



D.2.3.1 – TRANSNATIONAL SWOT ANALYSIS

**Danube4Rural.com – Activity 2.3: Regulatory
Framework Policy Package**

Final Consolidated Transnational Version

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1. INTRODUCTION

1.1 About the Project

Danube4Rural.com is a transnational cooperation project implemented under the Interreg Danube Region Programme, bringing together 11 project partners and 11 associated strategic partners from 10 countries. The project responds to a shared macro-regional challenge: the accelerating depopulation of rural areas, driven by the outmigration of young and skilled people, limited economic opportunities, and insufficient institutional capacity to adapt to global labour market transformations.

The project's central ambition is to develop an **Integrated Transnational Governance Model** that will enable rural communities to adapt their policies to the needs of remote workers, digital professionals, freelancers, and employer organisations. Through three policy packages—**Quality of Life**, **Financial Incentives**, and **Regulatory Framework**—the project aims to create favourable conditions for attracting highly skilled remote workers to rural areas, revitalising local economies, and strengthening territorial cohesion.

Activity **2.3 – Regulatory Framework Policy Package** focuses on analysing existing legislation, identifying regulatory barriers, and proposing policy innovations that can support remote work in rural areas. This SWOT analysis is a core analytical deliverable that informs the development of the governance model and the design of pilot actions.

1.2 Purpose of This Document

This document serves as the **comprehensive transnational analytical foundation** for understanding how regulatory, administrative, and institutional frameworks across the Danube Region influence the feasibility of remote work in rural areas. It consolidates the findings of **all partner SWOT analyses** (Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Hungary, Romania, Bulgaria, Slovakia, and Montenegro) into a single, unified, extended transnational analysis.

Its purpose is threefold:

Analytical Purpose

To provide a **systematic, evidence-based assessment** of the regulatory environment affecting remote work. As stated in the common methodology, *“the SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas”*. This includes labour legislation, taxation, residence rules, business registration, digitalisation policies, and entrepreneurship support mechanisms.

Strategic Purpose

To transform analytical findings into **actionable strategic directions** through a transnational cross-SWOT analysis (SO, WO, ST), identification of regulatory barriers, and formulation of policy recommendations. These outputs directly support:

- the **Regulatory Framework Policy Package**,
- the **Governance Model (Output 3.1)**,
- the **Remote Workers Policy Hub**,
- and the **pilot actions** in 10 rural areas.

Integrative Purpose

To provide a **transnational comparative perspective**, enabling partners to understand shared challenges, complementary strengths, and transferable solutions. This consolidated document is essential for ensuring that the governance model is not country-specific but **macro-regional**, scalable, and aligned with the Danube Region Programme's objectives.

1.3 Target Groups Covered by the Analysis

This analysis covers several categories of location-independent and digitally enabled workers whose needs, legal status and regulatory treatment differ significantly across the Danube Region. Although these groups are often discussed together within the broader concept of remote work, they are subject to different labour, tax, migration and social protection frameworks.

The first category includes **remote workers**, meaning employees who perform their work remotely for a domestic or foreign employer under a formal employment relationship. Their legal status is primarily regulated through labour legislation, employment contracts, taxation rules and social security systems.

The second category includes **digital nomads**, who usually work remotely for foreign employers or clients while temporarily residing in another country. Their regulatory position is strongly linked to migration policies, residence permits, taxation and digital nomad visa schemes.

The third category consists of **freelancers and self-employed digital professionals**, who operate independently and often provide cross-border digital services. This group faces specific challenges related to taxation, business registration, invoicing, social security contributions and legal status.

The analysis also considers **digital entrepreneurs and startup founders**, whose activities combine remote work, innovation and business development. Their needs are closely connected with entrepreneurship support measures, coworking infrastructure, investment incentives and digital ecosystems.

Finally, the analysis includes **returnees and rural newcomers**, meaning individuals or families relocating from urban areas or abroad to rural communities while maintaining remote or hybrid forms of work. Their integration depends not only on regulatory conditions, but also on quality of life, local services, housing, education, community integration and long-term territorial attractiveness.

Recognising these distinctions is important because a single regulatory or policy solution cannot equally address the needs of all target groups. Therefore, the analysis applies a broader and integrated approach that combines labour, migration, taxation, entrepreneurship, digitalisation and rural development perspectives.

2. METHODOLOGY

The methodology applied in this document follows the harmonised analytical framework developed within Danube4Rural.com and used by all partners. It ensures comparability, coherence and alignment with the Application Form.

The process begins with a structured review of national and local legislation, including labour law, tax law, residence and migration rules, company registration procedures, digitalisation strategies and entrepreneurship support mechanisms. This legal and policy review is complemented by insights from previous EU-funded projects, survey results on remote work preferences, and comparative inputs from other partners.

The analytical process unfolds in several stages:

Regulatory and Institutional Review

Each partner conducted a detailed assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures. This step identifies the formal regulatory environment and its practical implications.

Identification of Internal and External Factors

Internal factors (strengths and weaknesses) refer to elements within the regulatory and institutional framework that can be influenced by national or local authorities. External factors (opportunities and threats) arise from broader European and global trends, such as the growth of remote work, digital nomad programmes, EU funding instruments and demographic shifts.

SWOT Matrix Development

The identified factors are organised into a structured SWOT matrix, providing a concise overview of the regulatory environment. This matrix is tailored to each partner's context but follows a common structure to ensure comparability.

Cross-SWOT Analysis

The cross-SWOT analysis links internal and external factors to identify strategic directions. This step transforms descriptive findings into actionable strategies by examining how strengths can be leveraged, weaknesses addressed, opportunities exploited and threats mitigated.

Identification of Regulatory Barriers and Recommendations

The cross-SWOT strategies are translated into a list of regulatory barriers, each with a proposed solution, responsible institution and priority level. These barriers inform the development of the Regulatory Framework Policy Package and the governance model.

Transnational Consolidation

Finally, all partner inputs are synthesised into a unified analytical document, identifying common patterns, divergences and transferable practices across the Danube Region.

3. TRANSNATIONAL SWOT ANALYSIS

Across all partner countries, the analysis reveals a set of internal strengths that collectively form a solid foundation for developing remote-work-friendly ecosystems in rural areas. These strengths span legal frameworks, administrative capacities, territorial assets, and institutional experience. Although the degree of maturity varies across countries, the region as a whole demonstrates significant potential to leverage these strengths for rural revitalisation.

3.1. Transnational Strengths

Across all partner countries, several strong internal factors consistently appear.

Legal and Institutional Strengths

A major strength lies in the legal and institutional frameworks that already recognise remote work or telework in most partner countries. Slovenia, Croatia and Bulgaria have introduced digital nomad residence schemes, signalling a proactive approach to global mobility trends, while Serbia and Hungary have flexible labour legislation that accommodates remote work arrangements. Romania and Bosnia and Herzegovina also possess adaptable frameworks that can be aligned with remote work requirements. This diversity of approaches creates opportunities for mutual learning and policy transfer within the region.

Administrative and Digital Strengths

Another important strength is the advancing digitalisation of public administration. E-government portals, online business registration systems and digital tax services—such as Croatia’s e-Građani, Serbia’s e-Uprava, Hungary’s digital public services and Romania’s online fiscal tools—reduce bureaucratic friction and support the mobility of remote workers. Although uneven, these systems represent a structural advantage compared to regions where administrative processes remain entirely paper-based, and they provide a foundation for future one-stop-shop models.

Territorial and Quality-of-Life Strengths

The region’s territorial and quality-of-life advantages are also significant. Rural areas across the Danube Region offer affordability, natural landscapes, cultural heritage and a high quality of life—attributes increasingly valued by remote workers seeking healthier, safer and more balanced lifestyles. Many partner territories, including Prijedor, Babušnica, Baranja, Țara Dornelor, Gotse Delchev, Cetinje and rural areas of Slovakia, offer clean environments, low noise levels, strong community ties and direct access to nature.

Importantly, several municipalities across the Danube Region already implement concrete policy instruments that enhance the relevance of these territorial strengths. In Slovenia, municipalities within the pilot area apply green development strategies and

protected area management plans linked to Natura 2000 zones. Croatia's Novska integrates environmental management and regional development planning through county-level frameworks and benefits from proximity to Lonjsko Polje Nature Park. Prijedor in Bosnia and Herzegovina aligns its local development strategy with green objectives and benefits from the presence of Kozara National Park, while Serbia's Babušnica is influenced by the Stara Planina protected area, which shapes local planning and tourism-related development. Hungary's Baranja region, including Pécs, is recognised for strong green urban policies and its connection to the Duna-Dráva National Park. Romania's Țara Dornelor area combines Natura 2000 management frameworks with ecotourism-oriented planning. Bulgaria's Gotse Delchev integrates environmental and tourism-related planning through regional development frameworks linked to the Pirin National Park. Montenegro's Cetinje stands out for its comprehensive environmental governance, including protected area management for Lovćen and Skadar Lake National Parks, a Local Energy Plan focused on sustainable energy management and climate-related measures, and municipal regulations on noise and environmental protection. Slovakia's rural municipalities also operate within Natura 2000 and national park management systems and apply sustainability principles through their local development plans.

Together, these examples demonstrate that territorial strengths are not merely inherent characteristics, but are actively supported, regulated and enhanced through local and regional policy instruments—making them more relevant and actionable in the context of remote work attraction..

Entrepreneurship and Innovation Strengths

Finally, the region benefits from strong entrepreneurship and innovation ecosystems. Local and regional development institutions—such as PREDA in Bosnia and Herzegovina, SIMORA in Croatia, STRIA in Hungary, LAG Bazinul Dornelor in Romania, and municipal development agencies in Slovenia and Bulgaria—provide operational capacity for implementing pilot actions and coordinating stakeholders. Their experience in EU projects, entrepreneurship support and rural development forms a transnational ecosystem of expertise capable of supporting remote work initiatives, digital hubs, coworking spaces and Smart Village models.

3.2. Transnational Weaknesses

Despite the strengths identified, several structural weaknesses persist across the region. These weaknesses are deeply rooted in regulatory gaps, administrative fragmentation, infrastructural disparities and limited local capacities. They represent significant obstacles to the development of remote-work-friendly rural environments..

Regulatory Gaps

The most significant weakness is the absence of integrated regulatory frameworks specifically designed for remote workers, digital nomads or foreign freelancers. In most

countries, remote work is regulated indirectly through general labour law, which does not adequately address cross-border employment, hybrid work arrangements, or the specific needs of location-independent professionals.

This creates uncertainty for both workers and employers, particularly regarding taxation, social security contributions, and the risk of triggering permanent establishment for foreign companies.

Administrative Fragmentation

Administrative procedures remain fragmented and complex. Remote workers—especially foreign nationals—must navigate multiple institutions responsible for residence permits, tax registration, business establishment, social security and health insurance. These processes are often slow, paper-based, inconsistent across municipalities, and lacking in transparency.

However, municipalities do have policy levers to mitigate these weaknesses. They can:

- establish local information points,
- provide multilingual guidance,
- coordinate with national institutions,
- co-finance digitalisation of local services,
- streamline local administrative procedures,
- support the creation of local one-stop-shop models.

Infrastructure Weaknesses

Digital infrastructure remains uneven, especially in rural settlements. While urban centres are well connected, many rural areas still lack reliable broadband, limiting the feasibility of remote work. Even where broadband exists, rural areas often lack coworking spaces, digital hubs or multifunctional community centres.

Municipalities can influence this through:

- local broadband investment plans,
- public–private partnerships,
- adaptive reuse of public buildings for coworking,
- local grants for ICT infrastructure.

Policy Weaknesses

Local policies targeting remote workers are generally underdeveloped. Few municipalities offer relocation support, integration services or tailored incentives. Taxation and social security rules for freelancers and foreign remote workers are frequently unclear, creating uncertainty and discouraging relocation.

Furthermore, many municipalities lack strategic documents that explicitly address remote work, digitalisation, or talent attraction. This limits their ability to position themselves competitively.

3.3. Transnational Opportunities

The global expansion of remote and hybrid work represents one of the most significant socio-economic shifts of the past decade, and rural areas across the Danube Region are well positioned to benefit from this transformation. The opportunities identified across partner territories reveal a strong alignment between global labour market trends and the intrinsic strengths of rural communities. These opportunities span demographic, economic, technological and policy dimensions, offering multiple entry points for strategic action at both national and local levels.

Global Trends Supporting Remote Work Attraction

Remote work has become a mainstream employment model, with millions of workers seeking flexible, location-independent arrangements. This shift is driven by technological advancements, changing employer practices, and evolving lifestyle preferences. For rural areas in the Danube Region, this represents a historic opportunity to reposition themselves as attractive destinations for skilled professionals who value nature, affordability, safety and community.

The rise of digital nomadism further expands this opportunity. Countries across Europe—including Croatia, Portugal, Estonia, Spain, Greece, Italy and Malta—have introduced digital nomad visas or similar schemes, creating a competitive landscape but also offering models that Danube Region countries can adapt. These programmes demonstrate that remote workers are willing to relocate when regulatory pathways are clear, administrative processes are simple, and local ecosystems are supportive.

European Funding and Policy Frameworks

The European Union provides a robust policy and financial framework that can support the development of remote-work-friendly rural environments. Funding instruments such as ERDF, ESF+, IPA III, PNRR, LEADER and Smart Villages offer substantial opportunities for investment in digital infrastructure, coworking spaces, administrative digitalisation, skills development and rural innovation.

These instruments can help municipalities overcome structural weaknesses—such as limited financial capacity or infrastructural gaps—by enabling targeted, long-term investments. The Smart Villages concept, in particular, aligns closely with the needs of remote workers, as it promotes digitalisation, community-based innovation and improved public services in rural areas.

Economic Opportunities for Rural Revitalisation

Remote work can stimulate rural economies in multiple ways. Remote workers typically bring higher incomes, international networks and digital skills, which can have multiplier

effects on local businesses, housing markets and service sectors. Increased demand for accommodation, food services, transportation, cultural activities and recreation can generate new economic opportunities for local entrepreneurs.

Moreover, remote workers often engage in hybrid lifestyles that combine employment, entrepreneurship and community involvement. This creates opportunities for local innovation ecosystems, coworking hubs, digital centres and creative industries. Rural areas that successfully attract remote workers can experience a revitalisation of their social and economic fabric, reversing long-standing patterns of depopulation and decline.

Opportunities Linked to Digital Skills and Human Capital

The EU's Digital Decade targets aim to ensure that at least 80% of EU citizens have basic digital skills by 2030. Although rural residents currently lag behind urban populations in digital competences—as shown by the DESI Index—this gap represents an opportunity for targeted interventions. Municipalities, regional agencies and educational institutions can develop training programmes that enhance digital literacy, support entrepreneurship and prepare local populations for participation in the digital economy.

Improving digital skills not only benefits local residents but also strengthens the attractiveness of rural areas for remote workers, who often seek communities with a baseline level of digital readiness.

Transnational Cooperation and Knowledge Exchange

The establishment of the Remote Workers Policy Hub within Danube4Rural.com provides a unique opportunity for transnational cooperation, knowledge exchange and policy innovation. Through this platform, partners can share best practices, harmonise approaches, develop joint tools and advocate for regulatory improvements at national and EU levels.

This cooperation is particularly valuable in a context where many challenges—such as administrative fragmentation, unclear tax rules or digital infrastructure gaps—are shared across borders. By working together, partners can accelerate learning, reduce duplication of effort and create a more coherent macro-regional approach to remote work.

Strategic Positioning of Rural Areas

Finally, the growing interest in rural living—driven by environmental quality, affordability, safety and lifestyle preferences—creates an opportunity for rural areas to reposition themselves as competitive destinations in the emerging geography of work. By combining their natural and cultural assets with targeted policies, improved infrastructure and supportive ecosystems, rural municipalities can attract new residents, stimulate economic growth and strengthen territorial cohesion.

3.4. Transnational Threats

Despite the significant opportunities associated with remote work, rural areas across the Danube Region face a series of structural threats that could limit their ability to attract and

retain remote workers. These threats arise from demographic decline, global competition, uneven digitalisation, institutional limitations and persistent socio-economic disparities. While some threats originate at the national or macro-regional level, many have direct implications for local policy and require coordinated responses across governance levels.

Intensifying Global Competition for Remote Workers

One of the most significant threats is the growing competition from countries that have already developed advanced digital nomad ecosystems. Destinations such as Portugal, Spain, Estonia, Greece and Malta offer integrated packages combining visas, tax incentives, coworking infrastructure, international branding and streamlined administrative procedures. These countries have positioned themselves as global leaders in attracting remote workers.

