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IF YOU BUILD IT - WE WILL COME

AKO IZGRADITE – MI ĆEMO DOĆI

ABSTRACT

This paper was inspired by the movie called "Field of Dreams" in which we see the forgotten and neglected area, and after the baseball pitch was built on it, suddenly, as in a dream, famous players appear, coming from the corn fields and starting the game. Gradually the people gathered and life in this area began again. The dream was achieved. Eastern Croatia more and more looks like a forgotten and neglected area, because there is no production (and we know that not so long ago there was), there is no organized and developed tourism, so there is no traffic. But, there are fewer people and jobs, increasing the outflow of young people to developed countries. Cities and villages remain neglected, and schools half-empty, because of the white plague. There was an idea in development plans of building entrepreneurial zones in cities and larger municipalities in order to attract investors and create modern facilities for processing of raw materials and other necessary activities, and give people jobs. To make it all come to life, the idea was to give Osijek and Eastern Croatia back the name "crossroad" and prosperity. This means, to rebuild its road and railway infrastructure by construction of Vc Corridor and improve river and air transport, and in this way connect the region with the rest of Europe. Another important component is the creation of a stimulating development program with the legal framework and guidelines that guarantee long-term security of invested capital, long-term stability in terms of taxes, contributions and all other levies. This paper will provide analysis of the situation with existing enterprise zones with special reference to the Osijek-Baranja County. The aim is to highlight current situation of built enterprise zones, and especially the need for their completion, in order to realize the initiated idea of creating conditions for development of the Eastern Croatia and present it to investors, as in the movie „Field of Dreams“ with the saying "If you build it - we will come".

Keywords: Enterprise zones, Infrastructure, Investments, stimulation programs

SAŽETAK

Na ovaj rad potaknuo nas je film "Field of dreams" („Polje snova,“) u kojem se na zaboravljenim i zapuštenim prostorima, nakon izgrađenog igrališta za baseball, najednom, kao u snu, pojavljuju

čuveni igrači, koji dolaze iz kukuruznih polja i započinju igru. Postepeno su se skupljali ljudi i ponovo je počeo život u tom kraju. Ostvario se san. Istočna Hrvatska sve više podsjeća na zaboravljene i zapuštene prostore, jer nema proizvodnje (a znamo da je ne tako davno postojala), nema organiziranog i razvijenog turizma, pa nema niti prometa. Ali, zato ima sve manje ljudi i zaposlenih, sve veći odljev mladih u razvijene zemlje, Gradovi i naselja ostaju zapušteni, a škole poluprazne, jer vlada bijela kuga. U planovima razvoja svojevremeno pojavila se ideja o izgradnji poduzetničkih zona u gradovima i većim općinama kako bi se privukli investitori i otvarali suvremeni pogoni za preradu sirovina i drugih potrebnih djelatnosti, te zaposlilo stanovništvo. Da bi to sve zaživjelo, ideja je bila ponovo Osijeku i istočnoj Hrvatskoj vratiti naziv, "križišće puteva" i prosperiteta. To znači, obnoviti cestovnu i željezničku infrastrukturu izgradnjom Koridora Vc, i usavršiti riječni i zračni promet te na taj način povezati regiju s ostalim dijelom Europe. Osim toga značajna komponenta je izrada stimulativnog programa razvoja sa zakonskim okvirom i odrednicama koje garantiraju dugoročnu sigurnost uloženog kapitala, dugoročnu stabilnost po pitanju poreza, doprinosa i svakih drugih nameta. U ovom radu dat će se analiza situacije s postojećim gospodarskim zonama s posebnim osvrtom na Osječko baranjsku županiju. Cilj rada je ukazati na postojeće stanje izgrađenih poduzetničkih zona, a posebno potreba za njihovim dovršenjem, kako bi započeta ideja o stvaranju uvjeta za razvoj istočne Hrvatske bila ostvarena i predstavljena investorima, kao u filmu „Polje snova,“ s uzrečicom „Ako izgradite - mi ćemo doći“.

Ključne riječi: Poduzetničke zone, Infrastruktura, Investicijska ulaganja, Stimulativni programi.

