

The Regional operational programme – ROP of the Koprivnica – Križevci County has been elaborated in accordance with the procedures and standards applied in the EU. The main goal was to work out for the first time a comprehensive and coherent development plan for the county by which visions, strategic goals, priorities, measures and development projects would be determined and established.

One of the goals was also to create a basis which could be used as a starting point for directing development activities to the county's development priorities, to what is the most important for the improvement and what can „pull out“ development processes.

One of the goals was to establish and build partnerships and to get the public to participate the local and county's developing management. It was our intention to make the key stakeholder in the county's development familiar with the sense and importance of this development.

Furthermore, another important goal is bringing the managing abilities to a higher level together with the identification abilities; preparing and constructing developing interventions, programmes and projects and their evaluation.

We aimed to make for the first time an information basis for the most important developing projects in the county.

ROP is very important for the further development of the Koprivnica-Križevci county because it:

- § defines the vision, strategic goals, priorities, programmes and projects for the whole county;
- § gives the basis for directing developing projects of the county, cities and municipalities;
- § creates preconditions for the developing projects of the cities and municipalities to run for the EU financial means in case of mutual consent, and also to seek to be financed by the Croatian state institution programmes, funds and private investors;
- § enables easier agreements on the projects; enables easier connection of the cities' developing projects with the ones in municipalities as well as their more efficacious implementation;
- § contributes to the strenghtening of the inter-county, trans-border, and inter-regional cooperation in the realisation of joint developing projects;
- § offers the basis to attract investors interest and realize the Public Private Partnership.

The regional operational programme (ROP) of the Koprivnica-Križevci county (KKŽ) has been worked out by the county's working group in co-operation with the Regional partner board. The ROP agent of development is the Center for Entrepreneurship of the Koprivnica-Križevci county (CZP KKŽ) in co-operation with the Institute for International Relations (IMO) experts from Zagreb. The programme has been worked out according to the methodology recommended by the authorized Croatian Ministry of maritime affairs, tourism, transport and development.

According to the adopted methodology the Regional operational programme of the Koprivnica-Križevci county (ROP KKŽ) contains:

- § the basic analysis of the circumstances in the region of the Koprivnica-Križevci county;
- § the SWOT analysis (analysis of the weaknesses, strengths, possibilities and threats of the development);
- § the county's developing visions and strategic goals;
- § developing strategy, that is priorities and measures;
- § analysis of whether the goals/priorities/measures defined by ROP are co-ordinated with the national developing goals and the EU developing goals and principles;
- § analysis of developing projects and project ideas gathered during the first call for project application for the ROP net projects;
- § prediction of the developing results of the ROP application;
- § execution plan of the suggested strategy with the institutions authorized for the execution of the suggested activities as well as the description of the execution mechanisms;
- § monitoring methodology and the execution evaluation of the suggested activities with with success indicators of reaching the set goals.

The basic analysis gives us the situation overview, trends, problems and needs of the KKŽ and is structured in the following four basic fields:

- § Natural resources, environment and infrastrucutre;
- § Economy (economy structure, analysis of important economy sectors, premises schedule of the economy activities, external trading exchange, invesments, employment);
- § Social activities (education, health-care, social care, culture) and
- § Developing management field (civil society, inter-county, trans-border, and inter-regional cooperation).

Following developing strengths, weaknesses, possibilities and dangers for the KKŽ are determined by the SWOT analysis:

STRENGHTS	WEAKNESSES
<p><u>NATURAL RESOURCES, ENVIRONMENT, INFRASTRUCTURE</u></p> <ul style="list-style-type: none"> § Favorable geotrafical position - international and national traffical junction, adjacency of the state border § Great reserves of drinking water § Thermal resources for energy production, oil and gas fields § Abundant resources of technological wood § Well preserved ecology – unique natural legacy along the river Drava, in the areas of Kalnik and Bilogora as well as sandy habitats § Rich cultural legacy, the home of naive art, numerous sacral objects, kept alive folk customs § Good electroenergetical infrastructure 	<p><u>NATURAL RESOURCES, ENVIRONMENT, INFRASTRUCTURE</u></p> <ul style="list-style-type: none"> § The water supply doeS not satisfy the needs of the inhabitants; it covers only 36% of the population which is below the state average (70%) § Lack of two important traffic routes for our county (2 highways); improper standard of the existing infrastructure (20% of the roads are unpaved, and the rest of the paved roads are in very bad condition) § Insufficient research and exploatation of natural resources (geo-thermal resources, oil and gas fields) § Inadequate managment – research and the way in which the mineral raw material is being