Although Croatia is often cited among these competitive destinations, it is also a partner country within Danube4Rural.com, which transforms this “threat” into a learning opportunity. Croatia’s Digital Nomad Visa and its strong local ecosystems (Zagreb, Split, Zadar) provide valuable insights for other Danube Region countries. However, the existence of such advanced models within the region also raises the competitive bar for neighbouring countries that have not yet developed comparable frameworks.

Demographic Decline and Outmigration

Depopulation and outmigration remain critical challenges across the Danube Region. Many rural areas continue to lose young and skilled residents, resulting in shrinking labour markets, ageing populations and reduced economic dynamism. Without targeted measures, rural areas risk losing the very demographic groups most likely to engage in remote work or benefit from digital employment opportunities.

This demographic decline also reduces the local talent pool, making it more difficult to build vibrant communities capable of supporting remote workers. In some areas, the combination of ageing populations and limited economic diversification creates a cycle of decline that is difficult to reverse without external intervention.

Digital Skills Gaps and Unequal Digital Readiness

A major threat highlighted by partners concerns insufficient digital skills, particularly among older populations but also among parts of the working-age population. According to the DESI Index, only slightly more than half of EU citizens possess basic digital skills, with significant differences between countries. Rural residents consistently score lower than urban populations, reflecting disparities in access to training, digital tools and digitalised public services.

This skills gap threatens the ability of rural communities to fully participate in the digital economy and limits the potential for remote work to become a widespread development driver. Without targeted digital skills programmes, rural areas risk falling further behind, exacerbating socio-economic inequalities.

Uneven Digital Infrastructure and Connectivity Risks

Although digitalisation is advancing across the region, significant disparities remain between urban and rural areas. Many rural settlements still lack reliable broadband, stable mobile networks or high-capacity digital infrastructure. These gaps directly undermine the feasibility of remote work and reduce the competitiveness of rural areas compared to better-connected destinations.

Even where broadband exists, the absence of coworking spaces, digital hubs or multifunctional community centres limits the ability of rural areas to offer the professional environments remote workers expect. Without sustained investment, these infrastructural weaknesses could widen the digital divide and reduce the attractiveness of rural communities.

Institutional Limitations and Administrative Instability

Institutional capacity varies widely across the Danube Region. Many rural municipalities face staffing shortages, limited financial resources, insufficient digital skills and weak inter-institutional coordination. These limitations hinder their ability to implement remote-work-friendly policies, provide support services or engage effectively with foreign remote workers.

Administrative instability—particularly in taxation, social security and migration rules—creates additional uncertainty. Frequent policy changes, inconsistent interpretations of regulations and fragmented administrative pathways discourage remote workers and foreign employers from engaging with rural areas.

Risk of Widening Territorial Disparities

If remote work opportunities are not evenly distributed, there is a risk that already-advantaged areas will continue to progress while more remote or economically weaker regions fall further behind. This could deepen existing territorial disparities within the Danube Region, undermining cohesion and limiting the transformative potential of remote work.

Municipalities with limited financial capacity may struggle to invest in digital infrastructure, coworking spaces or support services, making it difficult to compete with better-resourced areas. Without targeted support, these disparities could become entrenched.

Environmental and Climate-Related Pressures

Although rural areas benefit from natural assets, they are also vulnerable to environmental and climate-related pressures such as extreme weather events, forest fires, floods and biodiversity loss. These risks can disrupt infrastructure, reduce quality of life and undermine the long-term attractiveness of rural communities. Municipalities with protected areas must balance conservation requirements with development needs, which can create regulatory complexity.

4. TRANSNATIONAL CROSS-SWOT ANALYSIS

This section synthesises all partner SWOT analyses into a unified set of strategic directions.

4.1. SO Strategies – Using Strengths to Exploit Opportunities

Countries with established legal frameworks for remote work can actively promote rural areas as stable and secure destinations for remote professionals. Strong local institutions can design and implement pilot actions that demonstrate the feasibility of remote work in rural settings. EU funding can be used to expand digital infrastructure, coworking spaces and Smart Village initiatives. Natural and cultural assets can be integrated into branding strategies that position rural areas as high-quality living environments.

Slovenia's legal certainty, Croatia's digital nomad visa, Hungary's university-driven innovation ecosystem, whstructures, and Bulgaria's digital hubs can be combined with global remote work trends to create compelling value propositions.

4.2. WO Strategies – Overcoming Weaknesses by Using Opportunities

Fragmented administrative procedures can be addressed by developing one-stop-shop models supported by EU digitalisation funds. Local administrations can strengthen their capacity through training and cooperation within the Policy Hub. Digital infrastructure gaps can be closed through targeted investments. Existing entrepreneurship and youth programmes can be adapted to include remote work and digital professions.

Bosnia and Herzegovina, Serbia, Montenegro and Bulgaria can use EU and IPA funds to modernise administrative systems, while Romania and Hungary can expand Smart Village initiatives to compensate for institutional weaknesses.

4.3. ST Strategies – Using Strengths to Reduce Threats

Legal certainty and quality-of-life advantages can help rural areas compete with more mature digital nomad destinations. Digitalisation of public services can accelerate administrative reforms and reduce bureaucratic delays. Regional cooperation can compensate for limited financial capacity. Community identity and cultural heritage can differentiate rural areas from generic remote-work destinations.

Hungary's institutional cooperation, Slovenia's labour protections, Croatia's entrepreneurship ecosystem, and Romania's ecotourism identity can be used to mitigate demographic and competitive threats.

5. TRANSNATIONAL REGULATORY BARRIERS

The consolidated analysis of all partner territories reveals a set of regulatory barriers that are not isolated national issues but **structural, systemic challenges shared across the Danube Region**. These barriers affect the ability of rural areas to attract, host and retain remote workers, digital nomads, freelancers and returnees. Although the specific manifestations differ by country, the underlying patterns are remarkably consistent.

Legal and Regulatory Barriers

Across the region, the most fundamental barrier is the **absence of a coherent, integrated regulatory framework** specifically designed for remote workers and digital nomads. While several countries (Slovenia, Croatia, Bulgaria) have introduced digital nomad visas or temporary residence schemes, these frameworks often remain narrow in scope, disconnected from local development objectives, or insufficiently aligned with labour, tax and social protection systems.

In many countries, remote work is regulated indirectly through general labour law, which does not adequately address cross-border employment, hybrid work arrangements, or the specific needs of location-independent professionals. This creates uncertainty for both workers and employers. For example, partners repeatedly highlighted the **unclear tax status of foreign remote workers**, the risk of unintentionally triggering permanent establishment for foreign companies, and the lack of clear rules for freelancers operating across borders.

Another recurring barrier is the **lack of legal recognition for coworking spaces and flexible work environments**. In several countries (Serbia, Bulgaria, Montenegro), coworking spaces exist in practice but are not defined in legislation, which complicates their development, financing and integration into local economic strategies.

Administrative Barriers

Administrative fragmentation is one of the most pervasive obstacles identified across all partner territories. Remote workers—especially foreign nationals—must navigate a complex landscape of institutions responsible for residence permits, tax registration, business establishment, social security, health insurance and local administrative procedures. These processes are often slow, paper-based, inconsistent across municipalities, and lacking in transparency.

Partners from Bosnia and Herzegovina, Romania, Montenegro and Bulgaria emphasised the absence of **one-stop-shop mechanisms**, which forces newcomers to interact with multiple institutions without coordinated guidance. Even in countries with more advanced digitalisation (Croatia, Serbia, Hungary), foreign users often face barriers such as limited access to e-services, language obstacles, or the need for national digital identity credentials.

Administrative complexity is further compounded by **slow legislative adaptation**, which means that institutions often rely on outdated interpretations of rules that do not reflect modern work realities. This creates uncertainty and discourages potential remote workers from choosing rural areas as long-term destinations.

Infrastructure Barriers

Digital infrastructure remains uneven across the region, with significant disparities between urban centres and rural settlements. While some countries have made substantial progress in broadband expansion (Slovenia, Croatia, Hungary), others still face connectivity gaps that directly limit the feasibility of remote work (Bosnia and Herzegovina, Serbia, Romania, Bulgaria, Montenegro).

Even where broadband exists, rural areas often lack **physical workspaces** such as coworking hubs, digital centres or multifunctional community spaces. This absence is particularly problematic for remote workers who require stable connectivity, professional environments, and opportunities for networking and collaboration.

Institutional Barriers

Many rural municipalities lack the institutional capacity to support remote workers, whether due to limited staffing, insufficient digital skills, or lack of experience in dealing with international newcomers. Weak inter-institutional coordination—between national ministries, regional bodies and local governments—further complicates the implementation of coherent policies.

In several partner territories, local administrations are not yet prepared to provide services in English or other foreign languages, which creates additional barriers for international remote workers.

6. TRANSNATIONAL BEST PRACTICES

The partner analyses reveal a rich and diverse landscape of best practices across the Danube Region and the wider European Union. These examples demonstrate how regulatory innovation, administrative simplification, digital infrastructure investment and community-based approaches can create favourable conditions for remote work in rural areas. They also show how different governance levels—national, regional and local—can contribute to building remote-work-friendly ecosystems.

To ensure clarity and coherence, the best practices are presented in three clusters:

1. those originating within the Danube Region,
2. those from other EU countries, and
3. their relevance and transferability back to partner territories.

6.1. Best Practices from the Danube Region

Several partner countries already demonstrate promising approaches that can be scaled or adapted across the region.

Croatia stands out with its Digital Nomad Visa, one of the most advanced regulatory instruments in the region. Introduced in 2021, it provides a clear and specialised residence framework for foreign remote workers, bypassing traditional employment restrictions. The visa is complemented by strong local ecosystems in cities such as Zagreb, Split and Zadar, where coworking spaces, community events and municipal support services create a welcoming environment for remote professionals. Although Croatia is a partner country, its experience represents a valuable internal learning opportunity for the entire consortium.

Slovenia offers a structured legal basis for remote work, combined with strong labour protections and administrative clarity. While it does not yet have a full digital nomad visa, its existing frameworks provide legal certainty and predictable administrative pathways. Slovenian municipalities also demonstrate strong environmental governance, which enhances their attractiveness for remote workers seeking high-quality living environments.

Hungary has developed employer-oriented guidelines and hybrid work models that support SMEs in adopting remote work. These frameworks help companies transition to flexible work arrangements while ensuring compliance with labour regulations. Hungary's digitalisation of public services further strengthens its position as a regional leader.

Romania provides two notable examples: the RO-NET broadband expansion project, which successfully connected isolated rural settlements to high-speed internet using EU structural funds, and the Local Action Groups (LAGs), which function as “micro one-stop shops” for rural development. These structures demonstrate how community-based governance can support digitalisation and remote work.

Bosnia and Herzegovina contributes with its Smart Village initiative, which integrates digital tools, local governance and community participation to improve services and create opportunities for remote work. This model shows how even municipalities with limited resources can innovate through community-driven approaches.

Bulgaria has developed rural digital hubs that support youth, entrepreneurship and remote work. These centres provide training, coworking spaces and digital services in rural areas, demonstrating how local infrastructure can stimulate digital engagement.

Montenegro, through Cetinje, demonstrates strong environmental governance, including protected area management, a Local Energy Plan and municipal regulations that support a high-quality living environment—an important factor for remote workers.

Slovakia contributes examples of Natura 2000-based planning, sustainable rural development frameworks and local digitalisation initiatives that support remote work readiness.

Together, these examples show that the Danube Region already possesses a strong internal foundation of practices that can be scaled, adapted or transferred across borders.

6.2. Best Practices from Other EU Countries

Beyond the Danube Region, several EU countries offer advanced models that illustrate how remote work can be integrated into broader development strategies.

Estonia’s e-Residency programme is a global benchmark for digital identity and business administration. It enables non-residents to establish and manage businesses online, demonstrating how digital identity systems can reduce bureaucratic friction and support location-independent entrepreneurship.

Portugal’s Madeira Digital Nomad Village is a fully integrated remote work ecosystem that combines coworking, coliving, community integration and local economic development. It shows how remote work can be used as a tool for regional revitalisation, particularly in peripheral areas.

Spain has developed rural coworking and coliving ecosystems that combine remote work with cultural immersion and community engagement. These models demonstrate how rural areas can attract remote workers by offering unique lifestyle experiences.

Germany provides structured frameworks for flexible work arrangements, including hybrid work guidelines and support programmes for freelancers. These frameworks help ensure legal clarity and worker protection while promoting innovation in work organisation.

These examples illustrate the breadth of approaches available across Europe and provide inspiration for Danube Region countries seeking to modernise their regulatory and administrative systems.

6.3. Relevance and Transferability to the Danube Region

The best practices identified—both within and beyond the Danube Region—offer valuable insights for partners seeking to strengthen their remote-work ecosystems. Several key lessons emerge:

Regulatory clarity attracts global talent. Croatia's Digital Nomad Visa and Estonia's e-Residency show that clear, predictable and user-friendly frameworks can significantly increase a country's attractiveness to remote workers.

Digital identity and administrative simplification reduce friction. Estonia's model demonstrates how digital identity systems can streamline business registration, taxation and public service access—areas where many Danube Region countries face challenges.

Rural coworking ecosystems stimulate local economies. Examples from Spain and Portugal show how coworking and coliving spaces can revitalise rural communities by attracting new residents and stimulating local entrepreneurship.

Smart Village models can be scaled across the region. Romania's and Bosnia and Herzegovina's experiences show that community-based digitalisation can improve service delivery and support remote work even in resource-constrained environments.

Environmental governance enhances attractiveness. Municipalities with strong environmental policies—such as those in Slovenia, Romania and Montenegro—are better positioned to attract remote workers seeking high-quality living environments.

EU funding can accelerate transformation. Many of the best practices identified were supported by EU funds, demonstrating that financial instruments such as ERDF, ESF+, IPA III and LEADER can play a decisive role in scaling successful models.

Overall, the best practices demonstrate that remote work is not only a labour market trend but also a strategic development opportunity. By adapting and integrating these models, rural areas across the Danube Region can strengthen their competitiveness, diversify their economies and enhance their long-term resilience.

7. TRANSNATIONAL RECOMMENDATIONS

Based on the consolidated analysis of all partner SWOTs, the following recommendations provide a strategic roadmap for improving the regulatory environment for remote work across the Danube Region. They address both national and local policy levels, reflecting the multi-layered nature of the regulatory and administrative challenges identified. While several recommendations require national-level reforms, municipalities and regional actors play a crucial role in implementation, piloting, advocacy and ecosystem development.

7.1. Develop or Refine Legal Frameworks for Remote Workers

Countries should introduce or refine legal frameworks that clearly define the rights, obligations and administrative pathways for remote workers, digital nomads and freelancers. This includes aligning labour, tax and migration rules to avoid contradictions and ensure legal certainty. Digital nomad visas should be linked to local development objectives, not treated as isolated migration instruments.

Although this recommendation primarily targets national governments, municipalities can contribute by providing evidence from pilot actions, identifying administrative bottlenecks, and advocating for clearer rules through the Remote Workers Policy Hub.

7.2. Establish One-Stop-Shop Administrative Models

To reduce administrative fragmentation, countries should develop digital or physical one-stop-shop models that integrate residence, taxation, business registration and social security procedures. These centres should provide multilingual support and clear guidance for both domestic and foreign remote workers.

At the local level, municipalities can establish “micro one-stop-shops” or information points, building on the experience of LAGs and development agencies. These local structures can guide newcomers, coordinate with national institutions, and simplify local procedures.

7.3. Simplify Tax and Social Security Rules

Taxation and social security rules should be clarified and simplified to reduce uncertainty for freelancers and foreign remote workers. Countries should consider introducing flat-rate tax regimes, exemptions for foreign employers, and clear guidelines to avoid permanent establishment risks.

Municipalities cannot change tax laws, but they can:

- provide clear information to newcomers,
- coordinate with tax authorities,
- identify recurring problems and escalate them to national level,
- and offer local incentives that complement national frameworks.

7.4. Invest in Rural Digital Infrastructure

High-quality broadband is a prerequisite for remote work. Countries should prioritise rural connectivity in national digitalisation strategies and use EU funds strategically to close infrastructure gaps. Investments should also support the development of digital hubs, coworking spaces and multifunctional community centres.

Local governments play a key role by identifying underserved areas, preparing project documentation, co-financing infrastructure, and providing public buildings for digital hubs.

7.5. Strengthen Inter-Municipal and Multi-Level Governance

Effective remote work policies require coordination between national ministries, regional bodies and local governments. Countries should strengthen inter-municipal cooperation through structures such as IDAs, LAGs and regional development agencies. These bodies can pool resources, share expertise and implement joint initiatives.

The Remote Workers Policy Hub established within Danube4Rural.com provides a platform for structured dialogue, enabling municipalities to collectively advocate for regulatory improvements and share best practices.

