

The municipality of Kanjiža



Development strategy of the municipality of Kanjiža

**2006 – 2010.
First shortened version**



Kanjiža, April 2006.

CONTENTS

| | |
|---|-----------|
| PROLOGUE OF THE MAYOR OF KANJIŽA | 3 |
| HZSTORY | 4 |
| A. WHERE ARE WE NOW? – THE ANALYSIS OF THE SITUATION | 5 |
| I. HUMAN RESOURCES | 5 |
| II. THE ECONOMY | 5 |
| 1. Macro economy | 5 |
| 2. The characteristics of the economy – the present situation | 6 |
| 3. The Industry | 6 |
| 4. Agriculture | 7 |
| 5. Service industry | 8 |
| 6. Construction industry | 9 |
| 7. Tourism | 9 |
| III. THE REGIONAL POSITION OF KANJIŽA MUNICIPALITY | 11 |
| IV. THE DEVELOPMENT OF SME | 11 |
| V. PRIVATISATION | 12 |
| VI. THE INFRASTRUCTURE | 12 |
| 6.1 Transport | 12 |
| 6.2 Energy | 13 |
| 6.3 Telecommunication | 13 |
| 6.4 Environmental issues | 14 |
| VII. EDUCATION | 15 |
| VIII. CULTURE | 15 |
| IX. THE MUNICIPAL MANAGEMENT | 16 |
| X. INSTITUTIONAL AND HEALTH SERVICES | 16 |
| XI. SOCIAL PROTECTION | 16 |
| XII. SPORT | 17 |
| XIII. CIVILIAN ORGANIZATIONS | 17 |
| B. WHAT ARE OUR CHANCES? | 18 |
| Factors, barriers, SWOT analysis | 18 |
| C. WHAT DO WE EXPECT FROM THE FUTURE? | 20 |
| Vision, the Mission, the Values, Strategic goals | 20 |
| D. HOW DO WE ENCOUNTER OUR VISION? | 23 |
| E. STRATEGIC ACTION PLAN 2006-2010 | 26 |

Dear citizens,

This development strategy provides an important goal – raising the competitiveness of our municipality which will enable substantial improvement of living standards of our citizens.

The strategy is a synthesis of those particular branch programs that have been written so far, and its purpose is not to superimpose those programs. Approving the document opens the possibility of planning and confirming the dynamic of the capital development, investments and programs approved by the municipal government. All the separate programs are intertwined and, combined; they will enable an integrated development of our community.

Besides the development possibilities financed by the budget of the municipality the development strategy explains the potential of including external investments. The strategy is in harmony with the social, economic and natural conditions of the municipality of Kanjiža, and addresses all the questions and the ongoing problems of our community.

Our strategy is based on the existing relations, and in the same time, it concentrates on the future. It projects a vision of the future where our children's well-being and development are guaranteed.

The strategy is a basic political document that holds the guidelines for the long-term development programs whose implementation demands constant cooperation between all the interested parties. Therefore, the central element of the strategy is cooperation, not only between the members of the local government but also between all the institutions, organizations, unions and entrepreneurs. Investments and development programs prepared by the municipality assembly will be the basis for other projects made by the civilian organizations and entrepreneurs which will increase the social and the economic cohesion.

In conclusion it must be said that this development strategy is the very base of our future, a feasible vision of the future – for all of us.

With respect,

The mayor of Kanjiža

Karolj Kermeći

HISTORY

The municipality of Kanjiža lays on the northern part of Bačka region on the border with Hungary, 5 km from the corridor 10, on the corridor EGK 4 (Tisa River) and stands between the municipalities of Subotica, Senta and Novi Kneževac. Its surface is 400km² wide and has 27.510 inhabitants living in 13 settlements: Horgoš, Male Pijace, Martonoš, Mali Pesak, Orom, Doline, Novo Selo, Totovo Selo, Velebit, Vojvoda Zimonjić, Trešnjevac, Adorjan and a large number of disperzed granges. The city of Kanjiža as the centre of the municipality has 10.193 inhabitants is becoming a regional centre which is due to the proximity with the river Tisa and the Horgoš border.

Bačka had inhabitants in the earliest periods of history. The area which is now Kanjiža used to be populated even in the period of great migrations and in its proximity material evidence of population was found, originating from the Hun period.

The first historic mention of Kanjiža was in year 1093. In the 16th century the Turks are invading these areas, and after the Karlovac peace agreement and forming the military borders the two larger settlements, Kanjiža and Novi Kneževac begin their separate development. In the social life of the 19th century the most important role is occupied by the landowners, rich entrepreneurs, traders and craftsmen. A National Park is founded (Népkert – in Hungarian), steam mills were built along with a wood processing factory, the first tile and brick factory, which prove that, even then, Kanjiža had a highly developed architectural industry. The first decade of the 20th century brought an even more dynamic development. In 1908 Kanjiža was given the status of a city, a new, larger city building was constructed (1912), the health spa (1913) and the new Saint Paul Catholic church.