	<p>exploited</p> <ul style="list-style-type: none"> § Inadequate management of garbage and inadequate drainage and clearing of waste water § Exposure to different kinds of pollution and devastation § Inadequate evaluation and usage of cultural and natural resources for the promotion of culture, tourism and the economy on the whole
<p><u>ECONOMY</u></p> <ul style="list-style-type: none"> § Developed processing industry –food industry, pharmacy, a few strong „leaders“ § Qualified work force and management in the processing industry § Dynamic development of small and middle entrepreneurship – growth of the number of handicrafts and trade associations, growth of shares acquired in the total income, increased employment § Stable and continuous financing of the entrepreneurs via entrepreneurship programmes § Developed entrepreneurship infrastructure § Good vacancy availability in the entrepreneurship zones for new investments § Tradition and know-how in the livestock farming development and increased number of commercial farms 	<p><u>ECONOMY</u></p> <ul style="list-style-type: none"> § Incoherence of small and middle entrepreneurship mutually and to other big economical subjects § Insufficient focus of the small and middle entrepreneurship to the technological development and innovations § Lack of support institutions for the technological development in the small and middle entrepreneurship § Stagnation and backwardness in the development of the wood and timber industry § Insufficient exploitation of the farming capacities – land fragmentation usually without watering, prevailing old households on the family farms, inadequate status and organizational forms with lack of specialization and zoning § «Brain drain» and departure of younger population
<p><u>SOCIAL ACTIVITY</u></p> <ul style="list-style-type: none"> § Good qualifications of the teaching staff in primary and secondary schools § Tradition and excellence in education on agriculture § College at Agriculture and Secondary school of economy in Križevci § There exists a good basis to develop higher education in Koprivnica and Križevci – university and vocational education § Pilot-project of health care reforms – defined goals and programmes to improve health services § Created conditions to implement better health care services in a new way (building and equipping health care objects) 	<p><u>SOCIAL ACTIVITY</u></p> <ul style="list-style-type: none"> § Unbalanced supply and demand in the labour market § (structural unemployment) § Big number of unemployed young people § Unbalanced educational system according to economical needs § <i>Lack of programmes</i> and institutions for lifelong education § Lack of space and equipment in primary and secondary education § Health care service in the county is not integrated and lacks informatical support; it lacks the system to manage the quality of health care service § Inadequate service to an emergency patient § Lack of palliative care, lack of health care programmes for chronic patients § Lack of cultural institutions and appropriate staff especially in rural places § <i>The „aging“</i> trend in the county – growth of elderly population share
<p><u>DEVELOPMENT MANAGEMENT</u></p> <ul style="list-style-type: none"> § Good co-operation of the county administration with the local self-government 	<p><u>DEVELOPMENT MANAGEMENT</u></p> <ul style="list-style-type: none"> § Unbalanced regional development, parts of the county are underdeveloped

<ul style="list-style-type: none"> § Successful planing, programming and managing of the development projects is being performed in a part of the administration § Continuous strenghtening of the civil sector, of the non-governmental organizations, organizations within social activities, culture, ecology and sport 	<ul style="list-style-type: none"> § Strong division between the city and the village, big differences in life standards and possibilities to earn money § Insufficient investments to strenghten the abilities to manage the regional and local development
<u>POSSIBILITIES</u>	<u>THREATS</u>
<u>NATURAL RESOURCES, ENVIRONMENT, INFRASTRUCTURE</u>	<u>NATURAL RESOURCES, ENVIRONMENT, INFRASTRUCTURE</u>
<p>Seizing the opportunity to use national programmes, EU and other programmes as well as private means for:</p> <ul style="list-style-type: none"> § Build the water supply system, drainage and watering § Better evaluation and usage of geotrafical position – road construction, construction of the second railway gauge and the intermodal terminal § Better evaluation and system improvement of the sytem managment of mineral raw material managment § Improvement of the waste managment system § Improvement and exploiting of regenerable energy resources § Exploiting the natural and cultural legacy to improve the tourism . 	<ul style="list-style-type: none"> § Continuous and increased pollution on the upstream regions along the river Drava – unsuitable water clearing and waste disposal § Continuous and increased usurpation of space opposite of the developing interests and the interests of the population; which happens because not obeying the law because of existing inadequate principles and pressure coming from outside the county
<u>ECONOMY</u>	<u>ECONOMY</u>
<p>Seizing the opportunity to use the possibilities of the national programmes, the EU and other programmes as well as private means for:</p> <ul style="list-style-type: none"> § Strenghtening the competition and the growth of export oriented production in the processing industry § Coherence of the economical subjects § Strenghtening the entrepreneurship and technological infrastructure § Creating a free zone § Specialisation and commercialisation of the primary agriculture, strenghtening the commercial producers 	<ul style="list-style-type: none"> § Strong and always growing competition of EU producers in agriculture, processing industry and trade § Lack or slow implementation of the National competition policy § Lack of efficacious national support programme for producing investments as well as for employment § Departure of qualified staff with high education § Cheaper working force coming from other countries
<u>SOCIAL ACTIVITIES</u>	<u>SOCIAL ACTIVITIES</u>
<p>Seizing the opportunity to use the possibilities of the national programmes, the EU and other programmes as well as private means for:</p> <ul style="list-style-type: none"> § Improving the conditions in primary and secondary school – building and equipping the objects § Make the educational system coherent with the needs in the economy § Strenghtening the system of high education by associating with other counties § Promotion and improvement of the lifelong learning system 	<ul style="list-style-type: none"> § Unsolved discrepancies in the educational system of secondary education with lack of staff in the economy § The State national educational system does not reflect the specificity of the regions