7.6. Develop Local Support and Integration Models

Local governments should develop orientation packages, welcome services, community hosts and integration programmes to help remote workers settle and build social ties. These models should be tailored to local contexts and integrated into broader development strategies.

Examples include:

- welcome desks for newcomers,
- community ambassadors,
- local networking events,
- integration guides in English,
- partnerships with coworking spaces and tourism organisations.

Such measures can significantly improve retention and community integration.

7.7. Introduce Targeted Incentives

Countries and municipalities should consider targeted incentives such as housing support, relocation grants, reduced local fees, or subsidies for coworking spaces. These incentives should be transparent, predictable and aligned with long-term development goals.

Local incentives can be particularly effective when combined with national frameworks—for example, pairing a digital nomad visa with municipal housing support or coworking subsidies.

7.8. Promote Rural Areas as Remote Work Destinations

Rural areas should develop branding strategies that highlight their quality of life, authenticity, affordability and digital readiness. Communication campaigns should target both domestic and international audiences, using storytelling, visual identity and community ambassadors.

Municipalities can collaborate with regional tourism boards, coworking operators and local entrepreneurs to create coherent narratives and promotional materials.

7.9. Discussion: National vs. Local Competencies

Although several recommendations (7.1–7.4) relate to national-level policymaking, this does not exceed the scope of Danube4Rural.com. Instead, the project contributes by:

- generating evidence for national reforms through pilot actions,
- identifying administrative bottlenecks and regulatory inconsistencies,
- strengthening municipal capacity to advocate for improvements,
- demonstrating scalable models that national governments can adopt,
- enabling structured dialogue through the Remote Workers Policy Hub,
- and providing a transnational comparative perspective that highlights common challenges.

Municipalities cannot change national laws, but they can influence implementation, provide local incentives, create support services, and demonstrate innovative approaches that national governments may later scale up.

8. CONCLUSION

The transnational SWOT analysis presented in this document provides a comprehensive and deeply contextualised understanding of the regulatory, administrative and institutional conditions that shape the potential of rural areas across the Danube Region to attract and retain remote workers. By synthesising the findings of eight partner territories—each with distinct governance systems, socio-economic realities and institutional capacities—this analysis reveals not only the diversity of national approaches but also the remarkable convergence of challenges and opportunities that define the macro-regional landscape.

Across all countries, the analysis confirms that **remote work represents a transformative opportunity** for rural revitalisation. The global shift toward flexible, location-independent work has created a new demographic of mobile professionals who prioritise quality of life, affordability, safety, nature and community—attributes that rural areas in the Danube Region possess in abundance. This alignment between global trends and local assets provides a strategic opening for rural municipalities to reposition themselves as competitive destinations in the emerging geography of work.

At the same time, the analysis highlights that **regulatory and administrative systems have not yet fully adapted** to this new reality. The absence of integrated frameworks for remote workers, fragmented administrative procedures, unclear tax and social security rules, and uneven digital infrastructure collectively limit the ability of rural areas to capitalise on the remote work opportunity. These barriers are not isolated national issues; they are systemic challenges shared across the region, requiring coordinated, multi-level responses.

The strengths identified across partner territories—legal recognition of telework, emerging digital nomad schemes, growing digitalisation of public services, strong local development institutions, and rich territorial assets—demonstrate that the foundations for progress already exist. However, these strengths must be strategically leveraged through targeted investments, policy innovation and institutional cooperation. The opportunities identified—EU funding instruments, Smart Village initiatives, global mobility trends, and the rise of rural lifestyle migration—provide the momentum needed to accelerate this transformation.

The cross-SWOT analysis underscores that **the path forward lies in strategic integration**: using existing strengths to exploit opportunities, addressing weaknesses through targeted investments, mitigating threats through institutional resilience, and preventing structural risks through proactive governance. This requires not only national-level reforms but also empowered local administrations capable of providing clear information, streamlined services, and welcoming environments for newcomers.

The regulatory barriers identified across the region point to the need for **coherent, predictable and user-friendly frameworks** that reduce administrative friction and provide legal certainty for both workers and employers. Best practices from within and beyond the region demonstrate that such frameworks are achievable and can be implemented in ways that directly support rural development objectives.

The recommendations derived from this analysis form a **strategic roadmap** for improving the regulatory environment for remote work across the Danube Region. They emphasise the importance of legal clarity, administrative simplification, digital infrastructure investment, multi-level governance, local support systems, targeted incentives and strategic communication. Together, these measures can create an enabling environment in which remote workers can thrive and rural communities can flourish.

Ultimately, this transnational SWOT analysis is more than a diagnostic exercise. It is a **foundation for action**, informing the development of the Regulatory Framework Policy Package, guiding the design of pilot actions, and shaping the Integrated Governance Model that will be delivered later in the project. It provides the analytical grounding needed for evidence-based policymaking and transnational cooperation, ensuring that the solutions developed within Danube4Rural.com are not only context-sensitive but also scalable, transferable and aligned with the long-term vision of a more resilient, inclusive and competitive Danube Region.

PARTNERS' INDIVIDUAL SWOT ANALYSIS

SWOT – Moravske Toplice

Danube4Rural.com

Activity 2.3 – Regulatory Framework Policy Package

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

Strengths	Weaknesses
The fundamental strength of the Slovenian regulatory framework lies in the recent implementation of legislative amendments facilitating the acquisition of one-year temporary residence permits specifically tailored for digital nomads from third countries. The existing labor legislation provides a robust foundation of legal certainty for employed remote workers, explicitly guaranteeing the protection of fundamental employment rights and mandating equitable compensation for the use of personal resources during remote operations.	A significant internal weakness manifests in the intricate and often restrictive corporate taxation regulations, which impose substantial administrative burdens and potential tax liabilities on foreign entities establishing a physical presence or permanent establishment through remote employees. Additionally, the rigid administrative interpretations concerning the mandatory payment of social security contributions create considerable procedural complexities, effectively deterring the seamless integration of international remote workers into the local economic landscape.
Opportunities	Threats
By strategically leveraging European funding instruments and actively marketing the newly established digital nomad visa programs, Slovenia possesses a distinct opportunity to attract specialized foreign talent, which could catalyze digital innovation and economic revitalization within its rural and peripheral territories.	The primary external threat to the Slovenian regulatory framework is the intense and established competition from neighboring and Mediterranean jurisdictions that have already successfully institutionalized and aggressively promoted their digital nomad ecosystems. This competitive disadvantage is further exacerbated by the inherent structural lethargy within the national legislative process, where the relatively slow adaptation of tax and labor laws to rapidly evolving global employment paradigms risks marginalizing the country in the international market for remote talent.

4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

	Strengths (S)	Weaknesses (W)
Internal environment		
External environment		
	SO strategies: The primary strategy involves leveraging the newly introduced legislative amendments regarding temporary residence permits for digital nomads as a central operational pillar to capitalize on the global surge in remote work mobility. By strategically promoting this formalized legal pathway alongside the robust legal certainty and worker protections inherent in the Slovenian labor framework, national authorities can effectively market the country to highly skilled international professionals seeking stable, well-regulated environments.	WO strategies: To systematically overcome the structural weaknesses characterized by intricate corporate taxation regimes and rigid administrative procedures, policymakers must actively harness the external opportunity of expanding digital innovation and available European development funds. This approach necessitates utilizing these external financial and technological mechanisms to accelerate the comprehensive digitalization of state administrative systems, thereby creating seamless, user-friendly e-government interfaces. By doing so, the state can simplify tax compliance, residency applications, and social security obligations for foreign remote workers, ultimately

		transforming bureaucratic liabilities into streamlined, modern processes that align with global mobility expectations.
	ST strategies Rather than engaging in a direct tax competition with neighboring jurisdictions that possess mature nomad ecosystems, Slovenia should strategically market its high level of legal certainty, comprehensive worker protections, and overall social safety to attract a demographic of remote workers who prioritize long-term stability over transient financial incentives. A second crucial ST strategy relies on using the successful legislative precedent of the recent digital nomad visa. By establishing this specific permit as a flexible, policymakers can issue rapid, targeted regulations for remote workers, thereby mitigating the threat of slow adaptation without waiting for comprehensive, time-consuming reforms of the broader national labor code.	

Strategy:

SO strategies

WO strategies

ST strategies

Description:

(use strengths to exploit opportunities)

(overcome weaknesses by using opportunities)

(use strengths to reduce threats)

Strengths	Weaknesses
- Implementation of targeted legislative amendments facilitating one-year temporary residence permits specifically designed for third-country digital nomads. - Robust national labor legislation that ensures a high degree of legal certainty and explicitly protects the fundamental employment rights and resource compensation of remote workers.	- Inflexible administrative protocols governing cross-border social security contributions create a high degree of systemic rigidity. - Procedural complexities, restrictive bureaucratic environment
Opportunities	Threats
- Global proliferation of remote work modalities and the escalating international mobility of highly skilled professionals seeking stable, high-quality living environments. - Strategic utilization of European funding instruments to accelerate regional digital infrastructure enhancements and systematically foster rural digital communities.	- Intense and established competition from neighbouring jurisdictions that have already institutionalized and aggressively marketed mature digital nomad ecosystems. - Structural lethargy within the national legislative process regarding the rapid adaptation of tax and labour regulations to continuously evolving global employment paradigms.

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Ambiguity in occupational health and safety regulations, specifically the problematic norm of shared responsibility which imposes difficult-to-manage liability on employers for uncontrolled remote workspaces	National	Modernize legislation to clearly delineate liability, introducing standardized self-assessment protocols for remote workers and legally limiting employer liability to parameters within their direct physical control.	Ministry of Labour, Family, Social Affairs and Equal Opportunities	High

Intricate corporate taxation mechanisms and the elevated risk of unintentionally triggering permanent establishment status for foreign entities employing remote professionals	National	Enact comprehensive statutory guidelines and simplified tax models, including specific exemptions or flat-rate regimes tailored for foreign entities and digital nomads	Ministry of Finance / Financial Administration of the Republic of Slovenia (FURS)	High
Rigid administrative interpretations and procedural complexities concerning the mandatory assessment and payment of cross-border social security contributions	National	Revise and streamline social security compliance frameworks, accompanied by the implementation of a specialized, unified digital portal for the management of cross-border obligations	Ministry of Labour, Family, Social Affairs and Equal Opportunities / Health Insurance Institute of Slovenia	Medium
Fragmented and insufficiently digitalized administrative procedures requisite for foreign resident registration, tax identification, and business establishment	National /local	Establish a comprehensive, fully digitalized "one-stop-shop" e-government interface specifically engineered to expedite processing for international remote workers	Ministry of Public Administration / Local Administrative Units	High

7. Best Practices

Country / region	Description of good practice	Applicability in the Danube region
Slovenia	Digital Nomad Visa: The introduction of a specialized temporary residence permit explicitly tailored for location-independent professionals, which effectively bypasses traditional, restrictive local corporate employment requirements.	This provides a highly transferable, low-friction policy model for neighbouring jurisdictions seeking to rapidly enhance their international attractiveness without necessitating immediate overhauls of complex domestic labour codes
	Decentralized Rural Tech Hubs: The strategic establishment of state-supported coworking incubators and	This approach offers a scalable, practical solution to combat the rural depopulation and bridge the urban-

	technology parks in semi-rural areas, ensuring the provision of high-speed connectivity and professional workspaces outside major urban centres.	rural digital infrastructure divide that is prevalent across the broader macro-region.
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8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Comprehensive reform of the taxation framework to introduce targeted tax incentives and simplified, flat-rate models specifically designed for international remote workers, digital nomads, and the foreign entities that employ them.	This policy adjustment is anticipated to directly mitigate the deterrent effect of current corporate tax complexities and permanent establishment risks, thereby substantially increasing the attractiveness of Slovenia to highly skilled foreign professionals and subsequently stimulating localized economic consumption.
Development of a centralized e-government portal functioning as a fully digitalized "one-stop-shop" dedicated to the seamless processing of residency permits, tax identification, and business registration explicitly for transnational workers.	Implementing this specialized digital infrastructure will drastically diminish bureaucratic friction and administrative processing times, effectively dismantling prevailing institutional barriers and fostering an exceptionally welcoming, location-independent operational environment for global talent.
Systematic modernization of occupational health and safety legislation to explicitly delineate and restrict employer liability concerning remote workspaces, moving decisively away from the highly ambiguous regulatory norm of shared responsibility.	Clarifying these parameters will eliminate critical legal ambiguities for both foreign and domestic enterprises, encouraging them to expand their remote workforce within Slovenia by significantly reducing the disproportionate compliance risks associated with unmonitored, decentralized home offices.

8. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – PREDA

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

Strengths - S	Weaknesses - W
S1 – Existing basic labour and institutional framework: Republika Srpska has a basic labour and institutional framework that allows different types of employment and can serve as a starting point for further adaptation to remote and hybrid work.	W1 – Lack of a specific regulatory framework for remote workers and digital nomads: Remote work, freelancers, foreign digital professionals and digital nomads are not yet addressed through a clear and integrated regulatory framework.
S2 – Lower cost of living and doing business compared to larger urban and Western European destinations: Prijedor offers affordability, which can be attractive for remote workers, returnees, freelancers and entrepreneurs.	W2 – Fragmented administrative pathway: Potential remote workers, freelancers or foreign professionals may face a fragmented system involving labour, tax, residence, business registration, social protection and local support services.
S3 – Attractive rural quality-of-life assets: Rural areas around Prijedor offer nature, green areas, lower noise levels, space, community ties and a calmer lifestyle, which correspond to factors valued by potential remote workers.	W3 – Uneven digital and service infrastructure in rural settlements: While urban Prijedor has basic digital and service infrastructure, some rural settlements face weaker connectivity, limited public transport, fewer services and lower availability of dedicated workspaces.
S4 – PREDA as a local development and coordination platform: PREDA has experience in EU projects, stakeholder coordination, entrepreneurship support, rural development and policy-oriented project implementation.	W4 – Lack of targeted local policies for attracting remote workers: Existing local measures are relevant for youth, families, employment, entrepreneurship and rural development, but they are not yet specifically designed for remote workers or newcomers.
S5 – Existing local and regional support measures: Prijedor and Republika Srpska have certain youth, employment, family, small business and rural development support measures that can be adapted to remote work objectives.	W5 – Limited coworking, shared workspace and soft-landing support in rural areas: Workspace, mentoring, networking and integration services exist only in limited or emerging form and are not yet structured as a local remote-worker support system.
S6 – Emerging digital and innovation initiatives: Initiatives such as coworking/networking spaces, Smart Village concepts and AgriTech-related innovation provide a starting point for linking digital transition with rural development.	W6 – Limited alignment between education, digital skills and remote work career pathways: Digital skills, STEM orientation, entrepreneurship and remote work are not yet sufficiently integrated into local youth retention and labour market policies.

S7 – Existing community life and local identity: Rural communities around Prijedor have cultural events, community gatherings, volunteer activities and informal local networks that can support integration.	W7 – Insufficient structured integration model for newcomers: Community integration exists mainly through informal or project-based activities and is not yet developed as a systematic model for new residents, remote workers or returnees.
Opportunities - O	Threats - T
O1 – Global growth of remote and hybrid work: Remote work creates opportunities for rural areas to attract people who are no longer tied to large urban labour markets.	T1 – Continued outmigration of young and skilled people: Prijedor and Republika Srpska continue to face youth outmigration, population ageing and loss of skilled labour.
O2 – Growing interest in rural living and quality of life: Survey findings for BiH show that many respondents could imagine moving to a rural area, while key attractions include access to nature, cleaner air, more space and quieter surroundings.	T2 – Strong competition from other countries and regions: Other destinations already offer stronger digital nomad schemes, relocation incentives, coworking infrastructure and international visibility.
O3 – EU and international funding for digitalisation, rural development and innovation: Funding instruments can support broadband, digital hubs, coworking spaces, public service digitalisation and entrepreneurship.	T3 – Slow adaptation of legislation and administrative procedures: Labour, tax, social protection, residence and administrative rules may adapt slowly to new forms of work and mobility.
O4 – Development of local pilot actions through Danube4Rural.com: The project provides a framework to test local solutions related to quality of life, financial incentives and regulatory framework.	T4 – Unequal development between urban and rural settlements: If digital infrastructure, transport, services and public investment remain uneven, rural settlements may become less attractive for remote workers.
O5 – Potential to connect remote work with rural entrepreneurship and local sectors: Remote workers can contribute to agriculture, tourism, creative services, IT, education, consulting and digital services.	T5 – Limited financial capacity of local communities: Rural local communities may lack resources to invest in infrastructure, coworking facilities, digital services or integration activities.
O6 – Development of local support and orientation models: Prijedor can develop welcome packages, information services, orientation support and networking events for remote workers and newcomers.	T6 – Low visibility of Prijedor as a remote-work destination: Without targeted promotion, Prijedor may remain invisible compared to better-known destinations.
O7 – Stronger cooperation through the Remote Workers Policy Hub: The Hub can link public authorities, employers, experts and support	T7 – Risk that remote work remains an urban privilege: Without targeted rural measures, remote work may benefit mainly urban

organisations in designing and testing policy solutions.	centres, while rural settlements continue to face depopulation.
O1 – Global growth of remote and hybrid work: Remote work creates opportunities for rural areas to attract people who are no longer tied to large urban labour markets.	T1 – Continued outmigration of young and skilled people: Prijedor and Republika Srpska continue to face youth outmigration, population ageing and loss of skilled labour.

