

Overview of Croatia's Regional Policy and Regional Studies

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“The Republic of Croatia is EU Member State as of 1 July 2013”

1. The Administrative-territorial setup and Population

The Republic of Croatia declared in 1991 its independence from Yugoslavia. In 1992 the Act on Territories of Counties, Cities and Municipalities was passed, based on which the number of towns and municipalities increased more than five times. Today, there are 576 local and regional self-government units (20 counties, the city of Zagreb – NUTS III, 126 towns and 429 municipalities – LAU 1 and 2). Most local self-governments and all counties are new institutions. The total population is 4.3 million and density is 76 inh./km². Approximately 790 thousand people live in the capital city of Zagreb and another 318 thousand in the surrounding Zagreb County accounting for a quarter of Croatia's total population (Census 2011). Initially three NUTS 2 level regions were introduced in 2006, which was changed in 2013 to only two regions: *Continental Croatia* encompassing 13 counties and the city of Zagreb, and *Adriatic Croatia* encompassing 7 coastal counties (see Map, p.4). The intention is to foster and coordinate joint development initiatives of counties and their regional development coordinators with the support of national level institutions, i.e. the Regional development agency and Ministry of Regional Development and EU Funds (MRDEUF).

2. The Legal Framework and Development Index

Croatia's regional development philosophy inherited from the past and integrated in the 1990s development policies is rather focussed on specific development problems on the local level. There were four specific acts dealing with local, regional or territorial development issues: the Island Act (Official Gazette 34/99, 32/02, 33/06), the Act on Areas of Special State Concern (Official Gazette 26/03, 42/05, 90/05), the Act on Hill and Mountain Areas (Official Gazette 12/02, 32/02, 117/03), and the Act on Reconstruction and Development of the city of Vukovar (Official Gazette 44/01, 90/05). Eligible local self-governments benefit from central government budgetary contributions and general financial support, and a number of tax exemptions for the inhabitants in the specified areas are provided. With the new draft proposal of the Act on regional development (October, 2013), it is intended to integrate these specific policies and use a weighted development index (DI) for all local and regional units, introduced in 2010 (Official Gazette 89/2010).¹

At the national level, the MRDEUF acts as the coordinating body for regional development issues. On regional and local level, counties and major towns have development agencies incl. entrepreneurship support centres, technology centres, business incubators and other business

¹ MRDEUF, 2010, available at www.mrrfeu.hr

related development institutions. The chamber of commerce (www.hgk.hr) and chamber of crafts (www.hok.hr) are actively supporting local and regional economic development.

3. Regional Development Policy in the Context of EU Integration

The process of creating an integrated regional policy framework including the legal framework and national regional development strategy started in 2003 and was adopted by the Government and Parliament of the Republic of Croatia in 2010. The *Strategy on Regional Development of the Republic of Croatia 2011-2013* and the legal documents are publicly available on the Ministry's website (www.mrrfeu.hr). In accordance with the national legislation, on regional level all 21 counties are obliged to formulate 3 year integrated strategic programmes involving local stakeholders into partnerships. The process is designed according to the legally prescribed methodology that is based on EU programming and partnership principles. On NUTS II level coordination partnerships of county representatives were formed that met and discussed joint project proposals, with the intention to establish project pipelines on national level.

Though, Croatia is now EU member state and can use the cohesion and structural funds, it is still implementing the *Instrument for Pre-Accession Assistance (IPA) programme* for the period 2007-2013 (i.e. until 2016). The main objectives of the IPA Programme are to support the candidate countries and potential candidate countries in harmonization of the legislation with the *acquis communautaire* and the implementation of the harmonized legislation; it should also help prepare them for the programming, management and implementation of the funds that will be made available to them upon accession (the structural and the agricultural funds, Cohesion Fund). In order to enhance an efficient implementation of the main objectives, the IPA Programme is organized in the following five components serving as a preparatory process for EU structural funds: *Transition Assistance and Institution Building (TAIB)*; *Cross-Border Cooperation (CBC) with Operational Programmes for: Adriatic, Slovenia-Croatia, Hungary-Croatia, Croatia-Bosnia and Herzegovina, Croatia-Montenegro, Croatia and Serbia, SEE – South East Europe, Mediterranean*; *Regional Development with Operational Programmes for: Transport, Environment, and Regional competitiveness*; *Human Resources Development and the Operational Programme*; *Integrated Programme for Rural Development (IPARD)*.

In order to obtain funds and implement projects under the Programme, two basic conditions must be met: development of strategic documents, preparation of the projects and their monitoring; accreditation of institutions to manage programmes and projects. This has been accomplished and the programmes are being implemented.

4. Regional Studies in Croatia

In March 2013 the Institute of Economics, Zagreb, Department for Regional Economics, Sustainability and Governance has launched the newsletter "*Regio-novosti*" with the aim to share knowledge and information, encourage cooperation between scientific, professional and broader audiences, as well as active involvement in international associations, and facilitate

cooperation in the region. The publication frequency is twice annually (March/October). The publication is available at: <http://www.eizg.hr/en-US/Regio-news-990.aspx>.

A number of Croatian universities continue to provide postgraduate programmes related to regional and local development. The information is listed below under point 5.

5. Croatian Regional Development and Regional Studies related web-sites:

Ministries:

Ministry of Regional Development and EU Funds: www.mrrfeu.hr,

Ministry of Construction and Physical Planning: www.mgipu.hr,

Ministry of Economy: www.mingo.hr,

Ministry of Entrepreneurship and Crafts: www.minpo.hr,

Ministry of Environmental and Nature Protection: www.mzoip.hr

National and regional development agencies: www.arr.hr (Republic of Croatia, Regional Development Agency), www.ida.hr, www.azra.hr, www.porin.hr, www.redea.hr, www.dunea.hr, www.zara.hr, www.zadra.hr, www.zacorda.hr, www.rera.hr, www.slavonia.hr, www.simora.hr, www.pora.com.hr, www.rerabbz.hr, www.lsz-lira.hr, www.ravidra.hr, www.rra-sibenik.hr, www.ar-hrast.hr

Research institutes:

The Institute of Economics, Zagreb (EIZ): www.eizg.hr,

Institute for Development and International Relations (IRMO): www.irmo.hr

Universities/Faculties:

University of Juraj Dobrila in Pula, Department for economy and tourism “Dr. Mijo Mirkovic”, Postgraduate programme „European integration, regional and local development”, <http://oet.unipu.hr/index.php?id=106>.

University of Zadar and University of Teramo (Italy), international doctoral programme “Sociology of regional and local development”, <http://www.unizd.hr/sociologija/Doktorskistudij/tabid/4950/Default.aspx>.

University of Zagreb

Centre for Postgraduate Studies, Interdisciplinary postgraduate programme on “City management”, <http://www.unizg.hr/upravljanje-gradom>.

Faculty of Economics Zagreb, postgraduate programme on „Local economic development”, <http://www.efzg.unizg.hr/default.aspx?id=7460>

Faculty of Science, Geography Department, postgraduate doctoral programme on „Geographic aspects of spatial planning”, http://www.pmf.unizg.hr/geog/nastava/poslijediplomska_nastava.

Faculty of Political Sciences, postgraduate programme on „Local democracy and development”, <http://www.fpzg.unizg.hr/index.php?q=/studiji/poslijediplomski/specijalisticki-studiji/lokalnademokracija-i-razvoj>

MAP: REPUBLIC OF CROATIA NUTS 2 REGIONS AS OF 1 JULY 2013