<ul style="list-style-type: none"> § Health care service integration for emergency patients, palliative care and chronic patients § Implementation of the quality management system in the health care service 	
<p><u>DEVELOPMENT MANAGMENT</u></p> <p>Seizing the opportunity to use the possibilities of the national programmes, the EU and other programmes as well as private means for:</p> <ul style="list-style-type: none"> § Improve the abilities for development management – founding a development agency § Development of the trans-border and inter-county cooperation due to technological development, market approach, organisation, human resources management and strengthening § Improvement of conditions to attract direct foreign and domestic investments into the entrepreneurship zones § Capacity and infrastructure growth of the civil society in order to take part in the county development § Capacity growth in order to use the means from the EU funds to finance the development projects 	<p><u>DEVELOPMENT MANAGMENT</u></p> <ul style="list-style-type: none"> § Keeping the existing fiscal policy, which obstructs local investments and the development § Not executing or holding back the decentralization process of the state budget means in favour of the regional budget and local development financing § Inadequate environment and support for the civil society development

The Working group and the Partner board have defined the vision for the KKŽ development according to the conclusions of the basic and the SWOT analysis. They have chosen the principles for a sustainable development, that means a development which seeks unity between the economical, ecological and the national-social dimension.

VISION: „The Koprivnica-Križevci county is an ecologically sustained environment with a developed transport and public utilities infrastructure, competitive economy and high living standards“

Starting with the Vision, the same stakeholders (The Working group, The Partner board) have defined four main/strategic development goals for the Koprivnica-Križevci county and together with them the priorities by which this goals are to be reached, that is the criteria by which to achieve the priorities. This has brought to a hierarchy which consists of 4 strategic goals, 18 priorities and 52 criteria and which is presented in the following table.

STRATEGIC GOAL	PRIORITIES	CRITERIA
I. COMPETITIVE ECONOMY	1. Modernizing and developing the business branches of processing industries	1. Support for other export oriented industries by using innovations, new technologies and modern organisation
		2. Creating free zones
		3. Founding a Development agency
		4. Development of technological infrastructure in order to create new products and services of bigger added value
		5. Encourage business connections of economical subjects within the county and between other counties
		6. Marketing support for the economy development
	2. Development of competitive primary agriculture	1. Farmer alliance
		2. Land disfragmentation
		3. Support specialization and strenghtening of commercial producers in agriculture
		4. Building of watering systems
	3. Development support for small and middle entrepreneurship	1. Putting the business zones into function
		2. Strenghtening the entrepreneurship infrastructure
		3. Development of financial instruments to support economical activities
	4. Economy and surroundings informatization	1. Development of e-regional and local administration
		2. Increase the IT usage in business communications and activities
	5. Adoption of EU standards and norms	1. Technical support to EU standards and norms implementation
		2. Implementation of the testing and monitoring system for product and service quality
	6. Development of selective tourism forms	1. Improvement of existing touristic products
		2. Development of new touristic products
7. Development and explitation of regenerable energy resources	1. Research and exploitation of geothermal energy	
	2. Research of the biogas power efficiency	
	3. Research and usage of the biomass	
II. DEVELOPMENT OF TRANSPORT AND PUBLIC UTILITIES SERVICES	1. Construction of the transport infrastructure	1. Construct highways: highway Gradec – Hungarian border and the Podravska highway
		2. Construction of railway transport
		3. Development of infrastructure for other transport forms