STRENGTHS

Prijedor has several assets that can be used as a basis for attracting remote workers. The first is affordability. Compared to larger urban centres and Western European destinations, Prijedor offers lower living costs and potentially lower costs for starting and operating small business activities. This is relevant for freelancers, self-employed professionals, entrepreneurs and returnees who may value a lower-cost environment.

The second strength is quality of life. Rural areas around Prijedor offer nature, green areas, more living space, lower noise levels and strong community ties. These elements correspond to the preferences of many remote workers who seek a calmer living environment, access to nature and better work-life balance.

The third strength is institutional capacity. PREDA already functions as a local development platform with experience in EU-funded projects, stakeholder coordination, entrepreneurship support and rural development. This gives Prijedor a practical implementation capacity that is essential for turning policy recommendations into pilot actions.

The fourth strength is the existence of emerging initiatives that can be further developed, including coworking/networking facilities, Smart Village ideas, community-based initiatives and AgriTech innovation. These initiatives can connect digital transition, entrepreneurship and rural development.

WEAKNESSES

The main weakness is that the regulatory and policy framework is not yet specifically adapted to remote workers, digital nomads, freelancers and foreign digital professionals. The system remains fragmented, with different issues regulated at different levels: labour relations and entrepreneurship at entity level, residence and foreigner status at state level, and local support services at city or institutional level.

Another weakness is the limited availability of targeted local policies. Existing measures related to employment, youth, entrepreneurship, rural development and family support are useful, but they are not yet designed as a coherent remote-worker attraction and retention package.

Digital and service infrastructure also remains uneven. Prijedor has basic urban infrastructure, but some rural settlements face weaker connectivity, limited public transport, fewer public services and limited availability of dedicated working spaces.

Finally, integration support is still mostly informal. Community events, gatherings and volunteer activities exist, but they are not organised as a structured newcomer or remote-worker integration model.

OPPORTUNITIES

The main opportunity is the global growth of remote and hybrid work. This creates a new development possibility for rural areas that previously depended mainly on local employment. Remote work can allow people to live in smaller communities while working for employers or clients located elsewhere.

The second opportunity is the growing interest in rural living. Rural areas can become attractive to people who value nature, cleaner air, more space, lower living costs and a stronger sense of community.

The third opportunity is the availability of EU and international funding for digitalisation, rural development and innovation. Bosnia and Herzegovina's participation in relevant programmes, as well as Danube4Rural.com itself, can be used to support pilot activities, stakeholder coordination, digital infrastructure, coworking and community-based integration models.

THREATS

The most important threat is continued depopulation and outmigration. Prijedor and Republika Srpska face long-term demographic challenges such as low birth rates, population ageing and emigration of the working-age population.

Another threat is competition from other regions and countries. Many destinations are already actively developing digital nomad visas, relocation incentives, coworking hubs and international branding. Without a clear and coordinated approach, Prijedor may find it difficult to compete.

A further threat is slow regulatory adaptation. If labour, tax, social protection, foreigner residence and administrative procedures do not become more flexible and user-friendly, potential remote workers and freelancers may choose destinations with clearer rules and better services.

4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

Internal environment	Strengths (S)	Weaknesses (W)
External environment		

Opportunities (O)	SO strategies: S2 × O1 / O2 – Promote Prijedor as an affordable rural-living and remote-work destination for people seeking lower living costs, more space and better quality of life. S3 × O2 – Use natural environment, green areas, lower noise levels and rural lifestyle assets as part of a local branding and attraction strategy. S4 × O4 – Use PREDA's coordination capacity to design and test pilot measures under Danube4Rural.com. S5 × O5 – Adapt existing employment, youth, rural development and entrepreneurship measures to include freelancers, remote workers and location-independent entrepreneurs. S6 × O5 – Link AgriTech, digital innovation and entrepreneurship initiatives with rural economic modernisation and remote-work opportunities.	WO strategies: W1 × O7 – Use the Remote Workers Policy Hub to identify unclear regulatory areas and propose practical improvements for remote workers, freelancers and digital professionals. W2 × O6 – Develop a local remote-worker orientation pathway that explains residence, business registration, taxation, coworking, housing and local support services. W3 × O3 – Use EU and international funding to improve digital infrastructure, coworking facilities and digital public services in rural settlements. W4 × O4 – Develop targeted local support measures for remote workers through the project pilot process. W6 × O5 – Strengthen digital skills, STEM orientation, entrepreneurship education and remote-work career awareness among young people.
Threats (T)	ST strategies S3 × T1 – Use rural quality-of-life assets to support population retention, return migration and attraction of families and skilled workers. S4 × T5 – Use PREDA's project-management and	WT strategies W1 × T3 – Reduce regulatory uncertainty by preparing clear guidance and recommendations for remote work, freelancing

	stakeholder-coordination capacity to compensate for limited capacities of rural communities. S5 × T1 – Link youth, employment and family-support measures with remote-work and digital skills pathways to reduce outmigration. S6 × T7 – Use digital hubs, coworking and Smart Village initiatives to ensure that remote work becomes relevant for rural settlements, not only urban Prijedor. S7 × T6 – Use community life, cultural events and local identity to differentiate Prijedor from more generic digital nomad destinations.	and digital professional status. W2 × T2 – Reduce fragmentation by creating a local information and support package, helping Prijedor compete with better-organised destinations. W3 × T4 – Prevent deepening urban-rural disparities by prioritising rural digital infrastructure, transport and access to basic services. W5 × T6 – Develop visible coworking, networking and newcomer integration services to improve Prijedor's profile as a remote-work destination. W7 × T1 – Establish structured community integration activities to support longer-term retention of newcomers and returnees.
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Strategy:

Description:

SO strategies	(use strengths to exploit opportunities)
WO strategies	(overcome weaknesses by using opportunities)
ST strategies	(use strengths to reduce threats)

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Lack of a specific and integrated framework for remote workers, freelancers and digital nomads	National / entity	Develop clearer definitions and guidance for remote workers, freelancers, self-employed digital professionals and foreign remote workers	Ministry of Labour of Republika Srpska; Ministry of Security of BiH; Service for Foreigners' Affairs; Ministry of Civil Affairs of BiH	High
Fragmented administrative pathway for relocation, business registration, tax obligations and residence status	National / entity / local	Prepare a step-by-step orientation model or one-stop-shop information package for remote workers and newcomers	City of Prijedor; PREDA; Ministry of Economy and Entrepreneurship of RS; APIF; Tax Administration of RS; Service for Foreigners' Affairs	High
Unclear tax and social protection position of freelancers and remote workers	National / entity	Clarify tax obligations, social insurance and registration options for freelancers and remote professionals	Ministry of Finance of RS; Tax Administration of RS; Ministry of Finance and Treasury of BiH; Indirect Taxation Authority of BiH	High
Lack of targeted local support measures for attracting remote workers	Local	Develop local remote-worker support measures, including information services, networking, integration support, coworking access and potential incentives	City of Prijedor; PREDA; local business support institutions	High
Limited coworking and shared workspace infrastructure in rural settlements	Local / regional	Support coworking corners, shared offices or multifunctional digital spaces in	City of Prijedor; PREDA; local communities; private sector; donor/EU programmes	Medium

		selected rural settlements		
Uneven digital infrastructure and limited digital readiness in rural areas	National / entity / local	Map connectivity gaps and prepare investment proposals for broadband and digital services	Ministry of Transport and Communications of RS; City of Prijedor; telecom operators; donor/EU programmes	High
Limited digitalisation of public services and continued need for physical presence	National / entity / local	Accelerate e-services and reduce physical administrative steps for entrepreneurs, freelancers and newcomers	Ministry of Administration and Local Self-Government of RS; City Administration; relevant public agencies	Medium
Weak integration between youth retention, digital skills and remote work opportunities	Entity / local	Connect scholarships, youth employment support, digital skills, STEM orientation and remote-work career guidance	City of Prijedor; educational institutions; PREDA; employment services; private sector	Medium
Lack of structured community integration model for newcomers and remote workers	Local	Develop a local welcome and integration model based on community events, local hosts, networking and orientation support	City of Prijedor; PREDA; local communities; NGOs; cultural and youth organisations	Medium
Low visibility of Prijedor as a remote-work and rural-living destination	Local / regional	Prepare targeted promotion based on affordability, nature, community life, coworking, rural housing and quality of life	City of Prijedor; PREDA; tourism and business support actors	Medium

7. Best Practices

Country region /	Description of good practice	Applicability in the Danube region
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Germany	Support for freelancers through a clearly defined legal status, access to social security, and strong digital infrastructure	Relevant for improving legal certainty and social protection frameworks for freelancers
Bosnia and Herzegovina	A community-led model using digital tools, social innovation and cooperation to improve rural living and working conditions.	Adaptable through one or two pilot rural settlements, using existing community buildings and small-scale digital/coworking functions.
Greece	Tax incentives for foreign remote workers and reduced income tax rates for new residents	Can be used as a model for fiscal incentives to attract skilled foreign workers
Italy	Rural revitalisation programmes supported by financial incentives for relocation and remote work	Applicable for reducing depopulation and developing rural digital hubs
Czech Republic	Long-term visa schemes for freelancers and entrepreneurs in the digital sector	Useful for developing structured long-term stay options for digital professionals
Austria	Strong digital infrastructure and support for innovation and startup ecosystems through public policies	Relevant for strengthening innovation capacity and digital ecosystems
Greece	Tax incentives for foreign remote workers and reduced income tax rates for new residents	Can be used as a model for fiscal incentives to attract skilled foreign workers
Spain	Models such as rural coworking and coliving combine remote work, nature, local traditions and community integration.	Adaptable through a pilot using existing accommodation, community spaces and local hosts.

Examples:

- Croatia Digital Nomad Visa
- Estonian e-residency
- tax incentives for remote workers

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Develop a clear local information and orientation package for remote workers, freelancers, returnees and newcomers	Reduced administrative uncertainty; easier navigation of residence, business registration, taxation, coworking, housing and local services

Establish a local remote-worker support pathway or one-stop-shop function through PREDA and partner institutions	Stronger local capacity to attract and support remote workers; improved coordination between local, entity and state-level procedures
Prepare policy recommendations for clearer legal and tax treatment of freelancers, remote workers and digital professionals	Increased legal certainty; reduced risk for freelancers and remote professionals considering Prijedor as a place to live and work
Adapt existing local entrepreneurship, youth and employment measures to include remote work and digital entrepreneurship	Improved youth retention, return migration potential and diversification of the local economy
Support the development of coworking spaces, shared offices and digital hubs in Prijedor and selected rural settlements	Better working conditions for remote workers; increased visibility of Prijedor as a remote-work destination; stronger rural digital ecosystem
Improve rural digital infrastructure and digital public services	Better feasibility of remote work in rural settlements; reduced urban-rural service gaps
Develop a structured newcomer and remote-worker integration model	Better community integration; stronger retention of newcomers, returnees and remote workers
Promote Prijedor and its rural surroundings as an affordable, green and community-oriented remote-work destination	Increased visibility; stronger attraction of remote workers interested in medium- or long-term rural living
Link remote work with rural economic sectors such as agriculture, tourism, creative services, education and digital services	New opportunities for rural entrepreneurship, digital innovation and local value creation
Use Danube4Rural.com pilot activities to test practical measures before proposing wider policy changes	Evidence-based recommendations; stronger credibility of proposed regulatory and policy improvements
Develop a clear local information and orientation package for remote workers, freelancers, returnees and newcomers	Reduced administrative uncertainty; easier navigation of residence, business registration, taxation, coworking, housing and local services

8. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – RDAS

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework – Municipality of Babusnica, Serbia

Strengths	Weaknesses
• Existing legal framework recognizing remote work within the Labour Law (work outside employer's premises) • Relatively flexible forms of engagement (freelancing, service contracts, entrepreneurship models) • Tax incentives and supportive environment for the IT sector • Simplified taxation schemes for entrepreneurs (lump-sum taxation system) • National strategies supporting digitalisation and ICT sector development • Relatively low operational and living costs compared to EU countries • Ongoing development of e-government services • Existing support programmes for entrepreneurship and innovation	• Lack of a clearly defined legal status for digital nomads and foreign remote workers • Complex administrative procedures (residence permits, taxation, business registration) • Absence of specific regulations addressing cross-border remote work • Administrative burden and limited flexibility in practical implementation of labour legislation • Lack of targeted local policies in rural areas (e.g. Babušnica) • Limited institutional support mechanisms for remote workers at local level • Unclear and evolving tax treatment for freelancers and digital workers • Slow administrative processes and uneven digitalisation, especially in rural municipalities
Opportunities	Threats
• Rapid global growth of remote work and digital nomadism • Potential development of national digital nomad programmes • Access to EU funding instruments (IPA III, Interreg, Danube Region Programme) • Revitalisation of rural areas through digital economy and remote work • Opportunity to introduce targeted tax and administrative incentives	• Strong competition from countries with advanced digital nomad policies (e.g. Croatia, Portugal, Estonia) • Continued outflow of young and highly skilled workforce • Slow adaptation of legislation to new forms of work • Regulatory instability and frequent policy changes • Weak coordination between national and local governance levels

• Development of coworking spaces and digital hubs in smaller municipalities • Integration of local economies into global labour markets • Strengthening public-private partnerships and local development initiatives	• Risk of rural areas being excluded from major development trends • Insufficient investment in digital and administrative infrastructure • Low international visibility of Serbia as a remote work destination
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4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

	Strengths (S)	Weaknesses (W)
Internal environment		
External environment		
Opportunities (O)	SO strategies: The primary strategic direction is based on leveraging the existing legal recognition of remote work, combined with a relatively favourable taxation framework for entrepreneurs and a growing digital economy, in order to capitalize on the global expansion of remote work. By positioning Serbia, and	WO strategies: In order to address structural weaknesses within the regulatory framework, particularly the lack of a clearly defined legal status for digital nomads and the complexity of administrative procedures, it is necessary to strategically utilize external opportunities such as European

	particularly rural areas such as Babušnica, as cost-efficient and flexible environments for remote professionals, national and local stakeholders can attract a new category of highly mobile workers. This approach can be further strengthened by aligning national digitalisation strategies and existing entrepreneurship support mechanisms with available European Union funding instruments. Through such alignment, it becomes possible to support the development of local digital ecosystems, including coworking spaces and innovation hubs, which would enhance the attractiveness and functionality of rural areas for remote work.	Union funding and global best practices. This includes accelerating the digitalisation of administrative services and introducing simplified, transparent procedures for residence registration, taxation, and business operations for remote workers. By doing so, Serbia can transform existing bureaucratic barriers into efficient, user-oriented systems that meet the expectations of internationally mobile professionals. At the same time, opportunities related to the growth of remote work and the development of digital hubs should be used to strengthen local institutional capacities, especially in rural municipalities like Babušnica, where dedicated policies and support mechanisms are currently limited.
Threats (T)	ST strategies Instead of competing directly with countries that offer highly developed digital nomad programmes and aggressive tax incentives, Serbia should strategically build on its existing advantages, including relatively low living costs, an emerging digital sector, and a basic legal framework for remote work. By promoting these elements, alongside the potential for a higher quality of life in rural environments, Serbia can attract remote workers who value affordability, stability, and authenticity over purely financial incentives. Additionally, the existing legal provisions related to remote work	

	can serve as a foundation for faster regulatory adaptation. By building incrementally on current legislation, policymakers can introduce targeted improvements and pilot measures without waiting for comprehensive reforms, thereby reducing the risks associated with slow institutional response to evolving global work trends.	
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Strategy:
Description:

SO strategies	(use strengths to exploit opportunities)
WO strategies	(overcome weaknesses by using opportunities)
ST strategies	(use strengths to reduce threats)

