

HMRR Info

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Contact



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The HMRR Info is a quarterly e-newsletter of the Croatian Rural Development Network (HMRR), a NGO and a network of NGOs joined in a common endeavour to improve conditions for an integral development and quality life in rural areas.

The HMRR Info publishes news and announcements, information on events and activities, projects, achievements, publications and calls for proposals related to the rural development in Croatia. The bulletin follows up changes in legislation and funding on the national and European scene and presents major actors in the rural development process.

HMRR

Since the beginning of 2009, **Marina Koprivnjak (28)**, a sociology and Croatian language and literature graduate became the first HMRR full-time employee. Marina is working as an assistant coordinator. In addition to her main assignment - coordination of activities on the new project **Sustainable Development of the Regions through Participatory Processes** - she is also a public relations person for the HMRR, and in charge of regular HMRR activities – collecting and dispatching notices and announcements, organizing gatherings, administering documentation and monitoring business operations. Marina was the HMRR representative at the SFteam meeting in Budapest in February 2009, and she took part in the InWEnt training programmes in Germany and Croatia early in 2009.



In this issue:

- **HMRR - Rural development project in partnership with CCO, Czech Republic**
- **Activities of members organizations - an extensive overview of membership activities offering information and encouraging exchange and cooperation**
- **News from Gorski kotar LAG**
- **Miscellaneous: Rural development seminars and workshops**

New HMRR project

Sustainable development of the regions through participatory processes



EU funded project

HMRR participated in the PHARE 2006 Grant Scheme “Enabling the Civil Society Sector for Active Contribution to the Pre-accession Process in the Area of Environmental Protection and Sustainable Development” as partner to the applicant, the Czech Centre for Community Organising (CCO) from Prešov. The partner’s project “Sustainable Development of the Regions through Participatory Processes” has been approved a financial support by the European Commission.

New HMRR project >

The **project objective** is to encourage sustainable development at the local level through public participation and cross-sectoral partnership.

Special objectives include:

1. Implementation of an integrated modular training programme for a group of participants from a selected pilot area, and organization of three regional workshops aimed to encourage and support the development pursuant to the LEADER approach;
2. Study tour of the Czech Republic planned for the project partners to get a chance to meet and exchange good practice ;
3. Support to creating local partnership (LAG) and development of a local sustainable development plan for the pilot area.

The project has enabled HMRR to employ a full-time coordinator, to partially cover office expenses and fees of the experts engaged in training and drafting of training documents, travelling expenses, expenses of regional workshops, and to purchase of a laptop.

A pilot area selected for the project is a micro region encompassing eight municipalities and the City of Novi Marof, an area at the border with the Varaždinska County, Križevačko-Koprivnička County and Krapinsko-Zagorska County.

Activities of the HMRR member organizations



DEŠA - Dubrovnik

Since 1 October 2007, DEŠA has been involved in **The Adriatic Project on Micro-Entrepreneurship and Local Development** („Adriatico – microimpresa e sviluppo locale“), 8192/Cospe/CRZ, an international project implemented in collaboration with the COSPE Association from Florence, Segretariato per l'Adriatico - Ancona, Regione Marche, the Croatian Ministry of Tourism, and the Italian Ministry of Foreign Affairs. The project main objective is to contribute to balanced regional development, to promote alternative forms of tourism based on sustainable development, and raise awareness of the local community on sustainable development. The Project supports setting up of new family businesses in different economic sectors, particularly in tourism, and rural development.

