus, the trend is 10.51% for the first category and 16.30% for the arable land. This difference indicates that investment in irrigation has been achieved to increase arable land productivity.

In Dolj county there is an upward trend in investments in irrigation of landscaped agricultural lands. This increase is due to investments in the actual irrigation of arable land, as in the case of Constanta County.

Giurgiu County shows that there is equality between the agricultural land and the arable land and the actual irrigation trend is the same.

In Olt County, the most sustained trend of effective irrigation of agricultural areas is observed, which shows the concern for increasing the productivity of agricultural activities.

In Teleorman County there is a significant reduction in irrigated agricultural areas.

Compared to the general statistical data, it has been found that irrigation facilities cover areas much larger than those actually irrigated, which shows that the agricultural potential is partly used at both national and cross-border level. Using this potential can be a way of transforming agriculture into an attractive economic environment for the existing workforce.
The main indicator in this case is the value of agricultural production, calculated as a result of the functioning of the economic environment in agriculture. The market prices, the quantity and quality of the products made and the share held in the food markets are components of the value of the products obtained. The reduction of the active population employed in agriculture is a consequence of the devaluation of labor in agriculture and the low degree of satisfaction generated by this field of economic activity.

**Value of agricultural production by sectors**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Vegetal</th>
<th>Animal</th>
<th>Agricultural services</th>
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<td></td>
<td>Thousand lei RON</td>
<td>Trend</td>
<td>Thousand lei RON</td>
<td>Trend</td>
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<tr>
<td>Romania</td>
<td>68749578</td>
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<td>43574128</td>
<td>-19,57</td>
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<td>Călărași</td>
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<td>1674467</td>
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<td>Constanța</td>
<td>2245107</td>
<td>-18,29</td>
<td>1714039</td>
<td>-22,75</td>
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<tr>
<td>Dolj</td>
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<td>-2,91</td>
<td>1754459</td>
<td>-10,74</td>
</tr>
<tr>
<td>Giurgiu</td>
<td>1475611</td>
<td>-5,93</td>
<td>1089979</td>
<td>-8,39</td>
</tr>
<tr>
<td>Mehedinți</td>
<td>1014550</td>
<td>-20,43</td>
<td>641022</td>
<td>-32,91</td>
</tr>
<tr>
<td>Olt</td>
<td>2099497</td>
<td>-9,34</td>
<td>1535309</td>
<td>-12,58</td>
</tr>
<tr>
<td>Teleorman</td>
<td>1946011</td>
<td>-17,41</td>
<td>1413328</td>
<td>-23,37</td>
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</table>

The value of agricultural production is an indicator of the return on labor in agriculture. It is noticed that the value of the vegetal production has decreased significantly in all the counties of the cross-border region, while the value of the animal production registered a general trend of growth. Also, the agricultural services registered a trend of growth, and the values in Mehedinți, Olt and Teleorman counties reveal the intense development of this sector of activity.

At the national level, the negative trend of the agricultural production value is due to the significant decrease in the value of the vegetal production, even though it increased in the case of livestock production and services.

1 The trends are calculated for the period 2011 - 2015

An analysis of farm endowments may reveal financial flow problems in economic activities in agriculture, as there is a discrepancy between the owners of agricultural machinery and the owners of land. Maintenance costs and fuel price variations are transferred by service providers to the owners of agricultural holdings so that the profits of farms are
reduced in relation to the profit of the owners of the means of production. The transfer of costs to the owners of agricultural holdings conserves the profits of service providers, but reduces the net value of agricultural products. Global competition on agri-food markets may be another factor in the significant devaluation of vegetal value. Establishment of the relationship between the owners of the means of production and the holders of arable land is a condition for achieving a positive trend in the value of the vegetal products. The support of the owners of agricultural land for organizing in producers' structures of the means of production is a second condition to increase the value of the vegetal products by including the costs in the production process. At present, we are dealing with a category of service providers who, through the works they perform, operate without interdependence with the fluctuations in the agricultural markets and the responsibility for the quality of the work performed. Statistical data reveals that there is a tendency to provide services to landowners and to separate mechanised labor from labor productivity.

The high degree of rurality of the counties in the cross-border region hampers development potential only by transferring the paradigm of economic production from subsistence agriculture, where dependence on service providers develops towards modern agriculture based on long-term productivity projection. At present, the general phenomenon is the marginalization of peasant farms in the process of increasing agricultural productivity. Maintaining a high share of the employed population in agriculture, with a lower participation in national and local GDP formation, is mentioned in specialized works for the rural environment and signals the increase of the poverty rate of the rural population amid the decrease of the production capacity\(^2\). The decrease in food prices and the rise in the price of agricultural technologies and equipment has a blocking effect on the development of agricultural holdings dependent on service providers, which transfer costs to the former. Thus, due to the decrease in the value of agricultural production and the increase in the price of services and the cost of purchasing modern facilities and technologies, the process of impoverishment of agricultural landholders will be accelerated.