1. Introduction

Discussing energy policy in Canada Roger Gibbins [2] reminds of the idea from the movie "Field of Dreams" (based on WP Kinsella book „Shoeless Joe“), which reads: "If you build it, he will come." Based on this idea a full range of non-governmental projects was started (construction of social and sports facilities), and later this logic was accepted in development of small and medium-sized enterprises. Jayson Myers, president of Canadian Manufacturers and Exporters Association described it in article - Enterprise Network Canada - "If We Build it ... SMEs Will Come".[6] According to the Canadian practice, this analysis of establishment of enterprise zones in Croatia, as well as in Slavonia and Baranja was done. For this (Croatian) parable it is very useful to quote the article of brothers Craig and Marc Kielburger: If You Build It, They Will Come - But Building's Not Enough.[4]

1.1. About Entrepreneurial Zones

It is known that enterprise zones exist in all developed countries. Their location is usually set along the transport routes, and they are equipped with the complete infrastructure, which means electricity, water, drainage, access to telecommunications, with the precisely planned scheme for certain branches of industry. Such organized and well equipped entrepreneurial zones, are usually offered to investors, with stimulation. Zones are usually parceled for certain branches of activity which is in line with the development programs of the local government, but also in line with the strategic documents of Counties and the Republic of Croatia.

Thus, stimulation of investors is consistent with the needs of local authorities and the existing needs for development of the region. Benefits to investors in certain activities are given in order to start that production which is most appropriate to the local area due to soil and climate conditions but also in demand on the world market. The investors are offered benefits for investments and high return on invested capital. Thus the strategic development projects of the region, as well as the whole country, are achieved. Unused spaces are filled, investors and residents are stimulated for certain production and processing, especially in today's growing demand for organic production while preserving the environment and sustainable economic development.[10]

2. Development of entrepreneurial zones in Croatia

Entrepreneurial zones in Croatia are intended as a center of economic development in each local government unit (LGU) and for balanced regional development of the entire Croatian territory. In some local areas construction of entrepreneurial zone started in the 1980s. Since 2001, through the relevant ministries, two important government programs for encouraging small economies are carried out: The Program of Entrepreneurial Zone Development 2004 - 2007 [17] and the Program for Support of Small and Medium Enterprises 2008 – 2012. [18] In July 2013, the Act on the Promotion of Entrepreneurial Infrastructure was adopted. [20]

The Program of Entrepreneurial Zone Development 2004 - 2007 set framework goals: development of enterprise zones in the vicinity of any major settlement, purpose of enterprise zones should be production, and an integral part of the zone is a center for education and advisory of companies on financing, production and business models.

In the period from 2004 to 2013, the amount of 2.03 billion kuna has been invested in enterprise zones in the territory of the Republic of Croatia. Out of that amount 823 million kuna directly from the State Budget through the ministries, and value of 1.21 billion kuna in land and real estate given. This way, 348 zones in 20 counties have been founded; the largest funds allocation of the state was in 2008 (113 mln kuna) and the smallest in 2013 (about 10 mln kuna). According to plans in the 20 counties (without the City of Zagreb) it was predicted to establish 1308 zones, but only 449 have been operating at the end of 2013 (only one third). In these active zones operated 2,674 businesses with 69,400 employees. [9]

2.1. Entrepreneurial Zones in the Territory of Slavonia and Baranja

In the Slavonia and Baranja region it was planned to establish 213 entrepreneurial zones. Overview of established zones in the five counties of eastern Croatia and donated land owned by the Republic of Croatia from 2004 to 2012 is given in Table 1, and we will give a short summary for all five counties.

Table 1 Established enterprise zones in the area of five counties of Eastern Croatia and donated real estates owned by the Republic of Croatia in the period from 2004 to 2012:

N°	Counties	Number of zones	Number of donated real estates	Value (000 kuna)	Surface (ha)
1	Virovitica-Podravina C.	16	20	78,844	425.8
2	Požega-Slavonia C.	3	4	10,451	26.2
3	Slavonski Brod-Posavina C.	11	14	37,069	218.6
4	Osijek-Baranja C.	20	24	156,240	389.5
5	Vukovar-Srijem C.	10	10	28,535	224.9
6	Total Slavonia & Baranja	60	72	311,139	1,285
7	Total Croatia	157	194	1207,042	2,973
	Share of Slavonia in RC (%)	38.2	37.1	25.8	43.2

Source: [1]

Slavonski Brod-Posavina County

In 26 cities and municipalities in the territory of Slavonski Brod-Posavina County it was planned to establish 52 entrepreneurial zones, and by the end of 2013, there have been only 10 of them. In active zones operated 49 businesses (31 with a production profile) that employed 1,262 workers and 50 non-active businesses. 72 million was invested in the launch of these 10 zones, and 33 million kuna was invested in 16 out of 42 zones that have not been put into operation.