During the first year of the Project implementation, a large number of training courses and round tables were organized, including the international gathering “New Approaches to the Territory Development“, which aimed at raising public awareness of importance of balanced development of the Dubrovačko–Neretvanska County, responsible tourism, sustainable development, rural development, preparation of project documentation, territory, and micro-entrepreneurship. The event offered an opportunity for presentation of examples of good international practice. Mid-March 2009, Dubrovnik hosted a training course for initiators of local development from the Dubrovačko–Neretvanska County. The course participants were young experts and students of the Dubrovnik University,

and trainers were the HMRR member organizations ODRAZ and SMART. The next stage of the training was an excursion to Italy. In the second Project implementation year, in addition to the training courses for the small and medium-sized entrepreneurs and organization of an international gathering Adriatic Sea – a Shared Resource“, a **loan guarantee fund and a micro loan scheme** were set up,

The loan guarantee fund was created for entrepreneurs in Dubrovačko–Neretvanska County who intend to launch their small private businesses based on the sustainable development principles, and who plan to manufacture typical local products. The loan guarantee fund has €73,000.00 at its disposal, and it will be used as a guarantee for micro-loans financing of small businesses in tourism. An idea behind this concept was to negotiate the best conditions for potential loan beneficiaries with banks operating at the County territory. Unfortunately, response of the banks was very low, and the loan arrangements offered at very unfavourable conditions. After months of intensive efforts, Splitska Banka responded with an offer that was most acceptable.

The following loan conditions were set up:

- available loan proceeds: **(1:2) EUR 146,000**
- individual loans: **HRK 40,000–100,000**
- purpose: purchase and/or equipping of business premises
- current assets: **max 30%** of loan proceeds
- interest rate: **variable**¹
- loan repayment period **up to 5 years**, possible grace period up to 1 year.

¹ This part of the Splitska Banka proposal is considered highly unfavorable, but we had to agree to it. Currently, the interest rate is 5%, which is the most favorable interest under the prevailing market conditions.

Activities of the HMRR member organizations



DEŠA - Dubrovnik / cont.

The loan repayment is insured through:

- 50% from the proceeds of **our loan guarantee fund**, and
- the remaining 50% the beneficiary insures by a notary public authenticated statement on seizure of bank account and revenues and/or bank covered blank bill and/or a mortgage on property purchased or an existing property which is without burden.



Oyster farm in the Malostonski bay

The loan guarantee fund will be deposited for a fixed term of 6 years at an interest rate of 4%, and the interest earned will be donated to the beneficiaries to reduce their loan interest.

It is planned that the loan beneficiaries will be craftsmen and businesses (those starting or already running their business). Regrettably, the family farms (OPGs) are not planned to be beneficiaries since they are not regarded as small and medium-size business. They may apply for loan as physical persons, but under different conditions.

DEŠA has set up a commission which will approve the loans and monitor spending of the loan proceeds. The commission comprises representatives of DEŠA, representatives of the Dubrovačko-Neretvanska County Office of the Economy and representatives of the bank who are the ultimate decision-makers.

This example shows that support to entrepreneurship in Croatia is only virtual. Everything looks like fine, but as soon as a person gets the courage to jump into the waters of entrepreneurship he encounters insurmountable barriers and all restrictions imaginable. This Project and the loan guarantee fund are intended to assist the beginner entrepreneurs to take that first step. We have learned that the banks play the main role, that small business is not in their focus, and there is no sufficient political will to support them in development of their business ideas. We invested quite a lot of effort, time and persuasion skills to launch a cooperation scheme in our community and thus initiate innovative approaches to resolving the existing problems to the benefit of small businesses.

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ECOVAST Croatian Section

- In the City of Samobor, collaboration has continued with the city government representatives and heads of the Spatial Planning and Environmental Protection Department in connection with the Gornji Kraji industrial zone development and land use plan changes. An agreement has been reached on banning future development activities on construction and expansion of the industrial facilities, and on the Master Plan modifications.
- Support of the ECOVAST Section to the “**Mošćenice: Town-Museum Alive**” shall be continued through collaboration in preparation of an expert conference to be held in Mošćenice in autumn this year. The conference topic is **Small Historical Towns - their Revitalization and Sustainable Development**. The idea is to connect this historical towns revitalization model with the ASSET project of the international ECOVAST.
- Rural development, particularly conservation of landscape and traditional architectural heritage and their incorporation in the tourist activities by offering educational trails and other amenities, underlines contacts and collaboration with local communities throughout Croatia (e.g. Bednja in Zagorje region, Erdut area in Slavonia, Hrvatska Kostajnica, etc.).
- Members of the Croatian Section have participated in a number of ECOVAST international actions, several European meetings and conferences (e.g. presentation on conservation of heritage through cooperation with local communities and groups of volunteers in Mechelen, Belgium in March; on landscapes and towns in Witkirchen, Upper Austria in April), and they participated in discussions on and preparation of the European Commission documentation on ECOVAST internet forum (<http://ecovastdiscussion.ning.com>), e.g. a discussion on preparation of the ECOVAST Position Statement on the European CAP (Common Agricultural Policy) Health Check, on the European Landscape Convention, etc.