Farmers' support for the purchase of modern machinery and technology and assisting in the domestic and international markets of their production is the foundation of a positive economic and social policy of value added.
The value of agricultural production is decreasing in six of the seven counties, while the number of active enterprises is increasing. Also, the civilian population in this field decreases in all counties. This structure suggests that the development of the service sector may be the cause of increases in the number of active enterprises, while the value of agricultural production has decreased and the civilian population has a negative trend. We believe that the decrease in the value of agricultural production and employed population is due to the increase in the number of active enterprises, which are concentrated in the agricultural services sector and are not directly involved and correlated with the productivity in the vegetal and animal production.

Correlation of the value of services provided in agriculture with the value of agricultural production will balance rural production relationships and ensure labor productivity growth that is needed to conserve labor.

**Bulgaria**

The cross-border region is characterized by fertile land, large areas of cultivated land and good conditions for agricultural development and primary processing of agricultural products. Below there is a diagram of the phases of agricultural development planning.

The Northwest cross-border region ranks last among the 2nd level regions, creating 7.42% of the country's gross added value. The structure of gross value added in the North-West region is characterized by a strong dominance of the services sector, where 57.0% of the...
total added value in the region is formed. The contribution of the agricultural and forestry sector is 11.9%. Primary processing of agricultural products develops in SME (Small and medium-sized enterprises), with milk and honey being well developed.

For the sector development in the NORTHWEST region there are all necessary preconditions - favorable soil-climatic conditions, availability of processing capacities in the food industry and light industry, the presence of markets in the region and capital etc. agriculture produces about 10% of Bulgarian production. In this respect, a main subsector is the cultivation of plants. In the Northwest region, about 13% of the arable land is in the country, ranking the 5th position. Most of the lands and arable lands are located in the Vratsa region. However, depending on agricultural machinery, the region is the penultimate place in the country. There are over 8% of tractors, 10% combine harvesters, 9.5% cultivators and 10% seeds in the country.

The total area of arable land in the region is 6 million decares. In the last 10 years, its structure has undergone significant changes, mainly for the purpose of increasing the area of the fields and natural meadows. Today, land accounts for about 91% of the arable land, while natural grassland accounts for approximately 7.5% of the land. With regard to the return of land, permanent crops are in rapid decline and today are only about 1.5% of the arable land. The region has about 13% of the land, 16% of the natural meadows and 6% of the permanent crops in Bulgaria. This largely determines its specialization in plant breeding.

Seedlings are over 53% of the arable land or approximately 3210000 decares. Over 67% of these are harvested with cereals. Grain crops predominate in areas with cereal feed. They represent more than 51% of cereal grains. In Northwest, corn, barley, oats, fodder peas, soybeans etc. are grown. About 12% of corn, 20% of oats (2nd place), 6% of barley and about 8% of soybeans in the country are harvested annually. Most of the areas and corn yields in the region are in the Vratsa region.

Grain crops (wheat and rye) occupy about 49% of the crops in the region. Over 9% of the country's wheat is harvested in this region. Technical crops account for approximately 21% of the area cultivated in the Northwest region or about 660000 acres. Sunflower, peanuts and sugar beet are grown. The presence of fertile meadow soils in the Danube valleys also determines the development of vegetable production in the northwest region, although the vegetal areas represent only about 3% of the area of the region and 6% of the plots. There are 5% of tomatoes, 2.5% cucumbers, 6% vegetables, 1% red pepper, over 7% onions, 2, 5% of cabbage and green beans. In Balkan Mountains and on the northern slopes of the Balkan Mountains, potatoes are grown on private farms, producing 3.3% of the country's population.
At the same time, Northwest Bulgaria is an important producer of melons (about 17% of national production). The areas where they are grown are located mainly along the Danube and the lower rivers.

Compared to other regions of the country, northwestern Bulgaria does not notice the development of fruit growing. Livelfish are only 13,000 hectares, and fruit production accounts for only 4% of national production. Different fruits (apples, plums, pears, nuts, apricots, peaches, cherries, sour cherries, etc.) are grown in the region, whose plantations are mainly in the Balkan mountains.

Unlike fruit cultivation, the viticulture in the region is much more developed. Here, approximately 6% of Bulgaria's total table and wine grapes are harvested. Over the past 5 years, grape production has declined about 3 times, mainly due to problems related to the restitution of farmland to owners. The main part of the vineyards is in Vidin, Lomsko, Vratsa and Oryahovo.

Fodder crops account for approximately 9% of the area cultivated in the Northwest. The main feed crop is silo maize grown on irrigated areas along the rivers. Areas with lucerne are also significant, and a considerable amount of hay is obtained from forests of Pre-Balkans and Balkan mountains.

Feed is a stable base for livestock farming in the region. It accounts for over 6% of cattle, about 21% of buffaloes, about 10% of pigs and sheep, 13% of goats and 12% of horses and bee families, over 14% of poultry in Bulgaria. The region offers about 8% of milk, 11.5% of eggs, 8% of wool.

Pigs are widely grown on private farms, the most common breed being the "Bulgarian White". The concentration of these animals in the corn and other cereal crops - Knezha, Byala Slatina and others - is higher.

In general, animal husbandry meets the needs of the North West population, and a significant part of its production is exported to the capital. This shows an upward trend in production after the enormous recession by the mid-1990s.

