

## Location and the Market

Leskovac is also a transport junction. International trains which, from Europe, travel to Skoplje, Salonica and Athens, pass through this city.

The Valley of Leskovac is criss-crossed with roads. The most important is the road E 75 which connects Hungary and the Macedonian border. From Leskovac, regional roads lead to PriÅítina, Pirot and Bosilegrad. The distance from Leskovac to NiÅ¡ is 45, to Belgrade 280, to Sofia 155, and to Skoplje 160 km. In each of these cities an airport was built for guests of Leskovac, on which they can land when coming, and from which they can take off when leaving.

The municipality of Leskovac, with its 162,000 inhabitants and 1,025 sq km area, is one of the largest municipalities in Serbia. It lies in the heart of the spacious and fertile Valley of Leskovac (50 km long and 45 km wide). It embraces part of the Valley of the JuÅ¼na Morava River and parts of the river basins of its tributaries, the Veternica and Jablanica Rivers. The basic feature of its geo-transportational position is that it lies on the composite depression of the Morava and Vardar river valleys. The natural backbone roadways of trans-European traffic, and even of inter-continental road and railroad traffic.

Its largest settlement, the city of Leskovac, was shaped on the spot at which natural roads meet, or from where these disperse, along the longitudinal and transversal directions which lead along the valleys of the rivers JuÅ¼na Morava, Veternica, Jablanica and Vlasina.

With 144 settlements, the municipality of Leskovac is the most dotted in Serbia. Three inhabited settlements are of the city type, of which Leskovac is the economic, socio-political, cultural and immigration centre of the entire region. At this time, 65,000 inhabitants live in it, representing 40% of the municipality.

The network of roads of the municipality of Leskovac consists of 614 km of roadways. Compared to a few years ago, this is a significant increase, although mostly in the category of local roads.

Category of Road

Length

Modern Pavement

% of Roads with Modern Pavement

Đœain Road

Regional

Local

Total

64

153

397

614

64

104

152

320

100

68

38.3

52.1

Segments of two main roads pass through the territory of the municipality of Leskovac (M-1 and M-9), of a total length of 64 km. The main roads have asphalt pavement, and part of the M-1 road has been recently modernized. Of the total length of the regional network, 68% have modern pavement, and of the local network, 38.3% (152 km).

In conditions of continuous economic development in the past 50 years, for which industrial development was the main generator, significant changes were achieved in the scope and structure of the workforce of the municipality of Leskovac.

According to data from the last census, there are over 70,000 active workers registered in the labor market, and it is estimated that there were 72,000 in 2003.

The entrepreneurial potential of the Leskovac municipality is determined with over 1,000 small and medium size companies (804 private), over 3,600 private shops and 23 privatized public companies. In small and medium size private companies and shops there are nearly 12,000 workers, of which only 4,400 are employers.

Rise in number of SMEs and shops from 4,663 in 2003 to 8,300 in 2008

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2003

2004

2005

2006

2007

2008

Diff.Â

IndexÂ

Last year

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2008 - 2003

2008-2003

rate %

No.Â of SMEs & shops

4,663

5,232

5,870

6,586

7,390

8,300

3,637

199.7

12.2

No. of Unemployed

21,800

24,939

28,530

32,639

37,339

42,800

21,000

196.3

14.4

Having in mind the desire to have the degree of development of SMEs and entrepreneurship in the municipality of Leskovac in 2008 equal the average of the Republic, the projected average annual rates of growth are above those of the Republic (12.2% compared to 6.0% at the number of SMEs and shops, 14.4% and 11.8% at the growth of employed in the SME sector.) It is noted that without support in the previous 5 year period, private SMEs and shops in the municipality of Leskovac recorded dynamic average annual growth of employment (private SMEs 9.6%, shops 9.1%), and that it is not unrealistic to expect these rates to grow to those projected, with the intended measures and activities.Â Â