Prepared by, **Biserka Dumbović Bilušić**, President of the Ecovast Croatian Section
Tihana Stepinac Fabijanić, President of ECOVAST

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Activities of the HMRR member organizations



EKOTURISTIKO in the first quarter of 2009

- A year started with the **EKOTURISTIKO annual meeting**, which had capacity building and cooperation with local self-government in the Brdovec Municipality on the top of the agenda.
- In cooperation with the Job Centre, a **three-month workshop was held on First Steps in Lepoglava Lace Making** for the unemployed in rural areas. The Project was funded by the Zagrebačka County.
- To encourage the local population to cultivation of abandoned and uncultivated land using the principles of organic agriculture, we have organized **lectures on medicinal plants growing** in collaboration with the Croatian Extension Service and the Ministry of Agriculture, Fisheries and Rural Development. This project is planned to be continued in the future.
- We have continued with **promotion of cycling tourism and hiking**, and organized again the

traditional event Spring in Pušća, and marked the Earth Day in cooperation with the City of Zaprešić Tourist Board, the Croatian Mountaineering Society from Zaprešić and Z.O.V. Zaprešić, at the Zeleni Gaj picnic grounds in Marija Magdalena.

- We organized **two workshops in the series of events referred to as Drops of Culture**, and aimed at presentation of the renowned citizens and traditions and customs of the region.

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ODRAZ - Sustainable Community Development - Encouraging Local Development Partnership

Since December 2008, ODRAZ has been organizing regional gatherings under the project "Sustainable Future for Rural Areas in Croatia". The objective is to offer basic information and promote sustainable development in rural areas. The gatherings are titled *New Prospective of the Rural Area Development*, and have been intended for the population of the rural micro-regions, actually territory of several neighbouring local self-government units which have similar spatial, traditional, cultural and development characteristics. A host and organizer is head of one of the local self-government units from a selected area. Participants are representatives of organizations, groups and/or interested individuals from all three society sectors.

The goals of these gatherings are:

- To offer information about the European approach to rural development and LEADER principles, and to explain the role of the local action groups (LAG)
- To present the pre-accession programme and support to the rural development in Croatia (IPARD)
- To show practical examples of local initiatives which could be used to build models of the European approach to the rural development
- To encourage participants to think about the rural development activities that could be undertaken in their area in partnership with all relevant stakeholders.

ODRAZ organizes gatherings in cooperation with the HMRR, the Rural Development Directorate, Managing Authority for SAPARD/IPARD Programme of the Ministry of Agriculture, Fisheries and Rural Development, and the Gorski Kotar LAG.



The first gathering was held in **Visoko, Varaždinska County on 10 December 2008**. During the first months of 2009, the City of Novi Marof and eight neighbouring municipalities from three counties decided to create a development partnership in line with LEADER approach, and confirm it by an agreement of the heads of all local self-government units. This micro region has been selected for the pilot area of the project Sustainable Development of the Regions through Participatory Processes. In 2009, within this project, a selected group will be trained in rural development, creation of local partnership, and initiating development of joint strategic plan.