In northwestern Bulgaria, fishing is developed along the Danube and in barrages. Carp, wells catfish, sturgeon and other fish rivers are hunted.

There are favorable conditions for hunting in the Balkan Mountains, which has spurred the development of hunting tourism, which brings significant gains in currency for forest exploitations.

For the development of agriculture in the NORTH CENTRAL REGION there are all necessary preconditions - soil and climate conditions favorable, flat relief, availability of
processing capacities in light industry, availability of consumer centers and proximity to the
capital and the Black Sea, local production experience and others. All of these premises also
determine the role of leader in plant cultures. The northern central area has 7.5 million
hectares of arable land or 49.5% of the total area. Levels account for approximately 88% of
the arable land or nearly 16% of the country's land (2nd place by North-East Sea region). Seed
areas in the region account for 59% of the arable land area or approximately 4452000 ha, the
third place by regions in northeastern Bulgaria. For the accomplishment of vegetal production
there is a significant fleet of agricultural machinery. They represent 19% tractors from the
total national and 17% combine-harvesters.

More than 58% of the region's crop production is occupied with cereals, especially
wheat crops. It occupies 41.4% of grain crops or 11.2% of its area in Bulgaria. At present, the
tendency is to decrease production due to the difficulties of practicing agriculture.

The technical plants occupy over 22% of the cultivated area. The main crop in this
category is sunflower, which accounts for about 94% of the total. Sunflower yield is 17%. In
recent years there has been a constant upward trend in the area of this culture due to its
demand on domestic and foreign markets. The main part of its area is in Pleven and V.
Tarnovo.

An important technical culture for the northern central region is sugar beet. It occupies
4.5% of the areas with technical plants, and yields represent over 51% of those in the country.
The main massifs with this culture are located near the sugar factories in Gorna Oryahovitsa
and Dolna Mitropolia.

Agriculture is a major branch of the primary economic sector in the North East region.
Overall, agriculture is influenced by the development of favorable natural conditions,
geographic location of the territory, significant processing capacity of the food industry and
light industry, as well as consumption in large cities and Black Sea resorts during summer. In
this respect, the main industry is the cultivation of plants. The soils in the Sea-East region and
especially in Dobrudja are characterized by maximum natural fertility, which determines the
specialization in the field of planting.

The region has 7 million hectares of arable land or 14.9% of the land in the country.
Approximately 97% of the area is occupied by fields and the areas with perennial plantations
and forest fruits represent 2.6%. The seed areas in the region are about 5380000 or about 77%
of the arable land. Approximately 65% of the lots are filled with cereals - especially cereal-
bakery. Nearly 27% of Bulgaria's wheat (1st position) and 25.6% of maize (1st position) are
harvested in the region. Most of the wheat and maize production is given by the Dobrich
region. It produces about 40% of beans and nearly 50% of soybeans in the country. Barley, oats, rye, fodder peas, etc. are grown in the region.

Technical crops occupy approximately 22% of the North-East regions. More than 96% of the area is occupied with oilseeds. The most important crop of oilseeds is sunflower, which occupies 96% of the cultivated area. In the sunflower industry, the region ranks first in Bulgaria (over 26% of the country's yields). This culture is cultivated especially in the Dobrich region, processing in Dobrich and Provadia. Approximately 1.7% of the crop area is occupied by tobacco. Both Eastern and broad-leaved tobacco are grown in the Balkan Mountains region. Tobacco yields account for about 6% of those in the country. In recent years, the region has been a major producer of flax fiber. Approximately 73% of the area with this culture is located on its territory.

Peanuts and sugar beet are grown on limited areas. Sugar beet is grown mainly near the sugar factory in Devnya, with yields of only 6% of the national average. Vegetable crops occupy 3.3% of the area cultivated in the North-East region. In particular, tomatoes, cucumbers, onions and peppers are grown, but the cultivation of red pepper, cabbage, green beans and others is also covered. The region offers 12% tomatoes, 14.5% cucumbers, about 10% pepper, 12.7% onion, 18.4% cabbage, 7.3% green beans in Bulgaria. The main part of the vegetable areas is located along the Kamchia river valley / Varna district /.

In the Dobrich region, melons are grown, producing about 11.5% of the country's population. In the southern part of the region, potatoes are grown, with yields of 5% of those in the country.

In the northeast, a variety of fruit crops are also cultivated: vines, apples, cherries, apricots, pears, peaches, nuts, strawberries, etc. Over 9% of the country's fruit (including 10.5% 6.5% of plums, 9% of strawberries) are produced in the country. The main part of the fruit is used as a raw material in the canning industry, but a significant part is also offered on the Black Sea market during summer.

Agriculture is fairly well represented in the economies of the two countries located along the Danube. In both situations we find that the agricultural potential is not adequately exploited. Furthermore, the connection with the secondary industry is deficient both in Romania and Bulgaria.

The value of agricultural production is decreasing in Romania, and an important part of the production is obtained in subsistence farms, which offer a low yield. The increase in the number of economic agents that can practice a performing agriculture is limited and the results show the need to support agriculture. In Bulgaria, the favorable conditions for
practicing agriculture are insufficiently exploited. The lack of investments in the modernization of agriculture has negative effects on the achieved yield.