Osijek-Baranja County

In 39 cities and municipalities of Osijek-Baranja County it was planned to establish 63 entrepreneurial zones, and by the end of 2013, there have been 33 of them in which 149 million kuna has been invested. In these zones actively operated 232 companies (51% of them with a production profile) employing 3,049 workers, and 90 inactive businesses have been recorded. Out of 30 non-active zones, for eight of them no formal decision on the establishment has been adopted, while 30 million kuna has been invested in 17 of them, some of which are constructed, but not in function.

Požega-Slavonia County

In Požega-Slavonia County, in ten cities and municipalities, the launch of 30 enterprise zones was initiated, out of which there were nine at the end of 2013. In the development of active zones 67 million kuna was invested, and 47 companies operate there (22 companies engaged in production), and employ 1,147 workers. In 19 enterprise zones there is no activity, and 17 million kuna has been invested in five of these from the local budgets.

Virovitica-Podravina County

Out of 34 planned zones in 15 cities and municipalities in Virovitica-Podravina County, there were 12 active zones in which 77 million kuna was invested. At the end of 2013 in these areas operated 48 companies (42 that deal with production) with 819 employees and 35 companies were inactive. Other 22 zones are not in operation; in seven zones there were no investments and in 15 of inactive zones the total of 25 million kuna has been invested.

Vukovar-Srijem County

In 31 towns and municipalities in Vukovar-Srijem County it was planned to build 56 zones; at the end of 2013 there have been nine zones in which 79 million kuna was invested. 42 companies operated in these zones (16 of them manufacturing), employing 525 workers. There is a large number of inactive companies – as much as 65. There is also a large number of zones that are not in use - 47 of them are not in operation; for 24 of them a decision on the establishment has not been adopted yet, and the reason is the fact that local governments do not have ownership of the land; in 13 of them 26 million kuna has been invested so far.

Below is more detailed analysis of establishment of entrepreneurial zones in the territory of Osijek-Baranja County.

2.2. Entrepreneurial Zones in the Territory of Osijek-Baranja County

Osijek-Baranja County (OBC) has adopted the County Development Strategy for the Period from 2011 to 2013, laying down the objectives and priorities in development of the County. According to this strategy the construction of economic infrastructure in seven cities and 34 municipalities was scheduled, in order to solve development problems - insufficient use of natural resources, areas under mines, above-average unemployment rate, below-average level of development and competitiveness in relation to the Republic of Croatia, insufficient development of the municipal system, inadequate system for waste disposal and waste water treatment, a large number of small farmers who are not interconnected and their low level of equipment, the non-existence of a harmonized policy of development of economic zones and attracting investors, lack of expert employees for preparation and implementation of projects.

Basic information about entrepreneurial zones in the OBC area are shown in Tables 2 - 4;

As can be seen from the table, in the period from 2003 to 2013 in building and development of

enterprise zones in the OBC a total of 179.2 million kuna has been invested. Out of that sum, LGUs have invested 68.5 mln, the County 25.9 mln, the Republic of Croatia 61.8 mln and other sources 22.9 mln kuna. But in late 2013, only 33 enterprise zones were in operation (232 companies with 3,049 employees operate, and in this zone 148.8 mln kuna has been invested, or 48,800 per employee. At the same time 30 enterprise zones were not in function, with total area of 588 ha, in which 30.49 mln kuna has been invested, that is 51,600 kuna per hectare. [1]

2.3. Report of the State Audit Office on Establishment of Entrepreneurial Zones

According to the Program for Support of Small and Medium Enterprises 2008 – 2012, the main carriers in the construction of enterprise zones in LGU are the Ministry of Economy, Labor and Entrepreneurship, the Ministry of Environmental Protection, Physical Planning and Construction, the Central State Office for State Property Management, the Ministry of Regional Development, the Croatian Chamber of Economy, the Croatian Chamber of Crafts, the Agency for Export and Investment Promotion, the Croatian Agency for Small Businesses, the Development and Employment Fund and Regional Development Fund. The carrier in the implementation of co-financing of making project documentation and construction of transport and utilities infrastructure to and in enterprise zones in the LGUs on islands and in coastal areas, is the Ministry of Sea, Transport and Infrastructure.