A. WHERE ARE WE NOW? – THE ANALYSIS OF THE SITUATION

I. HUMAN RESOURCES

According to the official roster in 2002 the municipality of Kanjiža had 27.510 which show a decrease in population by 3.158 citizens i.e. 11% in comparison to the results of 1991. The decrease in population is the result of natural population accession and the migrations, especially the emigration of young people of 20 or more years of age. The average age of the population is 40.9 years. Every fifth person is older than 60. The natural accession is -7.2% (on every 1.000). Regarding the education of the population 34.8% have finished high schools and 5.1% have higher education. The estimated number of high school pupils is 850 and 250 students.

There are 5.920 employees, which is 25.52% of the active population - older than 15. 30% of this number is female employees. 61% is in the public economy, of which 30.6% is in the processing, 18% are entrepreneurs, 8.6% traders and 5.6% are agricultural workers.

In the first quarter of 2005 more than 2.359 our citizens was looking for employment, of which 1.159 women, but it is clear that this number is substantially larger. The structure of the unemployed is: 52% are unqualified, 4% half-qualified, 25% are qualified, 15.5% with high school education, 1% of highly qualified, 2% of higher school college education and 0.5% are college educated.

II. THE ECONOMY

1. Macro economy

The economic crisis started in 1981. The economy of Serbia is on a slow recovery since the loss of all trade connections and the loss of market after the disintegration of SFRJ.

Because of the war and sanctions the transition started 10 years too late in comparison with other ex-socialist countries.

The macroeconomic stability after the October changes in 2000 – despite the problems caused by transition – has continues, with positive long-term changes.

Although there are positive movements, the institutional and the administrative factor is still has a very degrading influence on business and the development of economy.

The government of Serbia is persistent on the restrictive monetary policy with heavy budget restrictions, and is working on the reconstruction of the economy by hastening the privatization since and offering loans and irreclaimable assistance to the agriculture and the village development.

2. The characteristics of the economy – the present situation

The economy of Kanjiža is in a very complicated situation due to insufficient investments, a substantial technical and technological underdevelopment of most of the companies, which all together has the subsequently means that the products lack competitiveness on international markets.

There are a large number of unemployed, especially young people. In 2005 there was 1.500 newly employed which showed to be grossly inadequate in comparison with the negative effects of the privatization.

The income per person is 110.194 dinars (2003), the average salary is 20.267 dinars which is 11% more than the national average.

In the municipality there are about 500 enterprises, an 352 private entrepreneurs (in the moment of this analysis).

The grey economy is an irregular opponent, especially harming the servicing office enterprises.

3. The Industry

The existing natural resources for the development of the industry are:

- discovered, active and not yet studied sources of natural oil and gas
- clay – the raw material for the architectural industry
- thermal water as mineral water and geothermal energy

The key element of the industrial production is the production of refractory – mostly potsherd, tile and bitumen based isolation material. The holders of the industrial production are:

- “Potisje Kanjiža” – the member of the Tondach group, a company founded in 1903 and became the symbol of Kanjiža.

- “Keramika A.D” (1980) which has done good on the international markets thanks to the quality of their product

- “FIM” Kanjiža – just privatized Shareholders Company – an isolation material company – mainly based on the home market.

* The municipality has substantial food industry capacities:

- „Higlo“ – Horgoš – frozen products company

- Spice pepper paprika companies in Martonoš :

„SD Martonoš“, „Telek paprika“, „Delikates Spice&Pepper“, „MDM“, „Martonoš Delikates“

and „Vitamin“ in Horgoš.

- The largest corn mill industry capacities are in Kanjiža and smaller mills in Totovo Selo and Male Pijace.
- There are butcheries and meat processing capacities e.g.: SR „Mesocoop“ Kanjiža and the „Časar“ butchery in Male Pijace.

Analyzing these industrial sectors we can say that they hold the great development potential of the municipality.

- The metal processing industry, the textile industry, wood package production and broom production are in the worst position. The traditional production of female footwear has been terminated.
- The weaknesses of the industry are:
 - no development investments
 - deficit of young experts
- The undefined industrial zone and the absence of a free-trade zone are limiting factors for capital investments.

4. Agriculture

Classification of soil types in the municipality

- Fertile black earth - Chernozem (63.4%)
- Hydromorph soil (13.4%)
- Salty soil – salina (11.2%)
- Sand and sandy soil (3.9%)
- Salt soil – salina (6.9%)
- Lakes, swamps and puddles (1.2%)
- In the municipality of Kanjiža 26.3% of the population are agricultural which is more than double of the Vojvodina percentage (13.7%) and significantly larger than in Serbia (17.9%). Of 5920 of the working population, 331 are agricultural. Agriculture makes out 29.2% of the total income of the municipality.
- There is great potential for various fields of agriculture in the Kanjiža municipality
 - in Kanjiža for agronomic and cattle production
 - in Horgoš vineyards, fruit and vegetable production
 - in Male Pijace for agronomy and cattle production
 - in Martonoš industrial herb production
 - in Adorjan for agronomic and vegetable production in plastic greenhouses
 - in Orom for agronomic and cattle production
 - in Velebit for cattle production

- in Trešnjevac for agronomic production.
- In terms of herbal production corn makes out the most of the surface in the municipality – 47.8%, wheat is 20.13% and industrial herbs – 10.42%.

Industrial pepper production has a lasting tradition in the municipality and is well known beyond the borders of our country.