	2. Development of public utilities infrastructure	<ul style="list-style-type: none"> 1. Build the watter supply system 2. Build the waste water drainage and clearing system 3. Establish the garbage managment system 4. Gasification in the County 5. Research and exploitation of underground pools of drinking water - possible waterwells 	
	3. Development of land planing documentation	<ul style="list-style-type: none"> 1. Cadastral measure of land 2. Make ortophoto pictures of the land 3. Make geographical and land-informational system (GIZIS) 	
III. STRENGTHENING THE HUMAN RESOURCES AND RAISING THE SOCIAL STANDARD	1. Knowledge managment for human resources development	<ul style="list-style-type: none"> 1. Building and equipping of school objects 2.Improvement and encouragement of vocational education according to the economical requirements 3.Development of high educational programmes 4. Improvement of the life long learning system 5. Manage the development, trans-border and inter-county cooperation 	
	2. Develop the labour market in the county	<ul style="list-style-type: none"> 1.Create partnerships in economy, in the educational system and the employment institutions 2.Strengthening the local initiatives for employment 	
	3. Enahance the health of the inhabitants	<ul style="list-style-type: none"> 1. Increase the availability of the primary health care protection 2. Stimulate preventive programmes for health protections 3. Informatization of the health care system 4. Support the sporting and recreational contents and objects 	
	4. Active population policy and improvement of family life	<ul style="list-style-type: none"> 1. Ensure financial means for parents and children 2. Increase the availability of day nurseries and kindergardens 	
	5. Improvement of social conditions	<ul style="list-style-type: none"> 1. Accessibility of homes and reception centers 2. Social integration of socially endangered groups 3. Improve the working conditions for social care centers 	
	6. Development of civill society	<ul style="list-style-type: none"> 1. Strengthening the civil society capacities to participate in the county's development 2. Promote and strengthen the volunteering 	
	1. Guard the useful functions of nature	<ul style="list-style-type: none"> 1. Preserve the biological and environmental diversity 2. Encourage and promote the protection of the nature 	
	2. Guard the cultural heritage and promote cultural creativity	<ul style="list-style-type: none"> 1. Creation of all encompassing valorisation of the cultural and historical values 2. Support and develop cultural creativity 	
	IV. SUSTAINED USAGE OF NATURAL AND CULTURAL GOODS AND THE ENVIRONMENT		

	3. Guard the environment/ecology	1. Establish the sustained monitoring system for the environment 2. Education on sustained development and protection of the environment
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Every criterion has been additionally worked out by having defined its operative goal, content/execution activity as well as stakeholders responsible for the execution.

A comparative analysis has confirmed the high level of compatibility of the development vision, goals, priorities and criteria with the national goals and programmes as well as with the ones of the EU.

The regional operative programme will be carried out in individual projects for which management the public sector is to be responsible.

In respect to that projects and project offers have been collected and criteria defined by which they were selected. All the projects received by the County are placed in the data base of the projects.¹ Projects chosen for execution through ROP represent operationalization of the defined goals, priorities and criteria.

487 project offers have been received after the first „public appeal“ to check the interest. According to the projects number project offers dominate, and according to the total analysis it turns out that standby projects dominate (a bigger number of capital infrastructure projects, which have been in the standby position for a while or which are being prepared within the framework of the recent initiatives on the state level).

One of the main ROP goals is strategic guidance and unification of partial development initiatives into one system. Because of that it is extremely important to monitor, analyze and encourage the coherence of the project offers with the by ROP recognized and defined development priorities.

Big oscillations of the number and the total account of the by ROP recognized and defined priorities suggest that it is important to inform the development stakeholders on the deficit fields of performance in order to get a more coherent development according to all defined priorities. This is especially important because the analysis has shown that the existing and planned investments into a very important field of transport and public services development are many times bigger than the existing and planned investments into the realization of strategic goals of improving the economy competitiveness (goal 1) and strengthening the human resources (element of goal 3).

The following priorities stand out as exceptionally important for the development: Modernization and development of processing industry branches (11), Development of the county's labour market (32). Development of civil society (36).