IV. TURISM

Tourism is part of the service sector, being one of the most productive activities with significant growth potential and influences upon workforce, GDP, profitability, with a perpetual character, which can ensure the economic stability of a region for long time periods.

Investment in tourism is relatively low, and the initial investment offers the possibility of increasing wages for several years. Subsequent expenditures can only be placed in the category of upgrades, maintenance and conservation. Developing tourism and increasing productivity is dependent on the ability of local actors (entrepreneurs, local public authorities, citizens) to connect all resources with tourism potential, which will also influence the related fields of activity, out of which the transport and trade are detached.

In order for tourism to develop, special attention must be paid to factors that contribute to the attractiveness of a tourist area or localities:\footnote{Turcu D., Weisz, D., Tourism Economy, Eurostampa Imprint, Timișoara, 2008, pp. 12-13}

1. "Economic Factors: Income of the population, tourist offer; prices and fares of tourist products;
2. Technical factors: performance of the means of transport; technical facilities in hotel and catering establishments; technologies used in construction;
3. Social factors: urbanization; leisure time;
4. Demographic factors: the numerical evolution of the population; structure by age; average life expectancy; gender structure; socio-professional categories;
5. Psychological, educational and civilization factors: the level of education of the population;
6. Natural factors: geographical location; relief; climate; position on the main ways of communication; 
7. Organizational and political factors: border formalities, facilities in organized tourism, social, interethnic, religious, visa regimes. "

In Călăraşi County, the most numerous tourist accommodation establishments are hotels, whose number increased by 71.15%. There have been decreases in motels and tourist boarding houses. 

Constanta County has the most developed tourism sector. It has the largest number of receiving tourist structures and has registered growth trends in important reception facilities. Trends indicate the formation of new market niches: Significant increases have been recorded for hostels (cheaper accommodation units and fewer services), tourist stops (lower prices and shorter stays) and agro-touristic boarding houses. Reconfiguration of tourism services determines the development of structures that correspond to other types of tourists, probably young and with lower incomes.

**Arrivals of tourists in tourist accommodation structures by types of structures, by counties and localities**

<table>
<thead>
<tr>
<th></th>
<th>Romania</th>
<th>Călăraşi</th>
<th>Constanţa</th>
<th>Dolj</th>
</tr>
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<tbody>
<tr>
<td><strong>Figure</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11002522</td>
<td>19095</td>
<td>1162958</td>
<td>97139</td>
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<tr>
<td>Hotels</td>
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<td>1006872</td>
<td>70321</td>
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<tr>
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<td>37555</td>
<td>5805</td>
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<tr>
<td>Apartment hotels</td>
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<td>3379</td>
<td>2198</td>
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<tr>
<td>Motels</td>
<td>264086</td>
<td>2714</td>
<td>4057</td>
<td>5751</td>
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<tr>
<td>Inns</td>
<td>3409</td>
<td></td>
<td>0</td>
<td></td>
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<tr>
<td>Tourist villas</td>
<td>327824</td>
<td></td>
<td>44936</td>
<td>652</td>
</tr>
<tr>
<td>Tourist cottages</td>
<td>117304</td>
<td></td>
<td>278</td>
<td></td>
</tr>
<tr>
<td>Bungalows</td>
<td>26483</td>
<td>3256</td>
<td>8600</td>
<td></td>
</tr>
<tr>
<td>Campsites</td>
<td>52043</td>
<td></td>
<td>34477</td>
<td></td>
</tr>
<tr>
<td>Tourist attractions</td>
<td>21082</td>
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<td>4460</td>
<td></td>
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<tr>
<td>Tourist houses</td>
<td>14364</td>
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<td>1674</td>
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<tr>
<td>Camps for pupils and preschools</td>
<td>46468</td>
<td>-9,84</td>
<td>-</td>
<td>-</td>
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<tr>
<td>--------------------------------</td>
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<tr>
<td>Tourist guest houses</td>
<td>1020606</td>
<td>74,13</td>
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<td>-33,12</td>
</tr>
<tr>
<td>Agro tourist guest houses</td>
<td>813454</td>
<td>81,93</td>
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</tbody>
</table>

Sources:


*Trends calculated for the period 2012-2016*

**Arrivals of tourists in tourist accommodation structures by types of structures, by counties and localities**

<table>
<thead>
<tr>
<th></th>
<th>Giurgiu</th>
<th>Mehedinți</th>
<th>Olt</th>
<th>Teleorman</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Figure</td>
<td>Trend</td>
<td>Figure</td>
<td>Trend</td>
</tr>
<tr>
<td>Total</td>
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<td>70,26</td>
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<td>Hotels</td>
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<td>10398</td>
<td>18,04</td>
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<tr>
<td>Apartment hotels</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Motels</td>
<td>7067</td>
<td>-40,67</td>
<td>3092</td>
<td>-</td>
</tr>
<tr>
<td>Inns</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tourist villas</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tourist cottages</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Bungalows</td>
<td>-</td>
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</tr>
<tr>
<td>Campsites</td>
<td>-</td>
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<tr>
<td>Tourist attractions</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>Tourist houses</td>
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<td>-</td>
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<tr>
<td>Camps for pupils and preschools</td>
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<td>-</td>
</tr>
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<td>Tourist guest houses</td>
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<td>14099</td>
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<tr>
<td>Agro tourist guest houses</td>
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<td>-</td>
<td>17641</td>
<td>180,15</td>
</tr>
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</table>

In Dolj county there is an increase in the flow of tourists to hotels, hostels, motels and tourist cottages. There are decreases in arrivals in tourist villas, tourist boarding houses and agrotourist guest houses.