The greatest problems in the herbal production are:

- obsolete mechanization
- absence of agro-technical measures
- broadening the production
- dispersal of land (only 3ha per landowner)
- a great number of elderly and mixed husbandries
- low level of irrigation capacities (160ha)

It is expected that the level of irrigation will rise as the water supply system “Severna Bačka” broadens, through which a new possibility of using the Tisa-Palić channel water.

- The municipality of Kanjiža is among the 5 most developed municipalities in terms of beef production and among the 6 most developed in terms of sheep production. Hog production is in stagnation for 10 years. The breed quality is insufficient in all of these fields. Clean genetic material is lost due to the absence of quality breeding material.
There are 15 fish tanks in the municipality. There is also a great tradition in this field.
- Vineyard and fruit production are traditional branches of production. There are 640ha of fruit fields and 305ha of vineyards.
- The revitalization of the agricultural production of the municipality will be the crucial push towards a faster economic development.

5. Service industry

While shaping the new development strategy based on the strengthening the municipalities' competitiveness we must include:

- the service industry (because of the favourable location of the municipality)
- Informatics.
- The municipality's economy will get connected to the Europe only if we adapt our social and economic structures to the challenges of globalization, and to do that we need to develop the human resources towards logistical management. Today's logistic are on a very low level. The models of production and trade in our companies are obsolete.

- An excellent location in Horgoš has been selected to host the new logistical centre. The infrastructural conditions for the enterprise sector are inadequate. The setting for green field investments, industrial parks, toll free zone is also inadequate.
- Considering the proximity of corridor X and the border crossing, the transport and the institutional conditions are inadequate.
- The trade sector occupies 509 persons which is 8.6% of all working persons. The available storage capacities are under the foreseen normative.
- The transport sector has 296 employees – 5% of all employed. There is no parking place for heavy transport vehicles.
- The informatics development is very limited due to the fact that the digital telephone centres are yet to be installed as in the centre of Kanjiža so in the surrounding settlements. One of the greatest barriers for the development of informatics is also the absence of specialized and professional personnel.

6. Construction industry

For decades this industry has been the standout industry in the municipality. Due to the recess of investment the tradition has been broken. Towards the end of 2005 there were 42 enterprises working in this domain. The most influential are “GP Partner”, “SZR Konstrukt”, “GIK Inženjering”. There are 232 employees in this sector.

The process of the EU integration will surely be a substantial boost to this sector.

7. Tourism

The municipality has a respectable capacity for accommodation – 652 beds. Due to the analysis that was conducted on this subject, this number proved to be sufficient considering the centre of the municipality, yet, apart from Horgoš, in the surrounding settlements that may not be the case.

- The health-spa tourism of the municipality has gained an excellent position in the market of rehabilitation services. The spa-tourism in “Banja Kanjiža” has been certified by the standards of quality ISO9001. Besides “Banja Kanjiža” there are two new objects “Aquapannon” and “Lupus” which can satisfy the greater needs of tourists.
- The local government needs to found a new destination management of the municipality, region or some other form of organization in accordance to the law.
- In the municipality of Kanjiža there is 28 annual manifestations and 270 performances with 11.000 participants and 90.000 guests.

- The sightseeing offer is insufficient.
- The tourist signalization is insufficient and does not reflect the position of Kanjiža as the tourist destination as it is.
- Nautical tourism is not developed enough because the status of the river Tisa is still undefined as an international transport river. Other than that, the organization of use and preservation of the shore of the river.
- The utilisation of the potential of sport, congress, hunting and fishing tourism is only partial. It is necessary to further develop all the fields of tourism.
- There is still no practice in village tourism, but the experience of neighbouring countries shows that there is an expansion in this field of tourism.

III. THE REGIONAL POSITION OF KANJIŽA MUNICIPALITY

The EU bares great importance on regional connection and development. Even though our municipality has showed positive tendencies considering this process, the wanted level is still not achieved.

The municipality of Kanjiža has a central position in the Danube – Kireš – Morish – Tisa region and is on the middle of the road between Budapest and Belgrade.

Creating partnerships in the North-Banat County, in the European region DKMT, cross border relationships with the region «Homokháti Kistérség» offer an opportunity to receive EU donations through the program of transnational cross border cooperation with the name “INTERREG”.

In 2005 a small region called “Ket-Adryan” was created holding 3 settlements of the municipality: Totvo Selo, Trešnjevac and Adorjan, with the goal to create a joint economic and cultural development strategy of these villages.

IV. THE DEVELOPMENT OF SMALL AND MIDDLE ENTERPRISES (SMEs)

Small and middle enterprises are in many areas taking over the leading role. SMEs involved in trade have the greatest participation of all the SMEs of the municipality. There are is no reliable data about the number of enterprises but the estimated number is 500.

There is a steady and consistent rise of registered private enterprises, which is of great importance because private SMEs are much more efficient than the others.

- It is necessary to create a suitable environment, a job market, a market of capital and to educate the entrepreneurs in order to develop SMEs.

There is a great deal of specific problems in the work of SMEs, as in the beginning so in the phases of growth and development.

- There is no adequate institutional infrastructure to help develop SMEs, but we can say that, by creating the Center for Information and Development, an important step was made.
- The number of registered active stores in the municipality is 352 and is on the decrease, on one side due to the required registration changes to companies and poor working environment on the other. The entrepreneurs are missing a vision of future. There are 1079 persons working in stores i.e. 18% of the total number of employees. The number of female entrepreneurs is 33%.