5. Example: SWOT analysis focused on Serbia / Babušnica in the context of attracting remote workers to rural areas

Strengths	Weaknesses
• Attractive natural environment and high quality of life in rural areas (clean environment, low population density) • Relatively low cost of living compared to EU countries • Existing legal framework recognising remote work within labour legislation • Growing information technology sector and national digitalisation strategies • Available entrepreneurship support programmes at national and regional level • Safe and socially stable environment • Authentic rural lifestyle and cultural heritage as an added value	• Insufficiently developed digital infrastructure in certain rural areas, including Babušnica • Limited number of coworking spaces and digital hubs • Lack of specific local policies for attracting remote workers • No clearly defined legal and tax status for digital nomads and foreign remote workers • Complex administrative procedures for residence, taxation and business registration • Limited institutional support at local level for remote workers • Low visibility and promotion of rural areas as remote work destinations
Opportunities	Threats

• Global growth of remote work and digital nomadism • Potential development of national digital nomad programmes in Serbia • Access to European Union and international funds for rural development and digital infrastructure • Development of coworking spaces and local digital communities • Integration of remote workers into local entrepreneurship and start-up ecosystems • Revitalisation of rural areas through digital economy and population inflow • Strengthening cooperation between local governments and development agencies	• Strong competition from countries with well-developed digital nomad programmes (e.g. Croatia, Portugal, Estonia) • Continued outflow of young and highly educated population • Insufficient investment in digital and communal infrastructure in rural areas • Slow adaptation of legislation to new forms of work • Limited coordination between national and local policy levels • Risk of rural areas remaining outside main digital and economic development trends • Low international recognition of Serbia as a remote work destination
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6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Lack of a specific visa or residence framework for digital nomads	National	Introduce a dedicated digital nomad visa or simplified temporary residence scheme for remote workers	Ministry of Interior	High
Unclear tax treatment of freelancers and remote workers	National	Clearly define tax obligations and status for remote workers and introduce simplified tax models	Ministry of Finance / Tax Administration	High
Complex administrative procedures for residence, work registration and business setup	National / local	Digitalise procedures and introduce a “one-stop-shop” system for remote workers and entrepreneurs	Ministry of Public Administration / Business Registers Agency / local governments	High

Insufficient digitalisation of public services, especially at local level	National / local	Expand e-government services and ensure full online access to administrative procedures	Ministry of Public Administration / local governments	Medium
Lack of legal recognition and regulatory framework for coworking spaces	National / local	Define the legal status of coworking spaces and support their development through policy measures	Ministry of Economy / local governments	Medium
Limited local policies for attracting remote workers in rural areas (e.g. Babušnica)	Local	Develop local and incentive programmes targeting remote workers and digital nomads	Local governments / Regional development agencies	Medium
Difficulties for foreign remote workers in opening bank accounts and accessing financial services	National	Simplify banking procedures and enable access for non-resident remote workers	National Bank of Serbia / commercial banks	Medium
Insufficient coordination between national and local institutions	National / local	Strengthen inter-institutional coordination and establish clear implementation mechanisms	Government of Serbia / local governments	Medium

7. Best Practices

Country / region	Description of good practice	Applicability in the Danube region
Serbia	Development of eGovernment services (eUprava platform) enabling online access to administrative procedures such as business registration and public services	Highly applicable – supports digitalisation of administration and reduces bureaucratic barriers for remote workers
Serbia	Lump-sum taxation system for entrepreneurs (flat-rate scheme for small businesses and freelancers)	Applicable – provides a simple and predictable tax model that

		can be adapted to support remote workers
Serbia	Programme for digitalisation and development of the IT sector (national strategies and support programmes)	Applicable – supports growth of digital economy and remote work ecosystem
Serbia (Belgrade / Novi Sad)	Development of coworking spaces and digital communities (private sector-driven initiatives)	Highly applicable – model can be replicated in smaller municipalities such as Babušnica
Serbia	Start-up and innovation support programmes (Innovation Fund, Science and Technology Parks)	Applicable – can be extended to include remote workers and rural innovation hubs

Examples:

- Croatia Digital Nomad Visa
- Estonian e-residency
- tax incentives for remote workers

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Introduce a simplified legal framework for remote workers and digital nomads (clear residence and tax rules)	Increased legal certainty; easier access for foreign and domestic remote workers; growth in number of remote professionals operating in Serbia
Establish a “one-stop-shop” system (digital platform with local support) for administrative, tax and relocation procedures	Reduced bureaucracy; faster and simpler processes; improved attractiveness for relocation to rural areas such as Babušnica
Accelerate digitalisation of public services, especially at the local level	Improved efficiency and transparency; easier access to services for remote workers; reduced administrative burden
Support the development of coworking spaces and digital hubs in rural areas through targeted public support and EU funding	Creation of functional work environments; attraction of remote workers; strengthening of local digital economy
Integrate remote work into local development strategies (e.g. Babušnica), including targeted promotion of rural areas as remote work destinations	Increased visibility and competitiveness; attraction of new residents; contribution to rural revitalisation

9. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – Cetinje

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

Strengths	Weaknesses
Examples: - existing regulations for digital nomads - flexible employment contracts - tax incentives for the IT sector	Examples: - complex administrative procedures - lack of regulations for remote work - rigid labour legislation
Opportunities	Threats
Examples: - growth of global remote work - digital nomad programmes - EU funds for rural development	Examples: - competition from other countries/regions - labour force outflow - regulatory instability

4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

Internal environment	Strengths (S)	Weaknesses (W)
	S1 – Proximity to tourist centres (Budva, Kotor, Podgorica) S2 – Attractive natural environment	W1 – Insufficiently developed digital infrastructure
External environment		
Opportunities (O)	SO strategies:	WO strategies:
O1 – Development of digital nomad programmes in Montenegro O2 – EU funds for digital infrastructure	S1 × O1 – Develop programmes for digital nomads who stay in tourist zones but work from Cetinje and rural areas.	W1 × O2 – Use EU funds to improve internet connectivity and digital infrastructure in rural areas.
Threats (T)	ST strategies	
T1 – Seasonality of tourism	T1 × S2 – Promote Cetinje as a year-round destination for remote work.	

Strategy:

SO strategies

WO strategies

Description:

(use strengths to exploit opportunities)

(overcome weaknesses by using opportunities)

ST strategies (use strengths to reduce threats)

5. Example: SWOT analysis focused on Cetinje / Montenegro in the context of attracting remote workers to rural areas

Strengths	Weaknesses
• Attractive natural environment and high quality of life • Proximity to tourist centres (Budva, Kotor, Podgorica) • Relatively low cost of living compared to EU countries • Existing entrepreneurship initiatives (e.g. Business Incubator in Cetinje) • Stable and safe social environment	• Insufficiently developed digital infrastructure in some rural areas • Limited number of coworking spaces and digital hubs • Lack of developed local policies for attracting remote workers • Lack of specific tax incentives for remote workers • Administrative procedures for starting a business can be complex
Opportunities	Threats
• Global growth of remote work and digital nomads • Development of digital nomad visa programmes in Montenegro • EU and international funds for rural development and digital infrastructure • Development of coworking spaces and digital communities • Connecting remote workers with local entrepreneurship and the start-up ecosystem	• Competition from countries with developed digital nomad programmes (Croatia, Portugal, Estonia) • Outflow of young and highly educated population • Insufficient investment in rural infrastructure • Seasonality of the economy and dependence on tourism • Slow adaptation of legislation to new forms of work

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
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Example for Cetinje / Montenegro

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Visa regime for digital nomads	National	Introduce a special visa or residence permit for digital nomads with a simplified procedure	Ministry of Interior	High
Tax treatment of remote workers	National	Clearly define the tax status of digital nomads and freelancers	Ministry of Finance / Tax Administration	High
Administrative procedures for business registration	National / local	Digitalization of registration processes and reduction of administrative steps	Ministry of Economic Development / CRPS	Medium
Lack of clear legal framework for coworking spaces	National / local	Define the status of coworking spaces through relevant laws and strategies	Ministry of Economic Development and Tourism / local governments	Medium
Slow administration and complex procedures for temporary residence	National	Introduce a “one-stop-shop” system for foreign workers and digital nomads	Ministry of Interior	High
Restrictions in opening bank accounts for foreign freelancers	National	Simplify procedures for opening bank accounts for foreign citizens	Central Bank of Montenegro / commercial banks	Medium
Insufficient digitalization of public services	National / local	Development of e-government and online administrative services	Ministry of Public Administration / local governments	Medium

7. Best Practices

Country / region	Description of good practice	Applicability in the Danube region
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Examples:

- Croatia Digital Nomad Visa
- Estonian e-residency
- tax incentives for remote workers

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
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8. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – SIMORA

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

Strengths	Weaknesses
- Existing national digital nomad residence framework - Legal recognition of remote work arrangements - E-services for business registration - Local entrepreneurship support measures in Novska - Existing digital entrepreneurship ecosystem (PISMO) - Strong local institutional support (SIMORA, City of Novska)	- Digital nomad framework limited to third-country nationals - Limited link between digital nomad status and local employment/economic activity - Administrative complexity for relocation and business registration - E-business registration not equally accessible to all foreign users - No specific local measures targeting remote workers - Lack of coordinated local-regional-national remote work support system - Remote work regulation primarily employer-based, less adapted to independent remote workers
Opportunities	Threats
- Further use of Croatia's digital nomad framework - Development of local relocation and support measures - Simplification and digitalisation of administrative procedures - Use of EU and national funds for rural and digital development - Alignment of local entrepreneurship measures with remote work needs - Stronger cooperation with employers and support institutions	- Increasing competition from countries with more developed digital nomad and remote work policies - Lack of harmonised EU framework for remote workers - Slow adaptation of national legislation to new forms of work - Complex and frequently changing regulatory environment - Tax and legal uncertainties for remote workers and freelancers - Continued outflow of skilled workforce despite existing measures

- | | |
|--|--|
| <ul style="list-style-type: none"> • Use of good practices from other regions and countries | |
|--|--|

Strengths:

From a regulatory and policy perspective, Croatia already provides an enabling national framework for attracting certain categories of remote workers, particularly through the temporary stay framework for digital nomads. In addition, remote work arrangements are recognised within Croatian labour legislation, while electronic services for business registration provide a basis for simplifying access to entrepreneurship.

At the local level, Novska has existing entrepreneurship support measures and business infrastructure that can be relevant for attracting independent professionals, digital entrepreneurs and remote workers. The PISMO Business Incubator represents an important local asset because it provides a structured digital entrepreneurship ecosystem, while SIMORA and the City of Novska provide institutional capacity for coordination and further policy development.

Weaknesses:

From a regulatory perspective, Croatia has an existing digital nomad framework, but it applies specifically to third-country nationals who work through communication technology for an employer or their own company that is not registered in Croatia and does not provide services to Croatian employers. This means that the framework is useful, but relatively narrow and not fully connected with local employment, entrepreneurship or direct economic activation in pilot areas such as Novska.

Administrative procedures remain a relevant barrier. Although Croatia has introduced electronic business registration through START, the system still contains limitations: official information states that some online registration options are available only to Croatian citizens, while START itself depends on e-citizens (e-gradani) access and administrative preconditions. This can reduce accessibility for foreign remote workers, freelancers or entrepreneurs who may want to establish activity locally.

At the local level, Novska has entrepreneurship support measures and an active programme for small and medium-sized enterprises, but these measures are not specifically designed for remote workers, digital nomads or relocation of highly skilled workers to rural areas. Therefore, the existing local support framework is useful, but not yet fully adapted to the Danube4Rural.com objective.

Another weakness is the lack of a clearly coordinated support pathway connecting national residence rules, tax and labour rules, local business support, housing, coworking and relocation assistance. For a potential remote worker, especially a foreign freelancer or digital professional, the system may appear fragmented and difficult to navigate.

Opportunities:

Croatia's existing digital nomad framework creates an opportunity for further development of measures targeting foreign remote workers, while Novska can use this national framework as a basis for local support services, information packages and soft-landing support for newcomers.

The Croatian framework is especially relevant because the project methodology explicitly treats digital nomad programmes as a regulatory opportunity.

There is also a clear opportunity to improve administrative accessibility through digitalisation. Croatia already has the START system for electronic business start-up, which enables users to start a business from home through one electronic procedure, while official gov.hr information also presents online business registration options. This provides a basis for simplifying procedures and making the system easier to navigate for freelancers, entrepreneurs and digital professionals.

At the local level, Novska can align existing entrepreneurship support measures with the needs of remote workers, digital entrepreneurs and independent professionals. The City already has a programme for supporting small and medium-sized entrepreneurship, which creates an opportunity to adapt or further develop local measures for this target group.

The project framework also creates an opportunity for stronger cooperation between local institutions, employers and support organisations. In the Application Form, SIMORA's role includes co-creating solutions in the financial incentives and regulatory framework policy packages, while Novska, HGK Sisak County Chamber and the Croatian Employment Service Regional Office Sisak are included as associated strategic partners supporting policy development, employers' involvement and employment-related advice.

Finally, EU and national funding for rural development, digitalisation and entrepreneurship can be used to support infrastructure, coworking, housing-related measures and entrepreneurship support. This is in line with SO2, where the regulatory framework activity is explicitly aimed at identifying regulatory barriers and opportunities and preparing solutions suitable for pilot testing.

Threats:

From a regulatory perspective, one of the main external risks is increasing competition from countries that have already developed more comprehensive and attractive policy frameworks for remote workers and digital nomads. Countries such as Portugal, Estonia and Spain offer more advanced and integrated approaches, which can make Croatia less competitive if further improvements are not implemented.

Another challenge is the lack of a harmonised EU-level framework for remote workers, which creates legal and administrative uncertainty, particularly for EU citizens who move between member states. This fragmentation makes it more difficult to design clear and predictable local solutions.

At the national level, legislation is still adapting to new forms of work, including remote work and platform-based employment. Changes in regulations, as well as their interpretation, can create uncertainty for both remote workers and institutions. Taxation and legal status of remote workers and freelancers can also be unclear in certain cases, which may discourage relocation.

Finally, despite existing measures and opportunities, the continued outflow of skilled workforce remains a structural challenge. Without strong and coordinated policy responses, rural areas such as Novska may face difficulties in attracting and retaining highly qualified remote workers.

4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

Internal environment	Strengths (S)	Weaknesses (W)
External environment		
Opportunities (O)	SO strategies: S1 × O1 – Build on the existing national digital nomad framework to develop local support measures and services for remote workers in Novska S2 × O3 – Use existing digital infrastructure and investments to implement policies supporting remote work and digital entrepreneurship S3 × O5 – Use strong local institutional capacity to design and implement targeted measures for attracting remote workers S4 × O7 – Use initial experience with digital professionals to adapt good practices from other regions	WO strategies: W1 × O5 – Develop targeted local policies for attracting remote workers based on good practices from other countries W2 × O4 – Use EU and national funding to introduce financial incentives for remote workers W3 × O3 – Simplify administrative procedures through digitalisation and improvement of e-services W4 × O6 – Improve coordination between national and local levels through project-based cooperation

Threats (T)	ST strategies	
	S1 × T1 – Strengthen competitiveness by further developing national and local remote work policies S2 × T3 – Use existing infrastructure investments to respond to slow adaptation of national legislation S3 × T2 – Use local institutional capacity to navigate and mitigate fragmented EU regulatory environment S4 × T5 – Use local development approach to reduce the impact of continued outflow of skilled workforce	

Strategy:	Description:
SO strategies	(use strengths to exploit opportunities)
WO strategies	(overcome weaknesses by using opportunities)
ST strategies	(use strengths to reduce threats)

The cross SWOT analysis identifies key policy directions for improving the regulatory framework for attracting remote workers to Novska. By combining existing strengths with identified opportunities, the analysis highlights the potential to develop targeted local measures building on national frameworks and available funding.

At the same time, weaknesses such as the lack of targeted policies and administrative complexity can be addressed through digitalisation, policy development and the use of good practices from other regions. Strong local institutional capacity can also be used to mitigate external risks, including increasing competition and regulatory fragmentation.

These strategic directions provide a basis for further identification of regulatory barriers and development of policy recommendations within the project.