In Giurgiu County there is an increase in arrivals in hostels and hotels, along with a decrease in arrivals in motels. It can be noticed that the number of types of tourist accommodation structures are limited.

In Mehedinți County there is an increase in the arrivals of tourists to all existing categories. The total average of tourists' arrivals is above the national average, indicating that this industry is expanding.

In Olt County tourists arrivals have a downward trend. There are, however, significant increases in bungalows and tourist accommodation.

In Teleorman County, there is also a decrease in the number of tourists in hotels and campsites for students and preschools, along with positive trends in hostels, tourist villas, tourist cottages and agrotourist guest houses.

It can be noticed that the counties of Constanța and Mehedinti have the highest trends in tourism and it seems that this economic activity tends to hold a growing share of the regional labor market.

The development of tourism is conditioned by the elaboration of a policy of using the tourism fund existing in each county. Integrating all the elements (natural and anthropic) into a unitary policy can generate an increase in the influence of tourism on the cross-border region. Such an approach can add value to the fact that the tourist stay should include opportunities for visiting objectives, opportunities for loisirs and increased consumption of various goods and services. By comparing the average expenses of each tourist in Romania with those made in European countries, we find that the amounts spent in Romania are lower than in other countries.

The current orientation towards cheaper accommodation structures and, implicitly, a lower number of services to tourists will keep the current gap, even if the trend is positive. Linking tourist features in a region can increase tourists' spending during a stay, which means an increase in tourism productivity.

Compared to tourist regions in the EU, tourism development indicators and the quality of tourism services for the analyzed border region as well as across Bulgaria are much lower, which implies significant resources for restructuring and modernizing the sector from the
point of view of addressing competitive pressures and ensuring a sustainable development of tourism in the region.

There are clear disproportions in terms of regional development at regional level, despite the existence of good conditions and prerequisites in almost all areas. Differences between regions are mainly due to the location of natural recreational resources (on the seashore and in the mountains). But their contribution to this situation is also given by large cities, where there are concentrated tourist places and the base of accommodation. In the coastal regions of Varna, Burgas and Dobrich, 65.6% of the country's accommodation base is concentrated together with Sofia-city and Plovdiv - 73.4% of the tourist accommodation base and 80% of the accommodation nights, as well and 80.9% accommodation income. Overcoming the imbalance between the tourist development of the Black Sea coastal regions and those inside the country, the Danube Region should be established as a strategic objective, based on the diversification of tourist offer and alternative tourism types based on rich natural and man-made recreational resources in the interior areas.

The quality of the environment in the analyzed region increases the attractiveness of the area for life, business and tourism.

Ecotourism is one of the most promising types of tourism in the Danube region. There are many green routes on the territory where the following elements have been developed:

- the inclusion of some sections of the Danube as a major attraction and specific ecosystems
  (rivers, marshes and riparian discharges, island ecosystems) and biodiversity;
- the inclusion of natural and national parks, such as areas with a large protected area of complex value, at the disposal of a specialized administration for management and already large investments in tourist exposure and promotion of natural heritage;
- inclusion of a variety of sites in protected natural areas, protected areas that represent the natural diversity of the cross-border area. This includes the representation of different types of ecosystems - mountains, forests, wetlands, freshwaters, marine ecosystems and others.
VII. INFORMATION AND TELECOMMUNICATIONS

Romania

Generic domain "IT" is a component of the tertiary sector, the services, after certain classifications, or the fourth sector, the one of the leading technologies. The importance of this area of activity is highlighted in two respects: the first concerns the productivity of this industry itself, with high turnover, high profitability and sustained development in recent years. The second aspect is found in the products and services offered to the economic agents in the other sectors of activity. IT technologies used in industry, transport, commerce, public administration, education, health, etc., generate or contribute to generating profits, making economies and supporting the competitiveness of those who implement them in the production process. These two components are sufficient arguments to expand development policies in this sector. This area of economic activity also has a high potential for innovation. The quality of the specialists and the specificity of the activity is favorable to the development of innovative products and services. Thus, the presence and development of this economic sector in a region is an indicator of the development of the respective economic area.