The structure of employees in terms of education is as follows:

| | |
|--|-----|
| - highest education – university diploma | 8% |
| - higher education | 1% |
| - high school education | 4% |
| - qualified workers | 77% |
| - basic education | 10% |

There is a common feeling that there is a lack of vision of future among entrepreneurs.

The limiting factor for SME development is their lack of finances. The bank interest rates are very high and the loan possibilities very restrictive.

By founding a fund for the development of the municipality of Kanjiža, the local government offers another opportunity to aid SMEs, primarily to enable new job opportunities.

V. PRIVATISATION

The main goal of privatisation is upgrading management of the companies, which will further enhance their efficiency and profitability.

Even though there are some good examples of transition in our municipality, the course of privatisation has, so far, failed to produce the wanted results.

So far, 21 companies have been privatised, most of which (12) were sold in the auction process.

The process of privatisation in terms of agricultural economy, agronomic unions, public companies and the spa complex is yet to take place.

VI. THE INFRASTRUCTURE

6.1. Transport

- The territory of the municipality of Kanjiža is entwined in the web of roads: partially international, magisterial, regional, local, uncharacterised adding up to the total of 278km of roads.

In terms of development of our municipality the roads of greatest importance are:

- E75 – a part of an international web of roads
- M-22 – a magistral road that connects our municipality with Hungary.

- M-24, which will be reconstructed and will connect us with corridor X.

The state and the width of the roads is unsatisfactory, urgent repairs are needed and so is the linkage between Orom and Male Pijace.

There is no regular location for a bus station. Most of the existing bus stops are not fully constructed.

- The main characteristics of the rail transport are: technologically obsolete equipment, slow transport, bad service and the security is on the lowest border of tolerance.
- The river and the border crossing was predicted to be for the transport of passengers, yet, it is not used for years. Although it could be used as a new way of transport for tourism, it is only used as a commercial way (a harbour for barges, storage of scattered material).

6.2 Energy

- The infrastructure and the state of the electrical system is on a sufficient level and can meet the needs even if the needs rise by 5% years - for 5-10 years ahead.
- The gas dispersion is also sufficient. In Horgoš and Male Pijace there is a quality foreign gas in use, while in Kanjiža it is a mixture of foreign and local gas, and in others they use only the local gas which makes the local unsatisfied because of its higher cost and lower quality.
- The water supply of the population and the industry is complete. Every settlement besides the Vojvoda Zimonić village (which is connected to the Kanjiža city supply) has their own water supply with a central root. There is a constant ongoing reconstruction of old water pipes.
- The drainage and the refinement of waste water is being done in Kanjiža and in Horgoš, while the other settlements have no such systems.

6.3 Telecommunication

There is a huge problem in telecommunication between Kanjiža and Subotica because the central root capacity is lower than needed. The average number of telephone lines in Kanjiža is smaller than the Vojvodina average. The development of the telecommunication system is dependant on the widening of transfer lines, i.e. the continuance of the construction of the optical cable and the construction of digital telephone centres in every settlement of the municipality.

6.4. Environmental issues

There are no accurate indicators of the state of the environment; there are no analysis made and no investments to stop pollution. The only regular control is of the river water quality.

The most common ways of pollution are: noise, fumes, smoke, dust, micro particles... The disposal of waste that comes about through the production of oil is still not resolved. There are wild garbage disposal sites in all the settlements. The use of pesticides and insecticides in the agriculture is still uncontrolled and has negative effects on the environment and the health of the inhabitants.

Another great pollution source is the transport fumes coming from the bad quality of the fuel.

The hard waste material is disposed in disposal sites that do not meet the law standards. The garbage disposal is organised only in Kanjiža, Horgop and Adorijan. A special problem is the way dangerous materials like motor oils, organic emulsions and medicinal waste are treated.

It is necessary to revitalize the Small-Tisa revir and the cubic hollows towards Adorjan, in the zone of the confluence of the river Tisa after the extraction of clay. By founding green areas of wind protection the settlement's microclimate will increase in quality. It is also necessary to create an inventory of protected and rare herbs of the municipality.

The regulation of green fields is of primary essence for the development of tourism.

A great problem is the low ecological awareness of the people, so is the absence of programs that would contribute to its rise. The municipality is committed to the sustainable development strategy and the concept of integral environmental protection.

VII. EDUCATION

The education should prepare the young people and the population for a stable development. It is very disturbing that the number of children decreases every year which will have a devastating effect on the development of our local community.

The number of employees in the field of education is 345.

The educational programs are inadequate, inflexible and are imposed upon by the central government.

The territorial dispersion of the institutions is adequate and meets the needs of the population.

The net of institutions is made of:

– Nursery “Poletarac”

– Elementary schools “Jovan Jovanović Zmaj” - Kanjiža, “10.Oktobar” – Horgošu and “Kiš Ferenc” - Trešnjevcu, and the Music elementary school in Kanjiža

– High School: „P.T.S.C Besedeš Jožef” – Kanjiži

- The nursery is faced with the problem of inadequate equipment. So is the elementary education which is, furthermore, faced with the problem of a shortage of professional personnel.
- The high school has 4-year programs educating agricultural technicians, mechanical and veterinarian technicians, horticultural technicians and 3-year programs for locksmiths, metalworkers, auto-mechanic workers, gas and water installers, gardeners, and various food management qualifications. There is an obvious discrepancy between the education system and the new needs of the market and economy.