Activities of the HMRR member organizations



The second gathering was held in **Brdovec on 2 April 2009**. It was convened by the mayor Mladen Debeljak. The co-organizers were HMRR and EKOTURISTIKO, member of the HMRR from Prigorje Brdovečko. Practical experience and recommendations were presented by the Gorski Kotar LAG representatives and Kristina Matijašec, local coordinator of LAG setting up activities in the greater Novi Marof area.

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OGI-Organization for Civil Initiatives Projects

Project "Partnership for Development" – The Balkan Trust for Democracy

The project aim is strengthening the role and participation of citizens by organizing and actions of formal advisory bodies in the local self-government units dealing with civil society development issues and preparation and implementation of a transparent system of financial support to NGOs from the local self-government unit budgets. Partners on the project are the cities of Drniš and Benkovac, and municipalities of Kistanje, Erdut, Jagodnjak and Šodolovci.



Almaš - Workshop on local embroidering of the traditional costume

Project „Uzdanica – Economic Strengthening and Social Inclusion of Women” – Croatian Social and Economic Recovery Project (PSGO) / Ministry of Regional Development, Forestry and Water Resources Management / World Bank

The project aim is strengthening of women and their social inclusion through development of social entrepreneurship and improved competitive capacities of long time unemployed women in the labour market. Project partner: Galovac Municipality – Zadarska County.

Project "To Be Young – To Be Active" – PHARE 2006/EU

The project aim is to contribute to active participation of the young in social and political life of their communities and in development of civil society through improved social integration of the young in the community, as a result of developing their social skills and encouraging them to proactive involvement in the decision-making process in local self-government.

Project partners are the City of Drniš, City of Benkovac, and Kistanje Municipality.

Institutional development

The OGI Management Board promulgated the new Code of Practice and the OGI Organization, Job Classification, and Income Rules. These new documents are necessary for proper conducting of the Organization operations and meeting the requirements of the donors. The OGI upgraded its computer program with new NGO bookkeeping modules pursuant to the latest Instructions on NGO Bookkeeping Practices. The institutional development has been supported by the Charles Stewart Mott Foundation.

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SLAP Association for Creative Development, Osijek RURAL DEVELOPMENT through Education and Micro-Credit Financing

Within its Youth Employment Support (YES) Project, the Slap initiated a **Coop Managers Training Program**. This is a capacity building programme targeting present and future cooperative managers. It is conceived so that the trainees are offered a possibility of three-month interactive course during which they learn and acquire skills in **20** topical workshops and group seminars.



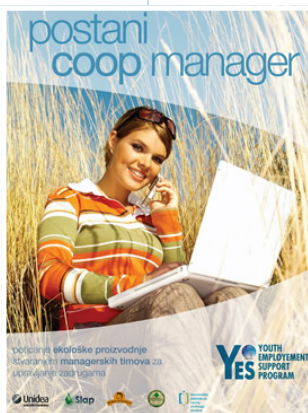
Activities of the HMRR member organizations



“Number of small producer cooperatives is on increase, but they are not managed properly and to the benefit of all the members because of the lack of time and knowledge. The field activities carried out by the Slap during the last three years have shown that the labour market offers no persons capable of cooperative management, thus we decided to fill that gap and train some thirty young and business-oriented persons, offer them necessary theoretical and practical knowledge and make them available to the present and future cooperatives”, says Sonja Vuković, the Slap President.



The Coop Manager Training Program included the following topics: social entrepreneurship and cooperative concept, public aspects of cooperative organization and management, management skills, organization skills, communication skills, human resources management, financial operations management, achieving sustainability, market aspects of entrepreneurship, marketing networks, public relations (media and promotional tools), project cycle management and effective drafting of project proposals, business planning, financing sources and efficient fund-raising skills.



In addition to lectures and workshops, the trainees will have access to permanent consultancy and tutorial support, and organized technical excursions to the cooperatives in Belgium, Hungary and Serbia. Since micro loans are one of the YES Project components, the cooperative managers shall also be offered this possibility. The trainees who prepare quality business plan presenting capacities of his/her cooperative will be given an opportunity to use EUR 10,000 loan under conditions which are more

favourable than the conditions in the market, and the loan proceeds will have to be invested into implementation of that specific business plan.