The rapid growth of the global IT domain requires sustaining the growth of this area at national and local levels at close rhythms. It is one of the areas where highly qualified specialists operate and which maintains the economic competitiveness at high levels. In the literature, the information society is correlated with the knowledge society, based on superior, non-polluting, performing and inclusive technologies. The development of the IT sector is the main step in the formation of the information society, which, in its turn, is the path to the development of the knowledge society, with all its benefits. According to academician Mihai Drăgănescu, "Knowledge is information with meaning and information that actions." Knowledge influences all production processes, and the added value is much higher. Academician Mihai Drăgănescu appreciates, according to scientific literature, the relationship between technological knowledge and economic relations. The relation "Y = f (x)" refers to the output variables (Y) dependent on the effects of the input variables (x). Under these conditions, "technological knowledge is knowledge of the arguments and behavior of f (x)".

Thus, we find that the IT sector is more important for the development of a geographic area than the specific economic indicators (number of employees, number of economic agents, turnover, profit, etc.). However, the development of output variables (Y) is dependent on the quality of the input variables, which in the current economic dynamics include the digital competences of the population, since the number of specialists (very high in Romania) and the productivity of the field itself is not sufficient under a number of reduced users of IT products and technologies. Such a problem has been identified since 2007 through a Delphi-based study, "Analysis of Risks Affecting the Advancement of the Knowledge Society in Romania." The results of this research revealed that "virtual space tended to swallow all spheres of activity, so that the Internet and digital technologies were used in those years in areas such as economy, critical infrastructure or defense, while some state or non-state actors were trying to achieve their strategic goals through a superior exploitation of the internet. " But "Due to the non-realization of the convergence between the experts' perception and the public perception regarding the information society, the general public (citizens) remaining largely non-assertive, the development of the information society - the knowledge society was not realized at the moment considered in the initial phases Romanian but also internationally. " The two aspects identified by this analysis indicate the existence of a fault in the Romanian society: on the one hand, there is a specialization in certain areas of professional activity for the use of IT technologies, while in the society there is a high share of citizens who do not have digital competences. This phenomenon is not specific only to Romanian society, and international terms are used as a "partially computerized society" to capture the reality. In the case of Romania, a large part of the rural population has no access to this technology and no digital skills. We find that the degree of rurality of a county is suggestive of understanding this dimension and associating people with the lack of professional opportunities in a social and economic space conditioned by digital skills and the use of computerized means of work. The current discrepancies will increase as the areas not covered by this technology will remain outside the global tendencies of informational connection of all economic and social dimensions. In the cross-border region, this area is under development. The necessary specialists are formed at two universities: Craiova and Constanta, but the Calarasi, Teleorman and Giurgiu counties are in the educational and economic influence area of Bucharest, where probably the specialists from the top fields come from.

6 Iancu Ţefean, Information Society - Knowledge Society or Partially Informed Society ?, Columna magazine, no. 2/2013, p. 70
7 Idem
It is noticed that in the field of information technology services there is a predominance of small economic agents. In the counties with a degree of urbanization of over 50.0% (Constanta and Dolj), there is a high number of companies, which have a growing trend. In the other counties, the number of small companies offering information technology services is less than 50, although trends indicate an increase in this area. By reference to the national averages we find that the growth trends are below the national average, which is 36.61%. The only county approaching the national average is the county of Dolj, with a 32.24% growth trend. In two counties, Olt and Teleorman, the growth trends were above the national average of 51.61% and 53.85%, respectively. However, the number of companies is very low, of 47 and 40 respectively, indicating that investments in this area are in the debut phase.

The highest number of medium-sized economic agents is located in Dolj county (12) and the growth trend is 20.00%. In Constanta County, the growth of economic agents of medium size is 50.00, their number reaching 6. In Olt County there were two economic agents of this magnitude in 2015, and in Calarasi and Mehedinti counties: 1. In the Giurgiu and Teleorman counties there is no economic agent of this magnitude. Large companies, comprising 50-249 employees, existing only in Dolj (4) and Giurgiu (1) counties.

The size and number of active local units, as well as their grouping, compared to the national average reveals that the development of this area is below the national average, and the potential assumed by these activities is partially exploited.

The trend of increasing the number of active local units is increasing in six of the seven counties of the cross-border region. The increases are significant, and in the counties Dolj, Giurgiu, Mehedinți and Olt their number increased by over 100%. In the case of Teleorman County, we see a reduction of 12.50%. Medium and large companies are under-represented, while at the level of large companies there are at the regional level two of the ten existing units at national level in the counties of Constanta and Dolj.

We believe that the importance of this area of activity is appreciated by the contractors in the component counties. However, in comparison with the national averages of the indicators referring to it, we find that only two counties are in the national trend, Constanța and Dolj, with development tendencies, while in the other counties there is a trend of recovering the significant differences of present values. The factors contributing to this state of affairs are complex and can be understood from the perspective of the researches performed and the values of the statistical data. For the development of this area, there must
be a developed economy with numerous economic entities on the one hand and on the other hand there must be a sufficient degree of "digital literacy" of the population.

The high turnover, which indicates the sustainability of the business, is observed in Dolj County (RON 509 million), with a growth trend of 78.60% (more than double the national average). The investments made are 28.57%, also exceeding double the national average, with an increase in the number of active enterprises, which has a growth trend of 28.75%, slightly above the national average, and the civilian population in the field increased by 83.33%. In this county, the information and communications field has positive increases in all indicators and is the highest increase since county averages are above the national average.