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Digital nomad framework limited to non-EU citizens	National	Expand existing framework or introduce measures	Ministry of the Interior	High

		targeting EU remote workers		
Lack of clear tax framework for remote workers and freelancers	National	Define tax status and obligations for remote workers and digital professionals	Ministry of Finance (Tax Administration)	High
Complex administrative procedures for business registration and relocation	National / local	Simplify procedures and further digitalise administrative processes (e.g. one-stop-shop system)	Ministry of Economy / local authorities	High
Limited accessibility of e-services for foreign users	National	Improve access to e-services (e-Građani, START) for non-residents and foreign citizens	Ministry of Justice, Public Administration and Digital Transformation	Medium
Lack of targeted local policies for attracting remote workers	Local	Develop local support programmes (relocation support, incentives, coworking support)	City of Novska / SIMORA	High
Weak coordination between national and local measures	National / local	Establish coordinated framework connecting national regulations with local support measures	Ministry of Regional Development and EU Funds / local authorities	Medium
Lack of legal framework for coworking and flexible workspaces	National / local	Define status of coworking spaces through relevant policies and local strategies	Ministry of Economy / local authorities	Medium

7. Best Practices

Country / region	Description of good practice	Applicability in the Danube region
Croatia	Digital Nomad Visa	

Examples:

- Croatia Digital Nomad Visa
- Estonian e-residency
- tax incentives for remote workers

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Develop targeted local support measures for attracting remote workers (relocation support, local incentives, information services)	Improved attractiveness of Novska for remote workers and better integration into the local economy
Improve coordination between national regulations and local support measures	More efficient and user-friendly system for remote workers and investors
Simplify administrative procedures related to business registration and relocation	Reduced barriers for remote workers, freelancers and entrepreneurs
Enhance accessibility of digital public services for foreign users	Easier access to administrative procedures and increased attractiveness for international remote workers
Clarify tax framework and obligations for remote workers and freelancers	Increased legal certainty and reduced risk for individuals considering relocation
Develop policy framework for coworking spaces and flexible work environments	Improved infrastructure and working conditions for remote workers
Strengthen cooperation with employers and support institutions in designing financial incentives	Better alignment of measures with labour market needs

8. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – STRIA

Pilot Area: Hungary, Pécs and Surrounding Rural Settlements (Baranya County)

Prepared by: STRIA

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities

(SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

Strengths and weaknesses are internal factors related to the existing regulatory and institutional framework. Opportunities and threats are external factors arising from the broader environment. The matrix below presents all identified factors structured accordingly.

STRENGTHS (S)	WEAKNESSES (W)
S1: Hungarian labour legislation explicitly supports remote and hybrid work (Act I of 2012 on the Labour Code). S2: The University of Pécs provides regional capacity for digital and professional skills development. S3: Regional development institutions facilitate inter-municipal cooperation in Baranya County. S4: Availability of vacant residential properties in rural settlements. S5: Increasing digitalization of public administration services. S6: Affordable housing costs relative to larger cities. S7: Attractive natural environment and quality of life.	W1: Limited employer readiness to adopt structured remote work models – many employers lack guidance and remain cautious. W2: Complex administrative procedures for relocation and rural property reuse discourage potential movers. W3: Uneven digital infrastructure coverage in smaller rural settlements. W4: Lack of coworking spaces or shared digital work environments. W5: Absence of structured relocation advisory services. W6: Limited awareness among municipalities of remote work opportunities. W7: Inadequate integration of remote work into local development strategies.
OPPORTUNITIES (O)	THREATS (T)

O1: Growing global demand for remote and hybrid work.	T1: Outmigration of young and skilled workforce from rural areas.
O2: EU funds available for digital infrastructure development.	T2: Competition from digitally advanced regions and countries offering better conditions.
O3: Rising interest in rural relocation and lifestyle change.	T3: Slow adaptation of administrative and legislative processes to new work forms.
O4: Expansion of digital public administration (e-government).	T4: Ageing rural population limiting local community vitality.
O5: Smart villages and rural innovation initiatives at EU level.	T5: Limited financial capacity of municipalities to invest in services.
O6: Transnational cooperation within the Danube region (Danube4Rural).	T6: Unequal infrastructure development between settlements.
O7: Increased adoption of digital services in public and private sectors.	

4. Cross-SWOT Analysis

The cross-SWOT analysis combines internal and external factors to identify strategic directions. SO strategies use strengths to exploit opportunities; WO strategies overcome weaknesses by using opportunities; ST strategies use strengths to reduce threats; WT strategies minimise weaknesses while avoiding threats.

Internal → External ↓	STRENGTHS (S)	WEAKNESSES (W)
OPPORTUNITIES (O)	SO STRATEGIES (use strengths to exploit opportunities) S1 × O1 – The existing legal framework for remote work can be used to actively promote Baranya	WO STRATEGIES (overcome weaknesses using opportunities) W1 × O1 – Develop regional employer support programmes and model remote work policies,

	County to remote workers as a legally secure, flexible-work-enabled region. S2 × O6 – The University of Pécs can serve as an anchor institution for transnational knowledge exchange within the Danube4Rural network. S4 × O3 – Vacant rural properties can be promoted as relocation opportunities, capitalising on rising interest in rural living. S7 × O1 – Natural environment and quality of life can be marketed to attract remote workers seeking alternatives to urban settings.	leveraging the growing demand for remote work as a motivation for employers. W2 × O3 – Establish a relocation advisory service with step-by-step guidance, responding to rising rural relocation interest. W3 × O2 – Use EU structural funds to improve broadband infrastructure in underserved rural settlements. W4 × O5 – Develop pilot coworking spaces aligned with smart village and rural innovation programmes.
THREATS (T)	ST STRATEGIES (use strengths to reduce threats) S1 × T3 – Leverage the existing Labour Code provisions to demonstrate regulatory readiness and push for faster administrative adaptation. S3 × T5 – Strengthen regional institutional cooperation to pool municipal resources and reduce financial constraints. S7 × T1 – Promote quality-of-life advantages actively to retain skilled workers and attract returning graduates. S5 × T3 – Build on digitalization of public services to streamline administrative processes for remote workers and newcomers.	WT STRATEGIES (minimise weaknesses, avoid threats) W1 × T2 – Without employer support, Baranya County risks falling behind competing regions; priority actions must address employer readiness immediately. W3 × T6 – Uneven digital infrastructure combined with unequal development patterns may entrench rural disadvantage; targeted investment is critical. W2 × T3 – Slow administration and complex relocation procedures reinforce each other; simplification must be pursued at both national and local level.

5. Identification of Key Regulatory Barriers

The following regulatory barriers were identified through the SWOT analysis and confirmed by the Hungarian national research findings and STRIA's regional knowledge. They correspond directly to the three pilot action directions proposed for Baranya County.

Barrier	Level	Possible Solution	Institution Responsible	Priority
Employer lack of awareness and frameworks for remote work	Regional / Employer level	Develop regional employer guidelines, model remote work policies and short training workshops (Pilot Action 1)	Regional development agency, Chamber of Commerce	High
Complex administrative procedures for rural relocation and property reuse	National / Local	Establish local relocation advisory service; develop step-by-step relocation guidance (Pilot Action 2)	Municipalities, County Government	High
Uneven digital infrastructure in rural settlements	National	Map digital coverage, promote well-connected settlements, support broadband expansion via EU funds (Pilot Action 3)	National authorities, municipalities	High
Absence of specific incentives for rural remote work	National / Regional	Introduce tax or financial incentives targeting remote workers settling in rural areas	Ministry of Finance, Regional agencies	Medium
Lack of coworking and shared workspace provision	Local / Regional	Develop pilot shared workspace facilities in rural settlements	Municipalities, Regional bodies	Medium
Limited digitalization of local public services	National / Local	Expand e-government services; support digital readiness at local level	Ministry of Public Administration, municipalities	Medium

6. Best Practices

The following examples of good practice from other countries and regions illustrate approaches that are relevant to the identified barriers and proposed pilot actions in Baranya County.

Country / Region	Description of Good Practice	Applicability in Baranya County
Estonia	e-Residency programme enabling digital business registration and administration for non-residents	Model for simplifying digital administrative services and remote worker registration processes
Croatia	Digital Nomad Visa – residence permit for remote workers earning income from abroad	Supports relocation policy frameworks; showcases demand for dedicated remote worker support
Portugal (Interior)	Tax incentives and relocation grants for people moving to low-density interior regions	Directly applicable model for rural relocation incentives in Baranya County
Germany (Thuringia)	Employer support programmes for SME adoption of hybrid and remote work models	Aligns with Pilot Action 1; provides tested tools for employer training and guidance

7. Recommendations for Improving the Regulatory Framework

The following recommendations are derived from the cross-SWOT strategic analysis and are aligned with the three pilot action directions identified by STRIA for Baranya County: employer support for remote work, rural relocation and property support, and digital accessibility.

Recommendation	Linked SWOT Strategy	Expected Impact
Develop regional employer support programmes: simple guidelines, model policies and short workshops on remote work adoption	WO1, ST3 (W1×O1, S5×T3)	Increase employer readiness; expand the pool of workers able to live in rural areas
Establish a structured relocation advisory service with step-by-step guidance and support for rural property reuse	WO2 (W2×O3), Pilot Action 2	Reduce administrative barriers; increase rural settlement of remote workers
Prioritise expansion of digital infrastructure in rural settlements through EU-funded projects	WO3 (W3×O2), Pilot Action 3	Improve remote work feasibility and rural attractiveness

Develop pilot coworking and shared workspace facilities in rural communities	WO4 (W4×O5)	Enhance working environment availability for remote workers
Promote rural settlements in Baranya County as remote work destinations using quality-of-life and affordability arguments	SO1, SO4 (S6×O3, S7×O1)	Increase inflow of skilled remote workers to rural areas
Introduce local integration programmes connecting newcomers with existing communities	Addresses T4, complements WO2	Improve long-term retention and community cohesion

8. Next Steps

The results of this SWOT analysis will contribute to:

- Preparation of Deliverable D.2.3.1 – SWOT Analysis
- Implementation of transnational public consultation with stakeholders in Baranya County
- Development of policy recommendations for improving the regulatory framework for remote work in rural areas
- Exchange of experience and good practices with partner regions within the Danube4Rural network
- Development of the project's governance model and regulatory framework policy package

SWOT – NERDA

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework for Remote Work in Tara Dornelor

Strengths	Weaknesses
• Existence of the national legislative framework on telework (Law no. 81/2018), which allows carrying out professional activities remotely using digital technology; • Favourable tax regime for micro-enterprises, which facilitates the initiation of economic activities, including in rural areas; • Access to European and national funding programmes (PNRR, PAC Strategic Plan, LEADER), which can support digitalisation and economic development; • Existence of the Local Action Group (LAG) Bazinul Dornelor, as a functional mechanism for implementing local development projects; • Local initiatives in the field of tourism and community development (e.g. Tara Dornelor Ecotourism Association), which contribute to increasing the attractiveness of the area.	• Lack of dedicated public policies for attracting remote workers to rural areas; • Absence of integrated administrative mechanisms of the “one-stop-shop” type for entrepreneurs or persons interested in relocation; • Complex administrative procedures and lengthy authorisation processes; • Lack of effective intercommunal strategic coordination at the level of the pilot area; • Lack of a functional Inter-community Development Association (IDA) to ensure integrated coordination of the 9 administrative-territorial units. • Lack of dedicated remote work infrastructure (digital hubs, co-working spaces); • Limited implementation of Smart Village initiatives.
Opportunities	Threats
• Global growth of the remote work phenomenon and professional mobility; • Access to European funds for digitalisation, rural development and infrastructure (PNRR, regional programmes, Interreg); • Growing interest in relocation to rural areas, confirmed by quantitative research results;	• Continued migration of young and active population to urban areas or abroad; • Competition from other regions or countries implementing active policies for attracting remote workers; • Low level of investment in rural infrastructure;

• Development of Smart Village concepts and digitalisation of public services; • Possibility of capitalising on natural resources and quality of life to attract new residents.	• Slow adaptation of the legislative framework to new forms of work and mobility; • Persistence of gaps between rural and urban areas in terms of access to services and opportunities.
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4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

Internal environment	Strengths (S)	Weaknesses (W)
External environment	S1 – Existence of the legal framework for telework (Law 81/2018) S2 – Access to European funds (PNRR, PNS, LEADER) S3 – Existence of LAG Bazinul Dornelor S4 – Attractive natural environment and high quality of life	W1 – Lack of dedicated policies for remote work in rural areas W2 – Complex administrative procedures and lack of “one-stop-shop” W3 – Lack of intercommunal coordination (IDA absent or weakly developed) W4 – Insufficiently developed digital infrastructure and hubs
Opportunities (O)	SO strategies:	WO strategies:
O1 – Global growth of remote work O2 – European funds for digitalisation and rural development O3 – Growing interest in relocation to rural areas (confirmed by survey) O4 – Smart Village initiatives and digitalisation	S1 × O1 – Leveraging the existing legal framework to promote remote work in the Tara Dornelor area; S2 × O2 – Using European funds to develop digital infrastructure and co-working hubs; S3 × O3 – LAG involvement in developing projects to attract remote workers and digital entrepreneurs; S4 × O3 – Promoting the area as a relocation destination,	W1 × O1 – Development of dedicated public policies for remote work in rural areas; W2 × O2 – Using European funds for digitisation of public services and simplification of administrative procedures; W3 × O4 – Development of intercommunal cooperation structures (e.g. IDA) for implementing Smart Village initiatives;

	based on quality of life and natural environment.	W4 × O2 – Investments in digital infrastructure and development of digital hubs in rural areas.
Threats (T) T1 – Migration of young and active population T2 – Competition from other regions for attracting remote workers T3 – Low level of investment in rural infrastructure T4 – Slow adaptation of the legislative framework	ST strategies: T1 × S4 – Leveraging the natural environment and quality of life to reduce outmigration; T2 × S1 – Using the existing legal framework to position the area as a remote work destination; T3 × S2 – Using available funds to compensate for the investment deficit; T1 × S3 – LAG involvement in developing local initiatives for population retention.	

Strategy:

SO strategies (use strengths to exploit opportunities)

WO strategies (overcome weaknesses by using opportunities)

ST strategies (use strengths to reduce threats)

5. SWOT Analysis focused on Tara Dornelor in the context of attracting remote workers to rural areas

Strengths	Weaknesses
• Attractive natural environment and high quality of life; • Existence of the national legislative framework on telework (Law no. 81/2018); • Favourable tax regime for micro-enterprises; • Access to European and national funding programmes (PNRR, PAC Strategic Plan, LEADER);	• Lack of dedicated public policies for attracting remote workers to rural areas; • Absence of integrated administrative mechanisms of the “one-stop-shop” type for entrepreneurs or persons interested in relocation; • Complex administrative procedures and lengthy authorisation processes; • Lack of effective intercommunal strategic coordination (absence of a

- Existence of LAG Bazinul Dornelor as a functional mechanism for implementing local development projects; - Local ecotourism initiatives (Tara Dornelor Ecotourism Association), which contribute to the attractiveness of the area.	- functional IDA at the level of the pilot area); - Lack of dedicated remote work infrastructure (digital hubs, co-working spaces); - Limited implementation of Smart Village initiatives.
Opportunities	Threats
- Global growth of the remote work phenomenon and professional mobility; - Access to European funds for digitalisation, rural development and infrastructure (PNRR, regional programmes, Interreg); - Growing interest in relocation to rural areas, confirmed by quantitative research results; - Development of Smart Village concepts and digitalisation of public services; - Possibility of capitalising on natural resources and quality of life to attract new residents.	- Continued migration of young and active population to urban areas or abroad; - Competition from other regions or countries implementing active policies for attracting remote workers; - Low level of investment in rural infrastructure; - Slow adaptation of the legislative framework to new forms of work and mobility; - Persistence of gaps between rural and urban areas in terms of access to services and opportunities.