VIII. CULTURE

- There have been substantial investments in culture for last few years. The building of the theatre and the newly built library building in Kanjiža satisfy all the technical requirements. A reconstruction of “culture homes“ in the settlements.

The groundwork was laid for the Culture Home in Trešnjevac, and for the „R.K.A. Jožef Nađ“.

- There is a long lasting tradition of the culture; it is very dynamic and wide-ranging. It is greatly thanks to “OKU CNESA” and to 20 civilian organizations of the municipality. There are various annual festivals; the international Jazz festival, the international Tisa blossoming festival, the Literary colony, „Gazdag ág” manifestation in Trešnjevac, „Harvest days“ in Horgoš, and the international contests of our culture and art non government organisations.
- The municipal media are: “Új Kanizsai Újság”, Panda radio, PM radio, InfoTV etc.

IX. THE MUNICIPAL MANAGEMENT

There are 64 employees in the municipal management including the settlement's employees.

It is of great importance to reform and increase the efficiency of the municipal apparatus. By improving the technical equipment, rationalising its use, enhancing the organisation, it is possible to enable better and quicker service for the citizens.

IX. INSTITUTIONAL AND HEALTH SERVICES

Health protection is organised in the building of the "Health home" (Dom Zdravlja) Kanjiža, which covers the whole territory of the municipality including the border crossing of Horgoš. There are also drug-stores and dispensaries working in the realms of the „Health home“. Beside from these there are 3 private drug-stores in the municipality.

The number of private ordinations is 10, 5 of them are dentists, 4 are common medicinal and 1 is a polyclinic. The „Banja Kanjiža“ spa has rehabilitation programs using modern medicinal methods.

Preventive actions concerning the patients are very scarce due to the absence of financial resources. The high unemployment rate and the appalling social background lead to the degradation of the common wellbeing of the municipality.

XI. SOCIAL PROTECTION

The social protection has a long tradition in the municipality in terms of protecting and providing for the people that can not provide for themselves and those that are handicapped or otherwise disabled to do so. In 2004 the number of social-support users was 2383, 859 of which were children, 936 adults and 594 elderly people.

The social program of the municipality bears special attention to child-support, support of youth, for example, buss fares for high school children, free breakfast and Rome children education.

Considering the increase of needs (due to the process of transition) a great limiting factor is the insufficient funding for the realisation of programs that would aid the deprived population.

XII. SPORT

The union of physical training organisations of the municipality has 30 registered sport-clubs: 1 chess club, 1 wrestling club, 1 kayak club, 1 handball club, 1 athletic club, 1 riding club, 1 aikido club, 1 tennis club, 1 sport dance club, 1 bowling club, 1 special-Olympic club, 2 ping-pong clubs, 6 football clubs, 2 small-arms club, 2 judo clubs, 2 sport-piscatorial clubs and other sport-recreational clubs with 2500 active sportsmen, 26 leagues, 15 tournaments and many international sport gatherings. These sport meetings have been constantly for 10 years already and have always had several hundred competitors.

The greatest sport manifestations are: The International Athletic and Swimming marathon, The Fishing Festival and the M.Dragić Memorial Judo tournament.

XIII. CIVILIAN ORGANIZATIONS

The municipality has about 50 registered civic organisations – 33 of which are in Kanjiža, 7 in Horgoš, 3 in Totovo Selo, 2 in Male Pijace, and 1 in Orom, Trešnjevac, Doline and Martonoš.

B. WHAT ARE OUR CHANCES?

Factors, barriers, a SWOT analysis.

| Factors | Strengths | Weaknesses |
|-------------------|--|---|
| Natural resources | <ul style="list-style-type: none"> - A favourable geo-strategic location of the municipality (border-crossing) - Good natural resources (river Tisa, lakes, channels, woods, Selevenj heath, Jaraš) - Unique natural phenomena (Tisa flower, protected bird species, animals and herbs) - A rich soil - Adequate conditions for growing various herb and animal cultures - Mineral resources – field gas, clay, water, oil. | <ul style="list-style-type: none"> - Occasional pollution of the environment - Irregular amounts of precipitation - Absence of wood (green) zones |
| Demography | <ul style="list-style-type: none"> - The inhabitants have a great attachment and fondness of their environment - A diligent and qualified working force - Multicultural environment | <ul style="list-style-type: none"> - Depopulation - The aging of the population - Inadequate education of the working class - Immigration of young and qualified personnel - Inadequate knowledge of foreign languages - Unemployment rate growth |
| Economy | <ul style="list-style-type: none"> - Tradition of the construction industry, metal production, trade and entrepreneurship - Well developed food industry - Cheap services - Low prices of new attachments to the communal infrastructure; electricity, water, gas... - Intellectual capacities - Closeness to the EU - No concurrence of multinational companies - A large number of banks - A rich repertory of manifestation tourism. | <ul style="list-style-type: none"> - Inadequate privatization of some companies - Extension of the agricultural production - Small land areas of many landowners - Unsatisfactory breed constitution of cattle - Undefined brands - Inadequate use of existing capacities - Inadequate use of the Tisa-Palić channel - Obsolete equipment - Lack of SMEs - “Gray“ economy - Inadequate business connections - Unsatisfactory business efficiency - Unmarketable products |
| Infrastructure | <ul style="list-style-type: none"> - The proximity to the corridor X - Well connected to the free-way, magisterial roads and regional roads. - Railway connection - Asphalt roads between all settlements - Sufficient water supply | <ul style="list-style-type: none"> - No adequate river-port - The state of roads - Obsolete railway in the industrial zone (Kanjiža-FIM) - Cargo transport through the centre of the city - No truck parking - Bad local transport - Low level of telephone lines digitalization, no digital centres, bad mobile telephone coverage in the settlements - Inadequate signalisation for tourists |
| Social activities | <ul style="list-style-type: none"> - Well developed health-care web - Well endowed with educational institutions and future working force - The web of schools covers the needs of the population (elementary and higher education, public services) | <ul style="list-style-type: none"> - Inadequate equipment in the institutions - Inefficient education system – does not meet the needs of the new market - Inefficient work of the employment market - Inefficient work of the public services - No marketing and promotion - No exhibit locations |

