



## GOOD PRACTICES - CASE IDENTIFICATION /1<sup>ST</sup> LEVEL ANALYSIS

### 1. Good Practice title:

Program "Local development projects – microcrediting" by the Croatian Ministry of Business and Crafts (MINPO). This microcredit program falls into the category of sustainability and efficiency of local microfinance programs.

### 2. Territory of implementation/application (country/region/...)

Croatian Ministry of Business and Crafts (MINPO) implemented this program country wide.

### 3. Timeframe:

year of introduction: 2009

year of termination: 2010

*(leave 0000 if ongoing)*

### 4. Brief description of the promoting organization:

The Ministry of Business and Crafts performs administrative and other tasks related to SMEs, crafts and cooperatives. It also works on promotion of exports and foreign investment, improvement of competitiveness of SMEs and balances regional development of entrepreneurship.

### 5. Main objective of the initiative:

The main goal of the initiative is to provide subsidy on interest rates on credit to SMEs for the purchase, construction, renovation, expansion of business buildings, buying machinery or machine parts and investment to permanent working capital.

### 6. Brief explanation of the initiative:

Offered microcredit line:

- minimum loan amount was 4.600,00 EUR, with a maximum of 26.000,00 EUR,
- repayment period was up to 5 years, including a 1 year grace period,
- annual interest rate was 7%,
- the Ministry subsidized 1% of interest rate.

### 7. Target group and measures to involve the target group:

The project is implemented through the Interreg Europe programme co-financed by ERDF.



European Union  
European Regional  
Development Fund

**ATM for SMEs**  
Interreg Europe

The target group were crafts, small and medium sized companies and unions owned by Croatian citizens that invest in the Koprivnica Križevci County regardless of headquarters location.

**8. Innovativeness:**

Local government could join the program and add additional subsidy to their local entrepreneurs.

**9. Outcomes:**

With Koprivnica Križevci County joining the program entrepreneurs gained additional 2% interest rate subsidy. Specific numeric results could not be found at this time.