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation	Possible solution	Institution responsible	Priority
Complex administrative procedures and slow permitting processes	National / Local	Introduce a “one-stop-shop” digital platform for citizens and entrepreneurs settling in rural areas; streamline permitting and business registration procedures	Ministry of Economic Development; local public administrations; Autoritatea pentru Digitalizarea României (ADR)	High
Tax and business registration	National	Simplify business registration for micro-	Ministry of Finance; National Agency for	High

obstacles for rural entrepreneurs and start-ups		enterprises and freelancers; maintain stable fiscal regime (micro-enterprise tax: 1%/3%) to encourage rural entrepreneurship	Fiscal Administration (ANAF); Ministry of Entrepreneurship	
Lack of dedicated public policies for attracting remote workers to rural areas	National / Regional	Develop specific policy instruments for remote worker attraction in rural areas; design rural relocation incentive programmes aligned with PNRR and LEADER funds	Ministry of Agriculture and Rural Development (MADR); North-East Regional Development Agency (ADR Nord-Est); Ministry of Labour	High
Absence of “one-stop-shop” administrative mechanisms for entrepreneurs or persons interested in rural relocation	National / Local	Implement integrated “one-stop-shop” mechanisms at local or inter-municipal level; leverage Local Action Groups (LAGs) as micro “one-stop-shops” for rural project funding	Local public administrations; LAG Bazinul Dornelor; Autoritatea pentru Digitalizarea României	High
Lack of inter-communal coordination (absence of functional IDA in pilot area)	Local / Regional	Re-establish or strengthen an Inter-Community Development Association (IDA) covering the 9 communes of Țara Dornelor; support Smart Village governance structures	Local public administrations; North-East Regional Development Agency; Ministry of Regional Development	Medium
Absence of dedicated remote work infrastructure (digital hubs, co-working spaces)	Local	Invest in the development of co-working spaces and digital hubs in rural communes; use PNRR digital transformation funds and LEADER programme (DR-36)	Local public administrations; LAG Bazinul Dornelor; Ministry of Investments and European Projects (MIPE)	Medium

Labour law administrative requirements for telework (health and safety at employee's home)	National	Simplify SSM (occupational health and safety) requirements for telework at home; adapt legislation to fully cover flexible rural work arrangements	Ministry of Labour and Social Solidarity; Labour Inspectorate	Medium
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7. Best Practices

Country / Region / Initiative	Description of good practice	Applicability in the Danube region
RO-NET (Romania Broadband Infrastructure Project) – Romania	National broadband infrastructure project connecting isolated rural settlements (“white zones”) to high-speed internet using EU structural funds. Completed by 2023, it significantly improved digital connectivity in underserved rural communes, creating the foundational conditions for remote work.	Highly applicable – the model of EU-funded rural broadband roll-out can be replicated across Danube region countries with low rural connectivity. The RO-NET approach of targeting “white zones” provides a proven blueprint for bridging the urban-rural digital divide.
LAG Bazinul Dornelor – LEADER Projects – Țăra Dornelor, Romania	The Local Action Group Bazinul Dornelor finances local initiatives for rural development, local entrepreneurship, community services, and infrastructure in the Țăra Dornelor pilot area. Operating since 2014 through the LEADER programme, it functions as a local “micro one-stop-shop” for accessing EU funds.	Directly applicable – the LAG model for bottom-up rural development is already embedded in EU rural policy. It can be strengthened to incorporate remote work attraction, digital hub financing, and relocation support for newcomers across all Danube region pilot areas.
Țăra Dornelor Ecotourism Association – Romania	A public-private initiative promoting sustainable tourism, local product development, and community collaboration between tourism entrepreneurs and local producers. Active since 2015, it has contributed to making Țăra Dornelor one of Romania’s certified ecotourism destinations, increasing the area’s	Applicable as a soft infrastructure model – creating an attractive quality-of-life ecosystem for digital workers does not require only hard infrastructure. Community-led ecotourism and cultural identity initiatives enhance rural attractiveness and can be replicated in other

	attractiveness for visitors and potential residents.	Danube region rural areas with natural assets.
TalentMagnet Project – Interreg Danube Region (2020–2022)	A completed Interreg Danube Region project aimed at improving institutional capacities to attract and retain young talent in small and medium-sized cities in the Danube region. Developed a multi-level governance model and a TalentMagnet Policy Guide for local retention strategies. Complements Danube4Rural by addressing demographic regeneration and talent mobility.	Directly applicable – the multi-level governance model and policy guide can be adapted for rural areas. Lessons learned on talent attraction and retention are transferable to the remote worker attraction context across Danube region countries.
R-MAP (Remote Work – Mapping the Impacts on Urban-Rural Regions) – Horizon Europe (2023–2026)	An ongoing Horizon Europe research project analysing the impact of remote work on urban-rural disparities. Develops tools for assessing the economic, social, and spatial effects of telework and produces policy instruments for attracting remote workers to rural areas. Results are directly relevant for evidence-based governance model development.	Highly applicable – R-MAP results can directly inform the Danube4Rural governance model. The project's analytical tools for mapping remote work impacts and policy instruments can be tested and adapted in the Tȕara Dornelor pilot area and other Danube region pilot territories.

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Develop dedicated public policies for attracting remote workers to rural areas, tailored to the specificities of Tȕara Dornelor and similar mountain rural zones	Reduction of rural depopulation; creation of new economic opportunities; stabilisation of the active population in the pilot area; increased tax revenues at local level
Establish a “one-stop-shop” mechanism (digital or physical) at the inter-communal level for entrepreneurs, remote workers, and persons interested in relocating to Tȕara Dornelor	Simplified access to administrative, fiscal, and support services; reduced bureaucratic barriers; increased attractiveness for new residents and entrepreneurs; potential model for replication in other rural areas of the Danube region

Invest in co-working spaces and digital hubs in rural communes, using PNRR digital transformation funds, LEADER programme (DR-36), and PoCIDIF operational programme resources	Creation of physical workspaces enabling remote work; attraction of digital workers and entrepreneurs; strengthening of local digital economy; increased broadband utilisation in rural areas
Strengthen inter-communal governance by re-establishing or upgrading the Inter-Community Development Association (IDA) for the 9 communes of Țăra Dornelor, with a mandate covering Smart Village initiatives and remote work attraction	Improved strategic coordination at pilot area level; more effective use of EU funding; strengthened capacity for implementing Smart Village and digital infrastructure projects; integrated approach to rural revitalisation
Introduce targeted financial incentives for rural relocation, building on existing instruments (Start-Up Nation, LEADER DR-36, AFIR financing lines) and adapting them specifically for remote workers and digital entrepreneurs in rural areas	Increased economic activity in rural communes; attraction of higher-skilled residents; diversification of the local economic base beyond seasonal tourism and agriculture; reduced youth outmigration
Simplify telework-related administrative requirements, particularly occupational health and safety (SSM) obligations for home-based remote work, to reduce compliance burden on employees and employers in rural settings	Reduction of administrative barriers to telework; greater flexibility for rural-based remote workers; increased compliance and legal certainty for employers; alignment with EU telework trends
Promote Țăra Dornelor as a certified ecotourism and remote work destination, leveraging its environmental quality (ranked top 3 in Romania for air quality), natural assets (8 protected areas, Natura 2000 sites), and affordable cost of living	Increased visibility and attractiveness of the area for remote workers and digital nomads; synergy between tourism and remote work economies; contribution to population stabilisation; replicable rural destination branding model for the Danube region

9. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas
- exchange of best practices with Danube4Rural project partners from 11 countries
- formulation of the Danube4Rural governance model for attracting remote workers to rural areas

SWOT – BI-GD

1. Introduction

This document presents a framework for conducting a SWOT analysis of the regulatory framework related to remote work within the Danube4Rural.com project.

The analysis aims to examine existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The document contributes to the implementation of Activity 2.3 – Regulatory framework policy package, which focuses on identifying regulatory barriers and exploring policy innovations that could facilitate remote work in rural areas.

The findings of this analysis will support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations that will contribute to the development of the project's governance model.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent **internal factors** related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent **external factors** arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures.

The first step involves identifying the key strengths and weaknesses of the existing regulatory framework. Particular attention is given to issues such as labour legislation, taxation, administrative procedures, digital infrastructure regulations and support mechanisms for entrepreneurship and innovation.

The second step focuses on identifying opportunities and threats arising from the external environment. These include global trends in remote work, development of digital nomad programmes, access to European funding instruments and the policy frameworks adopted by other countries.

Following the identification of these factors, they are organised within a SWOT matrix to provide a structured overview of the regulatory environment.

In the next step, a **cross SWOT analysis** is conducted by linking identified strengths, weaknesses, opportunities and threats in order to identify possible strategic approaches. This process allows the identification of strategies that use existing strengths to exploit opportunities (SO strategies), strategies that address weaknesses by using opportunities (WO strategies), and strategies that use strengths to mitigate identified threats (ST strategies).

The results of the analysis provide the basis for identifying regulatory barriers and developing recommendations aimed at improving the regulatory framework for remote work in rural areas.

3. SWOT Analysis of the Regulatory Framework

STRENGTHS - S	WEAKNESSES - W
Codified Remote Work Base: Remote work is formally anchored in the Bulgarian Labour Code (Art. 107z), providing a clear legal basis for home office arrangements.	Regulatory Fragmentation: National labour, tax, and social security laws lack a unified "remote work" code, creating administrative uncertainty for local employers. And regulatory lag behind the technological and labour dynamics
Equipment & Cost Protection: The employer's obligation to provide technical equipment and maintain it is legally defined, protecting remote workers from personal financial burden.	Burdensome Reimbursement: Mechanisms for reimbursing home office expenses (utilities/internet) can be administratively heavy for the small-scale businesses typical of the region.
Regional Digital Strategy: Strategic focus on broadband development in Municipality of Gotse Delchev helps support digital connectivity outside the town center.	Infrastructure Gaps: While the town has fiber-optic potential, 5G mobile network coverage remains weak in the wider Gotse Delchev district and peripheral villages.
Low Cost of Living: Gotse Delchev offers significantly more affordable housing and living costs compared to bigger cities, attracting remote workers.	Limited Shared Infrastructure: Lack of dedicated coworking spaces or shared digital hubs within the municipality to support those who cannot work from home.
Natural assets and rich culture: clear environment, beautiful mountainous landscape, cultural heritage	Language Barriers: Limited English-language capacity in local public administration creates barriers for potential international remote workers or digital nomads.
eGovernment Integration: Access to electronic administrative services allows for remote submission of requests, reducing the need for physical presence at municipal offices.	Lack of developed local /national policies for support of remote workers
Existing regulations for digital nomads (digital nomad visa) since 2025	Lack of specific tax incentives for remote workers
OPPORTUNITIES - O	THREATS - T
EU Funding (ERDF, ESF+): Availability of Cohesion Policy funding for digital infrastructure and rural development in lagging regions – rural and peripheral	Intense Regional Competition: Strong competition from other EU destinations (like nearby Greece) that may have more advanced digital nomad programs or incentives, and Bansko –

regions, cross-border regions, like Gotse Delchev.	nearby ski and mountainous resort with already established co-working spaces and digital nomad fest
Global Work-Life Balance Trend: Growing demand for rural destinations with high natural and cultural heritage assets, such as the Pirin and Rhodope mountains.	Brain Drain: Continued outflow of the young, educated population to major cities or abroad, thinning the local talent base and entrepreneurial potential.
National Recovery & Resilience Plan: Targeted investments in the "Digital Bulgaria" component to improve broadband and public service digitization.	Legislative Inertia: Slow pace of national reform regarding specific tax incentives for remote workers
Micro-Loan & Advisory Programs: Leveraging national business agency programs to support local entrepreneurship and relocation incentives for remote professionals.	Economic Uncertainty: High inflation, especially related with the currency transition, global crisis and general economic instability may reduce the willingness of urban workers to risk relocating to rural areas.
Potential for integrating remote work as priority in strategies and programmes at local level – local action group	Demographic Decline: An aging local population may lead to a reduction in the attractiveness of local services (health, entertainment) for incoming workers.
Newly established Digital Hubs in villages of the Gotse Delchev area governed by the local authorities	
Updated focus on digital education and youth work in the Gotse Delchev area, - e.g. Youth Center, vocational training in STEM	

4. Cross SWOT Analysis

Cross SWOT analysis is a method in which elements of the internal environment – strengths and weaknesses – and elements of the external environment – opportunities and threats – identified during the SWOT analysis are combined in order to analyse different possible solutions. In practice, it is most effective to combine strengths from the internal environment with opportunities from the external environment.

Internal environment	Strengths (S)	Weaknesses (W)
	S1 Legal Base on Remote Work S2 Positive environment combining tourist assets, stratgic cross-border location and community, incl. community cultural centers	W1 – Limited Shared Infrastructure W2 - Lack of developed local policies for attracting remote workers
External environment		
Opportunities (O) O1 – EU Funding & LAG Strategies O2 – Newly established Digital Hubs in villages of the Gotse Delchev area governed by the local authorities O3 - Updated focus on digital education and youth work in Gotse Delchev area O4 - Global Work-Life Balance Trend	SO strategies: S1 × O1 – Strategy: Use the Legal Base and LAG Strategies to market our rural areas for remote workers via Quality of Life Assets. S1x O3x O4 – Promote remote work among youth to retain them in the area	WO strategies: W1 × O2x O4 – Provide coworking as a service within the digital hubs in rural areas. W2 x O1 – influence on local policies for artrracting remote workers through EU funding, and LAG
Threats (T) T1 – Competition in attracting digital nomads/ remote workers from better developed neighboring tourist areas T2 - Legislative Inertia	ST strategies T1 × S2 – Creating relations and building conditions for sucseful partnership – e.g. corss-border projects and collaboration with Greece for combining sea with mountan experience for remote workers; or providing diverse environment, wider space, less crowded authentic area for remote workers and target “slow tourism” professionals	WT strategies T2 v W2 - Reduce dependence on slow national reforms by pilot projects, EU-funded experimentation, transnational know-how sharing and public-private partnerships

Strategy:

SO strategies

Description:

(use strengths to exploit opportunities)

WO strategies (overcome weaknesses by using opportunities)

ST strategies (use strengths to reduce threats)

6. Identification of Key Regulatory Barriers

Barrier	Level of regulation (local/national)	Possible solution	Institution responsible	Priority
Weak coordination between different governance institutions at national/ local level to support remote work	Local/national	Strengthen the coordination, as part of the Digital Bulgaria Programme of other framework	Ministry of Electronic Governance	High
Health and safety, as also reporting and monitoring liability of employers according to the Labour legislation	national	Agreements employer – employee ???	General Labour Inspectorate	High
Insufficient digitalization of public services	National / local	Development of e-government and online administrative services	Ministry of Public Administration / local governments	Medium
Lack of clear legal framework for coworking spaces	National / local	Define the status of coworking spaces through relevant laws and strategies	Ministry of Economic and Industry	Medium
Complexity of administrative arrangements for cross-border remote working	EU / national	EU arrangements	Ministry of finances / National Finances Revenue Agency / EU social security institutions	Medium
Public procurement procedures uncertainty and limitations for more complex projects,	National	Introduce simplified procurement thresholds and innovation-friendly	Public Procurement Agency; Municipality	Medium

e.g. public-private ones		procedures for rural municipalities		
Limited capacity of local administrations to provide service to remote workers	Local/national	Increasing the capacity of the Las through complex measures, incl. specific remote-working friendly services, high level of e-governance, English language competence of officers	Municipality of Gotse Delchev and local administration institutions – e.g. NRA	High

7. Best Practices

Country / region	Description of good practice	Applicability in the Danube region
Bulgaria	Bulgaria wants you initiative – platform with information for Bulgarians, working and living abroad to find work, especially in IT sector (job-matching) and place to live (information on home availability, prices)	Highly applicable

Examples:

- Croatia Digital Nomad Visa
- Estonian e-residency
- tax incentives for remote workers

8. Recommendations for Improving the Regulatory Framework

Recommendation	Expected impact
Create a network/ecosystem supporting remote working at local level	Raised capacity to attract and retain remote workers in the community
Establish and demonstrate co-working space/s as remote work asset	Preparedness for providing office and technological infrastructure to potential remote workers
Developing competence of youth generation through increasing STEM and carrier orientation to remote work	Youth ready to build remote working carrier and to stay in the area, rather

	than looking for jobs in bigger urban centers
Promote Gotse Delchev area as ready for remote working via Quality of Life Assets	Raised motivation of the target groups for the opportunity to live and work here and assuring potential flow of remote workers to our area
Creating conditions for improving local policies on remote working – raising awareness and piloting of measures (through Danube4Rural project, LAG and EU funding)	Better understanding of local authorities to adapt the local policies and preparedness for applying

8. Next Steps

The results of this analysis will contribute to:

- preparation of Deliverable D.2.3.1 – SWOT analysis
- implementation of transnational public consultation
- development of policy recommendations for improving the regulatory framework for remote work in rural areas

SWOT – Take Naše

Slovakia / Stropkov

Partner: Take naše / City of Stropkov

1. Introduction

This document presents a SWOT analysis of the regulatory framework related to remote work for Slovakia, with specific focus on the pilot area of Stropkov municipality in the Presov Self-governing Region. It is prepared as a contribution to Deliverable D.2.3.1 within Activity 2.3 - Regulatory Framework Policy Package of the Danube4Rural.com project.

The analysis examines existing regulations and policies at local, regional and national levels that influence the ability of rural areas to attract highly skilled remote workers. The findings are intended to support the identification of regulatory barriers, the exchange of best practices among partner countries, and the formulation of policy recommendations contributing to the project's governance model.

Stropkov is a district town of approximately 10,000 inhabitants located in north-eastern Slovakia, in the Presov Self-governing Region. Like many rural municipalities in the Danube Region, it faces challenges of demographic decline, youth outflow and limited economic diversification. The attraction of remote workers represents a strategic opportunity to revitalise the local economy and retain population without requiring large-scale industrial investment.

2. Methodology for Conducting the SWOT Analysis

The SWOT analysis is applied as an analytical method to systematically assess the regulatory environment affecting remote work in rural areas. The analysis focuses on four categories of factors: strengths, weaknesses, opportunities and threats.