Development strategy of the municipality of Kanjiža 2006-2010 (short version)

| Factors | Opportunities | Treats |
|-------------------|--|--|
| Natural recourses | <ul style="list-style-type: none"> - New energy potentials - Regulation of the river Tisa as an international way - Better use of thermal waters, oil and gas sources | <ul style="list-style-type: none"> - Bad approach to the environmental issues - Ice (falling) and drought - Negative effects of the wind |
| Demography | <ul style="list-style-type: none"> - Cheap working force - Women working force employment (work from a distance) | <ul style="list-style-type: none"> - Age structure of the employed - Youth and expert immigration from the municipality |
| Economy | <ul style="list-style-type: none"> - Sustainable development - Raised need of the products on the international market - Building a trade centre - Building logistic centres - Raising the export - Developing SMEs - Strengthening the partnerships - Tourism development - The potential of the rural tourism - Forming clusters - Service industry development - Developing intellectual capabilities - EU Funds | <ul style="list-style-type: none"> - Undeveloped enterprise spirit - Inadequate loan policy of banks - Unselective and poorly stimulated economic policy - Decentralisation too slow - Danger of an inadequate privatisation of spa centres |
| Infrastructure | <ul style="list-style-type: none"> - Connecting to the corridor X with a special accessory - Better use of the border-crossing - Reconstructing the roads - Building a road by pass from the bridge towards "FIM" - Building an industrial park - Creating a toll free zone - Better use of the Tisa-Palić channel - Reconstruction of the bays | <ul style="list-style-type: none"> - Bad keeping of the channel web - Influence of the political situation |
| Social activities | <ul style="list-style-type: none"> - Developing the health prevention - Better cooperation between the economic and non-profit organizations developing adequate young personnel - Education of workers - Youth education - Environmental education - Regaining the property of the municipality - Opening the local government for new challenges | <ul style="list-style-type: none"> - Specialised personnel immigration - Increased poverty - Inadequate personnel for informatics - Slow reforms |

C. WHAT DO WE EXPECT FROM THE FUTURE?

Vision

In the next five years the municipality of Kanjiža should become a town intended for men, with an infrastructural and ecological arrangement and which would be a town integrated to modern, economic, technological, communicational and legislative trends.

The municipality of Kanjiža of 2010 is: healthy, safe, a sustainable community and a place in which all generations can live comfortably. It is a community which is lead by a knowledgeable local government; it is a well-developed area, a well-known destination for new investments, a place where all the resources are run in a rational manner. The communal, urban and traffic infrastructure will make this municipality easily accessible.

The construction and the food industry are the mostly developed branches of the economy, and together with the agriculture, tourism and other services they make the largest part of the economy of the municipality.

The Mission

The local government of has made it their mission to develop the municipality of Kanjiža lead by the principles of sustainable development, making Kanjiža a good host and a better place to live in for our children.

The Values

The mission of the municipality is founded on the following:

- Responsibility towards natural and human resources,
- Respect for all the needs of the population,
- Efficiency in solving existing problems,
- Transparency and honesty in governing the city,
- Team work and commitment for completing the mission,
- Sustainability that enables balanced socio-economic development.

Strategic goals

Considering local economic development and job-making the mission should lead towards completing the following strategic goals:

- A developed SME sector,
- A developed agriculture founded on modern and efficient production,
- A developed tourism founded on creating an ambient and providing new content to keep the domestic and foreign guests coming back,
- Developed service industry,
- Kanjiža – a spa town, an ecologic oasis and an outstanding park of nature.

To reach these strategic goals it is necessary to strengthen the communal and traffic infrastructure of the whole municipality. The strategic points of this area are closely intertwined with the following points:

- Reconstruction and repair of the traffic infrastructure and the access to the Corridor X
- Creating infrastructural and ecological conditions for environment protection.

In order to achieve the vision of a developed Kanjiža an environment should be created which would enable the existing enterprises to develop; that would encourage the forming of new ones and that would draw investors into our municipality. There is a need for legislative changes to ease the weight of the business regulative and registration. The option of legislative changes is in the hands of the state government, yet the local government must initiate these changes and to create an environment for changes and to have an active role in creating an ambient for an economic development of the municipality.