Training of cooperative managers, in addition to eco-entrepreneurs, agri-tourism promoters and others included in the YES Project, is yet another attempt of the Slap to create a successful model of social employment and improve quality of life in rural regions of Croatia. “Accessibility of know-how and minimum financial assets sufficient for launching and/or expansion of business activity is only a segment of the overall effort. The Slap will continue with working, cross-connecting, networking and raising social cohesion of the entire society”, says Sonja Vuković in conclusion.

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TINTL – International Cooperation and Rural Development Office

During the first months of 2009, numerous events marked implementation and contracting of rural area development projects in the area of the municipalities of Tovarnik, Nijemci, Tompojevci and Lovas and the City of Ilok:

- A wireless networking project “Wireless TINTL” is particularly important since in May numerous NGOs and institutions will be provided with fast internet access which is currently not available in some settlements. Additionally, training is planned for more than 70 persons for the ECDL exam.
- Among the activities related to the trans-boundary projects implemented together with Italy, WINE-DEV and E.R.S.P.A., a visit of Italian

experts was organized aimed at analysis of the situation and development of tourism strategy for the Srijem region, initial activities related to development of the sustainable wine-making strategy for the Srijem region, followed by a technical excursion to Italy which enabled the participants to learn about the examples of good European practice in tourism and vine-growing.



Signing contract for a tourist ship building within the E.R.S.P.A. project

Activities of the HMRR member organizations



- The TINTL has been successful in drafting the project proposals for the economic component of the Croatian Social and Economic Recovery Project (PSGO). Among 15 projects submitted by the existing companies, existing and new cooperatives, 14 were approved grants for their investments. The projects will considerably affect development of entrepreneurship and creation of new jobs in the TINTL catchment.

Intensive activities are being carried out in collaboration with InWEnt, Vakakis, ICDT and HMRR, helping TINTL area to become a future LAG.

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Projects >



Sustainable Future for Rural Areas in Croatia

The Partnership Project of Milieukontakt International, ODRAZ, HMRR, SMART and PINS, with financial support of the MATRA Program

The **first anniversary** of the **Gorski Kotar Local Action Group (LAG)** was celebrated at the Community Centre of Skrad on **22 April 2009**, in the company of members, local mayors, representatives of the Ministry of Agriculture, Fisheries and Rural Development, project partners and citizens of Gorski Kotar region.

Gorski kotar LAG presented its Strategic Plan priorities to the public

The Gorski Kotar LAG made another appearance in public, this time to present a Sustainable Development Strategic Plan and its priorities. Preparation of this plan was one of the most important LAG's activities in the previous period. Presentations of priorities were organized in town halls in all the cities and municipalities in the Gorski Kotar region. Although the presentations were well advertised, number of participants was not large, but they were very involved and interested in the topic. The citizens who attended the presentations expressed their support to the LAG members and their efforts to use innovative approach in resolving the problems of the Gorski Kotar rural area.

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In addition to the activities pursued in the pilot area of Gorski Kotar, the project also supports strengthening, cooperation and networking of the Croatian NGOs, HMRR members, who are involved in rural development, professional training of their members, communication with other NGOs in other countries and transfer of the European experience in rural development.

The following actions were taken within the project:

Participation of the Croatian representatives at the rural development actors workshop

Portogruaro, Italy, 29 January 2009

Organizer: Informest, Italy

Topic: Presentation of the LEADER methodology implementation and LAGs in the regions of Veneto and Friuli Venezia Giulia, and discussion on possible collaboration of Italy with Slovenia and Croatia.

Goran Šoster introduced the Slovenian Rural Development Network, and Tomaž Cunder gave a presentation of 19 Slovenian LAGs. Višnja Jelić Mück presented the current situation with the Croatian rural development and introduced the Croatian Rural Development Network. Petar Mamula spoke about founding and activities of the Gorski Kotar LAG.