The second turnover is observed in Constanta County, with a slight increase in investments of 13.04%, but with an increase in the number of active enterprises with a trend below the national average and with a low impact on the employed civilian active population. The last three indicators signal the likelihood of slowing growth in this area and stabilizing it.

The third turnover is found in Olt County, where in the period 2011-2015 this area of activity has grown strongly due to the already existing economic agents. It can be seen that growth trends indicate a doubling of turnover, investment and employment impact. The increase in the number of active enterprises is below the national average (the smallest growth in the region), suggesting that the economic entities present on the current county market are developing rapidly, taking up the economic opportunities in this field.

A market situation similar to that of Olt County is found in Teleorman County. The increase in turnover is significant, 71.06%, well above the national average, the investments doubled between 2011-2015, but the number of active enterprises and the active civilian working population decreased, having negative trends, contrary to the national ones and from other counties. Statistical data suggests that the market is covered from the point of view of the economic agents that strengthen the county market, and the area is unattractive for the emergence of new economic entities.

The next turnover is RON 70 million and is found in Calarasi County. Turnover growth is slightly below the national average, but investment increased steadily by 600.00%, which indicates that economic agents present on the market are aware of a significant growth potential in this area of activity. The increase in the number of economic agents is weighted, being 20.69% below the national average. The influence on the labor market is constant, which shows that, on the one hand, there is a relatively constant number of specialists, and the increase of the number of active enterprises is due to the regroupment of the specialists in the county market. This structure of indicators suggests that there is a dispute over the acquisition
of the county market by economic agents that already exist on the market, but market opportunities are not optimistic.

In Giurgiu County, there is the fifth turnover, which is 63.41% higher than the national average, as well as the investments, which increased by 20.00%, almost double the national average. The number of active enterprises is increasing, by 18.97%, below the national average. The number of specialists employed in this field of activity increased by 50.00%, which shows the trend of development of this field of activity. The structure of indicators used shows that the market is growing and business opportunities are growing.

The smallest turnover is in Mehedinți County, where the lowest investments were made, below the national average, followed by an increase in the number of active enterprises, slightly above the national average, with a decrease of of the civilized employed population, of 33.33%, the most pronounced decrease between the counties of the cross-border region and in the opposite direction to the national average. From this perspective, we consider that in this area of activity the activity is in decline and the specialized labor force regroups into small entities or emigrates.

**Bulgaria**

Improving access, use and quality of ICT is one of 11 thematic objectives of the cohesion policy 2014-2020. The ERDF will give priority to:

- broadening the expansion of broadband networks and the introduction of high-speed networks;
- developing ICT products and services and e-commerce;

ICT measures can also be supported by other thematic objectives and are also included in many intelligent specialization strategies. The transition from a classical approach of ICT in a Digital Agenda comprehensive local / regional / national strategy of specialization in information enables regions to prioritize ICT investments that are appropriate for their territory.

For households with access to the Internet, the area varies between 26% and 33%, which is close to the country average. For the country as a whole, 33% of households have access to the internet. (well below the EU27 average of 70%).
In the field of telecommunications and information technology, it can be concluded that the costs of introducing ICT are insufficient, mainly due to the small market and the high value of services. Internet access is provided in large and smaller city centers. Problems exist especially in villages where the level of household equipment with computers is still too low and public access points (telecentres) are needed. This leads to a deepening of territorial differences in the use of ICT and adversely affects economic growth and regional competitiveness.

According to NSI data for 2015, in Bulgaria, 28% of households have access to broadband services, with 61% in the EU27. Among the Bulgarian regions with the highest weight of 37% (NSI, 2010) is the South-Western region. Broadband connects serious growth opportunities - GDP, employment, competitiveness of regional economies and improving the quality of life.

In the region, only large cities offer electronic services as part of e-government or by improving municipal administration services.

The following conclusions are needed in order to improve the development of ICT in the region:

• ICTs increase labor productivity and efficiency in all sectors of the economy and should develop more broadly;
• ICT to enable a more transparent, more efficient government to contribute to sustainable social development and lifestyle improvement;
  • the region needs new investment, and ICT is the largest industry;
  • ICT allows demographic regulation;
  • overcoming social pessimism and halting brain drain;
  • ICT gives access to the global market and has its own potential to stimulate work force and economic growth.

CONCLUSIONS AND RECOMMENDATIONS

Bulgaria
Based on this analysis, the following summaries can be made.

1. The range of profiles characterized by poor socio-economic status is higher in the cross-border area than in those with relatively good status.

2. The problematic socio-economic situation in northwest Bulgaria and the northern central region is becoming more and more pronounced.
3. Regional policy in Bulgaria does not produce results. Strategies and even laws are not reached, on the contrary - differences are widening, and problems.

4. There is a need for a professional discussion on the concepts and technology of regional policy making and the means to implement it.