For that task it is necessary to:

- complete the tasks of the Development strategy
- to strengthen the facilities of the local government in terms of organisation, personnel and technical resources to build capacities that would enable it to plan and carry out active and operative programs
- stimulate SME development with the goal of making the enterprises more competitive and to raise the employment rate
- stimulate investments on the “green field” with communal equipment and investing into desolated capacities
- make the conditions for an institutional development
- stimulate economic infrastructural development

- build mechanisms of stimulating projects and business initiatives in terms of the strategy
- include citizens into decision-making, including the non-governmental organisations
- form an municipal service centre in order to answer the needs of citizens whilst making the local authorities a real community service
- stimulate regional interconnections
- promote health issues in the widest sense of the word and in all spheres of social development and all categories of population
- valorise traditional values through economic activities
- create a local strategy for poverty reduction

D. HOW DO WE ENCOUNTER OUR VISION?

Formulation of the municipal strategy

1. The strategic issues of the local economic development mostly consider the constructing industry based on natural resources and the existing producing capacities for potsherd and other clay products; ceramic tile, hydro-, thermo-, and other isolation materials. The capacities of “Potisje Kanjiža” – a member of the “Tondach” group, “Keramika” and “FIM” together with their human resources represent the full force of this branch of industry. The interior weaknesses of some of these companies are the obsolete equipment and technology, underused capacities, insufficient funding, and incomplete privatisation. To use these forces for further development the weaknesses must be eradicated by a swift and successful conclusion of the transition process.

The existing capacities of the food industry are also one of the strengths of our municipality. Besides this, we have solid resources and a respectable personnel base and a successful and complete conclusion of the privatisation process in this branch of the economy. As apparent weaknesses we, again, have the insufficient use of the resources, obsolete equipment and the absence of favourable interest loans. A change of bank policies must take part.

The strength of the metal production industry, light industry, wooden package production and broom production lies in traditional production, in the qualified work force, and in the completed privatisation. The problems are in loss of market, obsolete equipment, absence of capital, inefficient privatisation and no educated personnel.

Positive changes are expected from the higher levels of the state economy mainly in creating a stable and favourable climate to develop these branches of the economy. The possibility of working at home - the “work from distance” would be another good idea.

The small and middle enterprise sector is well developed, despite the fact that the economical measures are not stimulating enough. There are no adequate interest loan possibilities; the “grey” economy is still very present, and there is a deficit in young and organised personnel. The development possibilities lie in developing the

economic infrastructure, educating entrepreneurs to take part in home and foreign grant applications.

The soil, favourable weather climate, a several centurial experience in agricultural production and the existing educational capacities are all rich resources for agricultural development of our municipality, especially agronomy, cattle fruit, vegetable and vine production. The lack of organisation, dispersed and small land areas owned by many landowners, the obsolete technical equipment are all limiting factors of development. A great possibility for development of agriculture is in the new agricultural measures, in vertical connections between producers and intensifying the production and reproduction, privatisation of the economy.

The capacities of the tourism are also one of the main forces of the municipality's development. The tradition of the spa tourism, the therapeutic thermal water and the mud, the well-educated experts, the EU standard services are the main factors of the development. The weaknesses are mainly in the, again, obsolete medical equipment and the inefficient tourist signalisation. The chance for development are found in better service, wider repertory of the sightseeing tourism, better use of potentials of the sports, congressional, hunting, piscatorial and rural tourism, reconstruction of the river shore and the park.

2. The infrastructural development plans consider better life conditions and strengthening economic and social activities. The transport road infrastructure has a good base. Still, because of the lack of funding for its maintenance, the roads are, today, far from good. The urgent reconstruction of roads, the building of the detour road from the bridge towards the "FIM", attachment to the corridor X, the M-24 road block would have a very positive effect on the life standard, the economy, safer roads and better transit.

Investing in the railroad transport and the river border-crossing would also have a positive effect on tourism.

Water supply must also be dealt with, a reconstruction of the water-pipes in necessary.

In terms of sustainable development, balancing between the actions of men and the natural resources of the environment, the economic development must also mean solving the communal problems and garbage and waste disposal.

3. This strategic action plan is a wide-ranging document which must be implemented in cooperation with all the economic and social subjects. The local government will form an agency for SME development, a centre for agricultural development; will

also take part in forming of a business incubator house, defining an industrial park, creating a toll free zone, forming a logistical centre with the aim of supporting the development of the municipality. With these activities the local government will help the prosperity of the municipality, enabling new employment possibilities, raising the standard of living, and create an ambient for the development of the entrepreneurship.

The local government must be a real service for the residents. To achieve this, the inner organization must be enhanced, raise the efficiency, professionalism, the working culture and make the employees more compliant. The cooperation with non-governmental organisation, the media, and the specialized and with other civilian organisations should be raised to the highest levels.

The government will, with the cooperation of the neighbouring municipalities, establish a new institution of the ombudsman to upgrade the levels of the protection of the civilian rights.