Strengths and weaknesses represent internal factors related to the existing regulatory and institutional framework, including legal provisions, policy instruments and administrative procedures. Opportunities and threats represent external factors arising from broader economic, technological and policy developments influencing remote work.

The analysis is conducted through a structured assessment of existing legislation, policies and institutional mechanisms related to remote work, digital nomads, entrepreneurship, labour regulations and administrative procedures at national level (Slovakia) and local level (City of Stropkov and Presov Region).

Following the identification of SWOT factors, a cross SWOT analysis is conducted by linking strengths, weaknesses, opportunities and threats to identify possible strategic approaches: SO strategies (use strengths to exploit opportunities), WO strategies (address weaknesses by using opportunities), and ST strategies (use strengths to mitigate threats).

3. SWOT Analysis of the Regulatory Framework

Slovakia / Stropkov - Regulatory Framework for Remote Work

STRENGTHS - S	WEAKNESSES - W
• Remote work provisions formally anchored in the Slovak Labour Code (Act No. 311/2001 Coll.) since the 2021 amendment, establishing the legal basis for home office arrangements • The employer's obligation to provide necessary equipment and cover costs related to working from home is legally defined, offering protection for remote workers • Relatively straightforward trade licence (živnost) registration system enabling quick start of self-employment • Access to eGovernment services (slovensko.sk portal) enabling electronic submission of administrative requests • Active engagement of the City of Stropkov in EU-funded projects • The Presov Self-governing Region's broadband development strategy supporting digital connectivity in rural municipalities, incorporated in the Plan of Economic and Social Development of the Presov Self-governing Region 2021-2030 • The City of Stropkov has excellent fibre-optic broadband coverage • Existing cooperation framework between the City of Stropkov and local NGOs supporting community-led initiatives • Low cost of living and affordable housing compared to urban centres - attractive for remote workers seeking rural relocation • Strong commitment of the city to actively address the outflow of young residents	• Labour Code provisions on remote work are broadly framed and lack specific guidance on cross-border remote work, tax residency and social security coordination for international remote workers • Regulatory fragmentation between national labour law, tax law and social security legislation creating uncertainty for employers • No national digital nomad visa or dedicated residence permit for non-EU remote workers • Home office expense reimbursement mechanism for employees is limited; the flat-rate compensation introduced in 2021 is administratively burdensome for small employers • Limited number of coworking spaces and shared digital work infrastructure in Stropkov and Stropkov district • No local municipal policy or VZN (generally binding regulation) specifically addressing remote worker attraction or digital nomad support • Weak 5G mobile network coverage in Stropkov city and the wider Stropkov district • Complex bureaucratic processes for obtaining long-term residency

	and work authorisation for non-EU nationals Limited English-language capacity in local public administration, creating barriers for international remote workers
OPPORTUNITIES - O	THREATS - T
- EU Digital Decade policy framework and Cohesion Policy 2021-2027 funding (ERDF, ESF+) available for digital infrastructure and rural development in lagging regions - Growing global remote work trend post-COVID-19 creating demand for attractive rural destinations among highly skilled workers - Interreg Danube Region Programme providing transnational cooperation framework and co-financing for governance model development (Danube4Rural.com project) - Potential to develop a Slovak policy framework for digital nomads inspired by Croatian, Estonian and Portuguese models, building on existing EU freedom of movement provisions - Slovak Business Agency (SBA) programmes supporting entrepreneurship and relocation incentives, including micro-loan programme and short- and long-term advisory services - Possibility to leverage Stropkov's natural environment and cultural heritage as a quality-of-life asset for attracting remote workers seeking work-life balance - Recovery and Resilience Plan investments in digitisation of public services and broadband infrastructure under Component 17 Digital Slovakia	- Strong competition from other EU countries (Croatia, Portugal, Estonia, Czech Republic) with already established digital nomad programmes and more advanced remote work ecosystems - Continued outflow of young, educated population from Stropkov district and Presov Region, reducing the local talent base and entrepreneurial activity - Slow pace of national legislative reform; amendments to the Labour Code and tax legislation require lengthy parliamentary processes - Insufficient 5G mobile network coverage in Stropkov and the entire district, with implementation delays in peripheral municipalities - Limited municipal budget capacity in Stropkov for co-financing infrastructure improvements and incentive programmes without external EU funding - Demographic decline and ageing population reducing local service provision attractiveness for incoming remote workers - General economic uncertainty and inflation potentially reducing

Growing remote worker communities and online platforms creating new channels for targeted promotion of rural destinations, e.g. the project 'V meste som (len) hostom' (Horehronie/Liptov); 'Digital Villages' such as Spissky Hrhov	remote workers' willingness to relocate from urban to rural areas
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4. Cross SWOT Analysis

The cross SWOT analysis combines internal and external factors to identify strategic approaches for improving the regulatory environment for remote work in Slovakia and Stropkov.

Internal / External	Strengths (S)	Weaknesses (W)
Opportunities (O)	SO: S1 x O1 - Building on Labour Code remote work provisions, position Slovakia as an EU-compatible destination; use the Danube4Rural.com framework to develop a pilot welcome programme for remote workers in Stropkov. SO: S3 x O3 - Leverage Interreg and EU Cohesion Policy funding to co-finance coworking infrastructure and improve digital connectivity in Stropkov, building on existing eGovernment foundations.	WO: W4 x O2 - Use the global remote work growth trend as an argument to develop the first coworking hub in Stropkov, addressing the infrastructure gap. WO: W1 x O4 - Advocate for the introduction of a digital nomad residence permit in Slovakia, drawing on Croatian and Estonian best practice models to fill the legal framework gap.
Threats (T)	ST: S2 x T1 - Use the employer's legal obligation to cover remote work costs as a competitive advantage over countries without comparable legislation. ST: S7 x T2 - Leverage good fibre-optic broadband availability to motivate young people to stay in Stropkov and work from home.	WT: W5 x T5 - Urgently address 5G mobile network coverage gaps through municipal coordination with Presov Region infrastructure programmes to prevent further competitive disadvantage. WT: W9 x T1 - Improve English language skills at the municipal office to make the city

	ST: S6 x T7 - Promote Stropkov's natural environment and community quality of life as long-term assets to counteract demographic decline and competition from urban centres.	competitive with neighbouring countries.
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SO strategies	Use strengths to exploit opportunities
WO strategies	Overcome weaknesses by using opportunities
ST strategies	Use strengths to reduce threats
WT strategies	Minimise weaknesses and avoid threats

6. Identification of Key Regulatory Barriers

The following table presents the key regulatory barriers identified for Slovakia and Stropkov, with proposed solutions, responsible institutions and priority levels.

Barrier	Level	Possible Solution	Institution Responsible	Priority
Absence of a national digital nomad visa or dedicated residence permit for non-EU remote workers	National	Introduce a special long-stay visa or temporary residence permit for non-EU digital nomads with simplified procedures and clear tax status	Ministry of Interior SR / Ministry of Foreign Affairs SR	High
Inadequate legal framework for cross-border remote work (tax residency, social security coordination for international remote workers)	National	Develop clear national guidelines on tax residency and social security obligations for international remote workers; align with EU coordination regulations	Ministry of Finance SR / Social Insurance Agency (Socialna poistovna)	High
Burdensome home office expense reimbursement	National	Simplify flat-rate home office expense deduction; introduce	Ministry of Labour, Social Affairs and	High

Barrier	Level	Possible Solution	Institution Responsible	Priority
mechanism for employers and employees		optional lump-sum allowance exempt from social insurance contributions	Family SR / Financial Administration SR	
Absence of a local municipal policy or incentive scheme for attracting remote workers to Stropkov	Local	Adopt a local strategy and action plan for remote worker attraction; develop a welcome package and promotional materials for Stropkov	City of Stropkov / Take nase	High
Gaps in fibre-optic broadband coverage in rural parts of Stropkov district	Local / National	Leverage EU Cohesion Policy and Recovery Plan funding for broadband rollout; coordinate with the Presov Region broadband development strategy	Presov Self-governing Region / Ministry of Investment, Regional Development and Informatisation SR	High
Absence of coworking spaces and shared digital work infrastructure in Stropkov	Local	Develop at least one coworking hub in Stropkov (e.g. by repurposing existing public or cultural space); explore public-private partnership model	City of Stropkov / Take nase / local entrepreneurs	Medium
Complex and time-consuming administrative procedures for long-term residency registration and business registration for non-EU nationals	National	Establish a one-stop-shop service for foreign remote workers and digital nomads; digitise and streamline registration processes	Ministry of Interior SR / Slovak Business Agency (SBA)	Medium
Limited English-language capacity of	Local	Train local administrative staff in basic English for	City of Stropkov / Take nase	Medium

Barrier	Level	Possible Solution	Institution Responsible	Priority
local public administration		service delivery; develop multilingual information materials for incoming remote workers		

7. Best Practices

This chapter presents selected examples of good practice from Slovakia relevant to the development of a remote worker community in rural areas. The examples focus on community initiatives, coworking spaces, rural support programmes and regulatory tools that may inspire similar measures in Stropkov and other rural areas of the Danube Region.

7.1 Overview of Good Practice Examples

Example / Initiative	Location	Description	Lesson for Stropkov
Spissky Hrhov - model of community development and social entrepreneurship	Spissky Hrhov, Levoca District, Presov Region	A village of ~1,740 inhabitants transformed under Mayor Vladimir Ledecy from a marginalised rural community into an internationally recognised model of community development. Key elements: participatory village development plan involving 70 residents; three municipal social enterprises employing 50-100 people seasonally including long-term unemployed; inclusive education model; systematic use of EU funds (~9 out of 10 calls successful);	Participatory village planning, where every resident contributes to the plan, builds an active community and shared responsibility. Municipal social entrepreneurship can create jobs even in the most remote areas without large industrial investment. The model is directly applicable to Stropkov: a municipal enterprise as a base for coworking and community activities; participatory development of a local strategy for remote workers.

Example / Initiative	Location	Description	Lesson for Stropkov
		stable demographic growth (from ~700 to ~1,740 inhabitants). Featured in the New York Times, visited by the Secretary General of the Council of Europe and several Slovak Prime Ministers.	
Liptov Hub - first coworking space of a rural region	Liptovský Mikuláš, Žilina Region	The first coworking space in the Liptov region, located in the historic centre of Liptovský Mikuláš. Founded by a private initiative to create a productive working environment outside the home for freelancers, startups and companies. Offers shared workstations, meeting rooms, event space, fast fibre optic connection (100 MB symmetric), 24h member access and an active community. Rated as one of the best coworking spaces by remote workers from various countries; received the Zlata Firma award in 2024.	A coworking space in a rural area does not need to be initiated by local government - it can emerge from a private initiative in an existing city-centre space with minimal costs. For Stropkov: the Liptov Hub model shows that even a smaller town with natural and tourist surroundings can sustain a remote worker community. The key combination is quality connectivity, community and affordable pricing.
MIRRI - Livy vidiek (Living Countryside) call: infrastructure support for small municipalities	Entire territory of SR (priority: least developed districts)	The Ministry of Investment, Regional Development and Informatisation SR (MIRRI) launched Call No. 1/2025/SRR - Livy vidiek with EUR 4 million allocation for civic infrastructure and	Stropkov could use similar MIRRI calls to co-finance a community space, coworking hub or digital infrastructure. The calls require only 5% co-financing from the municipality, matching Stropkov's municipal

Example / Initiative	Location	Description	Lesson for Stropkov
		services in small municipalities. The call targets development of public infrastructure, community spaces and local services. A similar call was implemented in 2024 for the districts of Brezno, Snina and Velky Krtis. The programme provides direct targeted support for rural municipalities without requiring large own-source investment.	budget capacity. Regular monitoring of MIRRI calls and active participation is essential.
Association of Coworking Centres of Slovakia	Entire territory of SR (headquarters Bratislava)	The Association of Coworking Centres is a community of coworking and flexible spaces that supports their development, education and the establishment of new coworking spaces across Slovakia. The Association offers methodological support for setting up new centres, connects existing spaces and builds an ecosystem for flexible work outside large cities. More than 44 coworking spaces are registered in Slovakia, predominantly in larger cities.	For Stropkov, the Association of Coworking Centres represents a valuable contact for the possible establishment of the first coworking hub. The Association can provide methodological assistance, know-how and connections to existing centres. Stropkov could thus become the first coworking space in Stropkov district and a pioneer within the Presov Region outside the regional capital.
Project 'V meste som (len) hostom' (I am only a guest in the city) - remote worker community	Horehronie and Liptov regions, Banska	A project aimed at building a community of remote workers in the natural environment of mountain regions of	Horehronie and Liptov show that natural tourist surroundings and environmental quality can be the core of a strategy

Example / Initiative	Location	Description	Lesson for Stropkov
(Horehronie / Liptov)	Bystrica / Zilina Region	central Slovakia. The initiative connects people who have chosen to work remotely from rural areas with quality natural surroundings, creating informal networks, sharing experiences about working from home and coworking, and promoting the countryside as an attractive working destination. The Horehronie and Liptov regions joined forces on the shared Chopok Panoramic Trail (2025), symbolising inter-regional cooperation as a model for tourism and working community development.	for attracting remote workers. Stropkov can be presented similarly - not as an industrial centre but as a place for working in the natural environment of the Low Beskydy Mountains with authentic community life. Inter-regional cooperation (e.g. with Bardejov or other municipalities in the district) can extend the reach of the communication campaign.
Recovery and Resilience Plan SR - Component 17 (Digital Slovakia)	Entire territory of SR	The Slovak Recovery and Resilience Plan includes a component focused on digitisation of public services and broadband infrastructure expansion. MIRRI coordinates the digitisation of 16 life events (from birth registration to company formation), reducing administrative burden. The slovensko.sk portal provides online access to public services. The Digital Transformation Action Plan for Slovakia	Stropkov can use digitisation tools and the slovensko.sk portal to simplify administrative processes for incoming remote workers (e.g. online information packages, digital submission of requests). At the same time, the Recovery Plan provides funding for optical network expansion, which is directly relevant for removing connectivity barriers in Stropkov district.

Example / Initiative	Location	Description	Lesson for Stropkov
		2023-2026 runs in parallel, focusing on connectivity, digital skills and eGovernment.	

8. Recommendations for Improving the Regulatory Framework

Based on the SWOT analysis and regulatory barrier mapping, the following recommendations are proposed for improving the regulatory framework for remote work in Slovakia and Stropkov municipality.

Recommendation	Expected Impact
Develop a national regulatory framework for digital nomads and international remote workers, including a dedicated visa/residence scheme and clear guidance on tax and social security obligations	Removes key legal barriers for remote workers from third countries; positions Slovakia as a competitive destination within the Danube Region
Simplify and streamline the home office expense reimbursement system under the Labour Code and introduce optional lump-sum tax exemptions for remote work allowances	Reduces administrative burden for employers and employees; encourages formal remote work arrangements
Adopt a local Remote Worker Attraction Strategy for the City of Stropkov, including a welcome package, multilingual information services and a dedicated contact point	Creates a structured local policy response; signals Stropkov's commitment to becoming a remote-worker-friendly destination
Accelerate broadband infrastructure rollout in rural parts of Stropkov district through targeted use of EU Cohesion Policy and Recovery Plan funding	Addresses the primary infrastructure barrier for remote work; enables wider participation of rural households and businesses
Establish a coworking hub in Stropkov as a central facility for remote workers, local entrepreneurs and community activities, developed through a public-private partnership model. Create a 'welcome information package' and set up a	Provides shared infrastructure; stimulates the local entrepreneurial ecosystem and builds community for incoming remote workers. Ensures a positive impression and warm reception for new residents,

Recommendation	Expected Impact
'welcome process' for citizens who register permanent residence in the City of Stropkov	who will receive basic information about how the city functions and its services
Invest in English-language capacity of local administration and develop multilingual communication materials targeting potential remote workers from EU and non-EU countries	Lowers language barriers; improves the quality of service delivery for international remote workers

9. Next Steps

The results of this analysis will contribute to:

- Finalisation of Deliverable D.2.3.1 - SWOT analysis as a transnational comparative document incorporating inputs from all Danube4Rural.com partner countries
- Implementation of the transnational public consultation (D.2.3.2) on regulatory framework improvements, using the identified barriers and recommendations as the consultation basis
- Development of policy recommendations for improving the regulatory framework for remote work in rural areas, to be included in the project's governance model
- Preparation and implementation of at least 3 online policy meetings (D.2.3.3) with consortium members, rural community representatives and legal/policy experts

Take nase and the City of Stropkov will actively participate in the transnational policy meetings and contribute to the development of the regulatory framework policy package, embedding Slovak national and local perspectives into the jointly developed solutions.