Financial support to professional training

February 2009

Covering the travelling expenses for the representatives of HMRR, Gorski Kotar LAG and PINS attending the InWEnt seminar in Germany.

Workshop European Framework for the HMRR Strategy

Lužnica 30-31 March 2009

Goran Šoster, representative of the European PRE-PARE network, and Ivan Ciprijan, senior technical adviser at the Ministry of Agriculture, Fisheries and



Rural Development described the national and European framework within which the HMRR activities should be planned for the next three years. The first stage of the Strategic Plan development finished with definition of the strategic guidelines and goals.



Miscellaneous

Project PHARE 2005 EU Institutional Capacity Building and Support for Implementation of SAPARD/IPA-RD

Organizers: Ministry of Agriculture, Fisheries and Rural Development and Vakakis International S.A.

 www.ipardtasupport.org

→ **Zagreb, 16 January 2009 – workshop and roll-out**

Topic: setting up of local action groups and presentation of three pilot areas: in Zadarska County, Karlovačka County and Sisačko-Moslavačka County. The workshop was an opportunity for presentation of earlier established Gorski Kotar LAG and potential LAGs - the TINTL area, territories of three counties in the vicinity of Novi Marof and the Island of Brač. Hana Horak, Assistant Professor at the Zagreb Faculty of Economy, based on the research and comparative analysis of advantages and disadvantages of possible legal forms for organization of LAGs in Croatia, recommended that the LAGs be established as NGOs.

→ **Zagreb, 5-6 Feb 2009 – second workshop on preparations for the National Rural Network creation**

The stakeholders continued discussion about the structure of the National Rural Network (NRN). It is planned to be organized within the Ministry of Agriculture, Fisheries and Rural Development, and its management board will involve representatives of all stakeholders from the rural development field. This will enable establishment of interrelations, exchange and transfer of know-how and experience, and collaboration among different fields of activity. Croatia has no obligation to set up the Network before its EU accession, however the Ministry had decided to start earlier so that the Croatian Network could join the system of the European Rural Development Network.

→ **Zagreb, 17 February 2009 – workshop on basic agri - environmental issues**

The training was dedicated to presentation of the general conditions of the agri-environmental scheme, principles of good agricultural practice, and benefits for the users from its implementation. The pilot areas for implementation of the agri-environmental measures in Croatia, Mt .Velebit Nature Park, Lonjsko Polje Nature Park and parts of the Zagrebačka County territory, were presented to the professional community in 2008.

→ **Zagreb, 26-27 March 2009 – third workshop on the National Rural Network creation**

Based on collected questionnaires, a management system for the National Rural Network was discussed and a proposal prepared for the Network to be presided by the Ministry and to include the stakeholders sitting on the national management board. A vision of the Croatian rural regions future was discussed. This workshop, same as the previous ones, was facilitated by Prof. Michael Dower. The final workshop will be held on 29 April 2009.

SEMINARS on Regional Development and Management

Organizer: InWEnt, Germany

 www.inwent.org

→ **Osijek, 5 February 2009 – Analysis and Definition of the needs for Young Professionals**

The Slap, in cooperation with HMRR hosted a discussion on desirable profile of young professionals in rural development facilitated by the InWEnt regional consultant Suzana Đorđević-Milošević. In the years to come, InWEnt plans to train 20-25 young professionals (to 25 years of age) in different disciplines related to the rural development, according to the area needs.

→ **Zschortau, Germany, 16 - 21 February 2009 - Seminar on organization and funding of regional management**

Different models of organizational structures and financing were presented to 18 participants from South-East European countries, including four HMRR representatives. Participants had an opportunity to learn on good practices, to exchange project ideas and to share views on cooperation possibilities.

→ **Sesvete, 31 March - 3 April 2009 - Seminar on the LEADER approach in regional development and management**

The LEADER approach, the project cycle management in regional rural development, and networks management were the topics discussed with regard to project development by two potential LAGs – in the Vukovarsko-Srijemska and Zagrebačka County.