**Romania**

Based on the data centralized through this study, we are advancing the following proposals that may be part of a development policy for the Danube cross-border region:

A. Measures that can improve the quality of life with impact on turnover and the labor market:

- Policies to support young labor force employers;
- Balance of income at the level of national averages;
- Improving the quality of life, especially in rural areas;
- Development of non-agricultural economic activities and absorption of the labor force employed in agricultural activities;
- Facilities granted locally to economic agents in the counties of the region and discouraging methods of increasing turnover by maintaining low incomes;
- Modernization of localities in the region by expanding utilities networks, investments that will be found in time by increasing turnover and impact on the labor market, but also on the development of the region and the attractiveness of the area.

B. Economic development

- Linking industry to agriculture, as industry growth trends are below the national level, which will increase discrepancies. Manufacturing is not represented at the same level as agriculture or to a degree that indicates the connection between the two economic sectors. Moreover, there are cases where the increase in employment in the manufacturing sector is doubled by the decrease of the average incomes, which means that part of the turnover is achieved through the exploitation of the cheap labor force. At the same time, agriculture is characterized by a decrease in the value of agricultural production and an increase in the share of investments in services.
- Linking business activities to agricultural production and processing agricultural products so that products with added value can be offered on the markets, which can offset the decline in the value of agricultural products.
- Collection of agricultural products from the region and early contracting of agricultural production to compensate for price fluctuations in agricultural products. Development of an agricultural commodity stock exchange through the involvement of economic agents, designing through university centers providing research and development services and local public institutions.

- Studies on the evolution of prices of different agricultural products and advice to agricultural producers on future opportunities;

- Developing entrepreneurship among young people in the region. Creating programs for training young people on the potential of transforming subsistence households into agricultural production farms by increasing the efficiency of farms due to the increase of agricultural facilities and the use of performant technologies. Also, preparing for the use of European funding and financial-banking tools for the development of agricultural holdings is necessary in overcoming the current state of affairs in which subsistence agriculture has a social impact by employing an active labor force exposed to the decline in agricultural product values.

- Organization of landowners according to their total production and contracting with beneficiaries for multiannual time periods. Large supermarket chains require enough product quantities to ensure the flow of agricultural products for the whole year.

- Insertion into the programs of preparation of the methods of realizing a business plan, the functioning of the agricultural product markets, the yield of different cultures and the type of crops generating the highest profit in each region;

- Developing a financing system for agricultural activities through partnerships with financial and banking entities that will be involved in the financing of economic development policies;

- Ensuring agricultural production to compensate for weather losses;

- Development of investments in industrial areas related to the provision of modern urban-type utilities: supply of electricity, heat, gas, hot water and air conditioning on the one hand and water distribution, sanitation, waste management and decontamination activities. Both areas have a low coverage, and the investments made so far show an interest in expanding this area. Revenues are below the national average, and growth trends show the trend of increasing existing gaps;

- Buildings have a significant influence on the employment of the population. Trends in the growth of the employed population in this field and incomes achieved highlight
efforts to revive this area. Turnover is reduced compared to the national average, and turnover investments are below the national level;

- Developing economic activities in the tertiary sector, such as tourism and IT. The main tourist potential is represented by the Danube River, which is insufficiently exploited in all the counties of the region, with the exception of Constanța County. Tourist activities concentrated in areas with tourism potential allow diversification of non-agricultural economic activities and development of service activities.

- Modernizing economic activities through the use of modern production and communication technologies to connect economic agents in the region with beneficiaries and potential business partners in global markets.

- Involvement of service providers in economic development policies and assistance in sustaining investment;

- Developing high value added products.

A. Involvement of development research institutions

- Increasing the offer of innovation by regional universities, which can expand the research area in the countries bordering the Danube;

- Increasing the demand for innovation by economic agents;

- Creating partnerships between the Universities of Craiova, Constanța, Ruse, Shoumen, Veliko Tarnovo, Pleven and Svishtov with economic agents on both sides of the Danube to identify needs and develop coherent programs, according to their specialties and research skills;

- Creating partnerships between the Universities of Craiova, Constanța, Ruse, Shoumen, Veliko Tarnovo, Pleven, Svishtov and public institutions, for the realization of the regional development strategies in a coherent and unitary way, connecting the geographical areas bordering the Danube;

- Creating consultative bodies with objectives related to the improvement of the quality of life and economic development of public institutions, local economic agents and universities;

- Developing innovative policies to efficiently harness the potential of the region and identify markets for regional products.
- Studying development and innovation needs in the geographical area neighboring the region's universities in the Danube riparian countries and developing partnerships between beneficiaries and knowledge providers;

- Support local authorities and economic agents in the development of existing higher education institutions, especially in the direction of research and development. Expanding coverage or setting up new institutions to meet the needs of the entire region.

- Increasing the export potential of economic agents in the region.

B. Public institutions

- Creation of regional bodies to identify global solutions to solve regional problems in the Danube riparian counties;

- Involvement in the development strategies of the main institutions for development, research and innovation (Universities Craiova, Constanța, Ruse, Shoumen, Veliko Tarnovo, Pleven, Svistov);

- Exploitation at a higher level of the economic potential of the Danube River;

- The geographic grouping of neighborhood-based development policies, from the point of view of economic resources, the structure of the economic activity domains, the number of economic agents, research, development and innovation institutions, represented in particular by universities, and identifying the resources common production.