The criteria for project selection have been prepared by the Working group and the Partner board. They include: coherence with the goals and priorities set in ROP, that is the relevance of the project; the level of project readiness according to the documentation completeness and readiness to carry it out. The degree of readiness to carry out the projects is defined in 4 project categories:

Projects ready for execution – all required licences are gathered, the feasibility estimation is finished, and it is ready to be carried out; projects which require a whole feasibility estimation – projects which might have a positive prestudy feasibility, but lack a detailed implementation plan and/or cost-benefit analysis; projects without a prestudy, without an investment description and an approximate estimation of the project effects; project offers – project ideas which first have to be transformed into projects. In the first phase of ROP implementation only the execution of well prepared projects will be supported, which will contain a complete feasibility and justification documentation. If the offers and suggestions are relevant and promising it will be helped to work the projects out into details. According to the relevance criteria, priority projects will be those who will fulfill more than one by ROP defined criteria.

Finally, in order to ensure a successful project execution and the ROP, its complete execution plan is also defined, which means that its basic elements are identified:

- § Executional institutions and mechanisms
- § Gathering means and financing
- § Monitoring and evaluation procedures for the projects and programmes
- § Procedures for a regular update of the ROP and the data base
- § First next steps in ROP execution.

As long as the the County Assembly and Administration carry the ROP implementation, the most important role will have the Project implementation unit, which is the future development agency.

In general there is a need for a significant institutional strengthening and qualification raising for development management. It is necessary to systematically implement effective management and monitor received means as well as the implementation of the development projects.

The ROP creation, the first integral strategic development document of that kind in the Koprivnica-Križevci county, represents a learning process which will be carried out even during the ROP implementation.

By ROP implementation the public sector will through suggested priority projects enable and support the private sector development as well as the one of the civil society, so that they would be able to contribute to the economical growth and the development of the democratic civil society. The public sector will be changing and institutional strengthening will occur. This would enable the County and its JLS to effectively manage their development and continuously revise and improve their Regional operative programme.

The ROP will contribute to a more successful competing for financial means from different potential sources (including the Government of the Republic of Croatia, European commission and numerous bilateral and multilateral financing sources), because the County alongside with the ROP gets a very well structured development plan suitable for presentation to potential financial sources.

Suggested monitoring and evaluation procedures have a very important role in ensuring efficiency and constant adjustment/promptness of the ROP in an ever changing environment. The regular evaluation of the ROP is intended to be carried out every two years. The ROP monitoring on the whole is a part of the monitoring and evaluation system which contains

components by which particular projects and programmed are monitored. Projects and their phases are monitored, evaluated and adaptively managed in shorter intervals.

Since the ROP represents a general development framework which estimates all the other development projects and priorities, it is extremely important to ensure the procedure for alteration and annex implementation, so that the ROP would stay relevant and adjusted to the views and professional opinions of the main stakeholders.

The following „two-level“ procedure is suggested as appropriate:

- § The yearly review/ progress monitoring
It must be carried out during the time when the county budget for the next year is being determined. Each segment which refers to the ROP goals and priorities (criteria, projects, foreseen results) needs to be questioned, so that the progress and success of the projects could be determined. It is necessary to reinforce the alteration suggestions, and then the yearly control is passed over to the Partner board for conciliation and decisions. The Partner board can request explications and prepare recommendations for the County assembly in order to correct the budget for the next year on time.
- § Two-year evaluation. It is necessary to focus on the project results according to the spent/used means. This is a formal process carried out by the Entrepreneurship center of the Koprivnica-Križevci county (that is, the future development agency), whose experts are to determine the project successfulness, its effectiveness, relevance and development results. The report goes then to the Partner board which evaluates it. The evaluation is accessible to the public.

If the Partner board recommends it (and only then), the suggested alterations can be sustained or dismissed by an official decision of the Assembly.

In this way the results are accessible to the public and the decision making transparent. The ROP will continuously be examined, updated and improved and the development partnership expanded and strengthened.

The following steps are to be taken in the ROP implementation:

- § Defining of the priority projects in the Partner board
- § The Entrepreneurship center (future development agency in KKŽ) needs to incur debts in order to implement the projects
- § Technical support for ROP implementation; support the Entrepreneurship center of KKŽ to grow into a Development agency in KKŽ and to implement concrete assignments/projects (helping by the Croatian regional development strategy and other programmes); to support it in gaining means for suggested projects; in preparing project documentation; in monitoring and evaluation procedures of the project success
- § Supervision over the project by the Entrepreneurship center (future development agency)
- § Preparation for the first part of the feasibility study
- § Beginning of the priority projects implementation
- § Constant update, analyses and projects data base managing.