E. STRATEGIC ACTION PLAN 2006-2010

A short-term and long-term implementation strategy and the development priority projects

A. Plans and projects of the local economic development

Small and middle enterprise development

1. Project of forming a SME development agency
2. Project of forming an industrial park
3. Project of forming a business incubator house
4. Project of forming a logistical centre
5. Project of forming a toll free zone
6. Plan of educating the entrepreneurs
7. Project of bonding through clusters
8. Project of forming cooperatives
9. Unemployment reducing project

Agricultural development

1. Project of water supply system development
2. Project of forming a centre for agricultural development
3. Project of forming brands - branding
4. Project of promoting and organising bio production and organic production
5. Project of exploiting agricultural waste and re-using it as new energy sources and compost
6. Project of promoting cattle production
7. Project of developing fishing production
8. Thermal waters use in vegetable production project
9. Intensifying medicinal and aromatic herb production project
10. Project of organising agricultural production
11. Project of fruit production stimulation
12. Widening the fruit fields and vineyards areas with modern sorts and modern technologies project
13. Reproductive material production of authentic herb sorts with the aim of planting them.
14. Project of exchanging areas of corn field and wheat field areas for oil, industrial crops and forage
15. Project of supporting branch organizing of the producers

Tourist development

1. Founding a destination management
2. Project of founding a destination management
3. Project of creating the study: “Objective possibilities and the perspective of the tourism development in the municipality of Kanjiža”
4. Project of building the infrastructure for the nautical tourism – 650.000 €
5. Projects of the spa “Banja – Kanjiža” – 11.000.000 €
6. The Small-Tisa revir and the cubic hollows towards Adorjan – 35.000 €
7. International festival project – 35.000 €
8. Vigado reconstruction plan – 250.000 €
9. Horgoš Karis and Kamarash castles reconstruction plan – 250.000 €
10. The Orom windmill reconstruction plan – 100.000 €
11. Project of rural tourism (agro, eco, ethno contents)
12. Horgoš “Info-punkt” project – 100.000 €
13. National park revitalisation project – 50.000 €
14. Aqua-park project – 6.000.000 €
15. Project of walking zones and bicycle roads in the city
16. Village tourism analysis project
17. Tourist signalisation project
18. Block 10 regulation project
19. Project of Tisa river-shore belt optimisation in Kanjiža
20. Project of enhancing the quality of the health-spa services 40.000 €
21. Project for the river border-crossing adaptation
22. Project of cross-border cooperation for tourism development of the municipality
23. Project of cross-border cooperation (creating a Tisa-riverside spa cluster)

B. Projects of the local government

1. Forming a service centre
2. Forming a centre for permit issuing
3. Forming an e-management
4. Forming a complete
5. Project for public consultations
6. Creating an information net between the local government, public enterprises and local settlements

7. Equipping the printing-office
8. Project for equipping the municipal building

C. Local infrastructural development plans and projects

1. Road reconstruction plans
2. Plan for attachment to the corridor X
3. Detour construction plans
4. Plan of creating the bicycle road
5. A planned water pipe system reconstruction in all the municipal settlements
6. Project of solving the parking problems in the city for all kinds of vehicles
7. Planned reconstruction of the water-supply system in all the municipal settlements
8. “The classification and categorisation of the subterranean drinking waters reserves” study
9. Building a refinement system for quality enhancement of raw water
10. Forming new water resources and increasing the number of wells
11. Project of constructing a new reservoir of drinking water
12. Establishing a loss control system

Water preservation

1. Further construction of sewer collectors in Horgoš and Kanjiža and starting the construction in the smaller settlements
2. Plan for solving the diversion of atmospheric and waste waters from the territory of neighbouring municipalities (including municipalities from Hungary)
3. The final phase of constructing the waste water refinement setup in the municipal settlements – 15.000 €
4. Adaptation of the aeration pool of the waste water refinement setup in Horgoš
5. Plan for waste water refinement in the smallest settlements of the municipality

D. Plans of environmental issues

1. Forming a local eco-fund
2. Project of alternative and reusable energy sources promotion
3. Project of far-reaching monitoring of the state of the environment and the state of the population health
4. Project of forming wind protective belts

E. Social development plans

1. Educational development plans
2. Project of reconstruction and the ground fort
3. Fish mart reconstruction and restoration project
4. Museum and exhibition projects
5. Children playgrounds reconstruction project

Social protection plans

- a) "Stop the violence" project
 - b) "Life in the new family" project
 - c) "The style of perspective communication" project
 - d) "Parent counselling" project
 - e) "Reintegration of unemployed" project
 - f) "Raising the natality rate" project
 - g) "Participation in travel costs for high-school pupils and students" project
 - h) "Roman children integration in pre-school educational institutions" project
 - i) "Additional education" project
 - j) "Enhancing the life standards of people with special needs" projects
6. "Healthcare centre" plans
 7. Sport programs
 - a) The "Healthy and capable" movement
 - b) Building "Health roadways"
 - c) Challenge days
 - d) Sport for workers
 - e) World pedestrian day
 - f) Days of sporting recreation on Tisa
 - g) Adaptation plan for sport objects on the territory of the municipality of Kanjiža of 2006.
 - h) Building a Sport-hall in Horgoš
 8. Informatics development plans

F. Poverty reduction plans

1. Stimulation for SMEs that employ socially endangered persons
2. Plans of life quality improvement of elderly people
3. Enhancing the life standards of people with special needs
4. Plan of Free breakfast for pre-school and elementary school children

**The time for action has come.
Let's not waste this chance;
There may never be another one.**

*(From the Declaration of local governments on the
World fair about sustainable development
in Johannesburg)*