During 2014, the State Audit Office has made an analysis of establishment and operation of entrepreneurial zones in the territory of the Republic of Croatia. To assess the effectiveness of the establishment and investments in equipment and development of enterprise zones, the criteria has been determined arising from the laws and regulations, and during the audit the evidence was collected, in order to respond to the following questions: [1]

- Did the LGUs implement projects of construction of entrepreneurial zones in accordance with the programs of the Croatian Government?
- Have the plans and programs of business and enterprise zones been adopted by the LGUs and are they compliant with the programs of the Croatian Government?
- Have the LGUs adopted appropriate decisions on the establishment of enterprise zones?
- Did the local governments use the land obtained from the Republic of Croatia for development of enterprise zones?
- Has the construction and equipping of business zones been carried out in accordance with the needs?
- Has the planned activity in the enterprise zones been achieved?
- Have the LGUs taken measures to encourage entrepreneurial activity with the aim of completing the enterprise zones?
- Is there an information system in enterprise zones?

The report of auditor cited organizational omissions regarding establishment and development of entrepreneurial zones and provided recommendations for more efficient organization of these zones. The main and most important finding is insufficient supervision of spending of the approved aid and incomplete user reports on justification of the allocated funds. Missing, according to their findings, is the coordination of government bodies dealing with the zones. Sector ministries did not have data on the number of small and micro enterprises, as well as on whether there has been any increase in the number of employees, as was scheduled in programs for development of enterprise zones. However, in our paper we also point out two important elements - which can contribute to successful marketing of commercial space in these zones with investors; these are transport and communication connections with larger (European) market.

Table 2 Investments in entrepreneurial zones and sources of funding in the area of Osijek-Baranja County from 2004 to 2013

County from 2004 to 2013							
N°	Cities	Name of zone	Total invest. (000 kn)	Financial source (000 kn)			
				Local gov.	County	RC	Other
1	B. Manastir	PZ Beli Manastir	14,329	1,514	1,915	10,900	0
2	Belišće	PZ uz Karašicu	4,998	3,222	327	1,450	0
3		PZ Trž. Cen. Belišće	120	120	0	0	0
4	D. Miholjac	PZ „Kod pruge“	550	0	550	0	0
5		PZ Zagajci	120	0	120	0	0
6		Ind. zona Janjevci	22,763	4,150	2,070	5,620	10,923
7	Đakovo	IPZ Đakovo	1,519	719	0	800	0
8		PZ Široko polje	84	0	84	0	0
9	Našice	Industrijska zona	15,683	3,871	2,740	9,050	22
10	Osijek	PZ Tenje	6,402	3,198	500	1,000	1,704
11		Ind. zona Nemetin	15,064	9,813	0	130	5,121
12		PZ Zapad	424	74	0	350	0
13		PZ Jug I faza	8,976	4,476	4,500	0	0
14		Sl. zona Osijek	155	155	0	0	0
15		PZ sklad i servisa	1,180	538	0	650	0
16	Valpovo	PZ u Bizov. ulici	2,844	144	0	2,700	0
17		PZ K-VI	3,931	1,181	0	2,750	0
18		PZ II u Valpovu	160	0	160	0	0
19		Zona m_privrede	3,470	0	1,450	2,020	0
20		Industrijska zona	452	86	0	367	0
	Municipalities						
21	Antunovac	PZ Antunovac	15,479	13,679	1,180	620	0
22	Bilje	PZ Sjever-Bilje	8,698	3,001	2,316	3,313	68
23	Bizovac	PZ Sajmište	2,550	1.250	450	850	0
24	Čeminac	PZ Čeminac	2,950	33	967	1,950	0
25	Čepin	PZ Vinogradi	997	97	0	900	0
26	Darda	PZ m_obrta i pod.	12,723	8,573	600	3,550	0
27	Draž	PZ Gajić	520	50	470	0	0
28		PZ Duboševica	100	100	0	0	0
29		PZ Topolje	170	150	20	0	0
30	Đurđenovac	SPZ Pašnjak PZ	42	42	0	0	0
31		Z_m_privrede	2,659	799	860	1,000	0
32	Erdut	PZ u Bijelom Brdu	5,135	867	400	1,000	2,867
33	Ernestinovo	PZ Ernestinovo	199	199	0	0	0
34	Feričanci	PZ Dračica I	1,453	73	550	830	0
35	Kn. Vinogradi	Poduz. i rekre. zona	10,927	3,893	1,390	4,108	1,536
36	Koška	Zona malog gospodarstva	1,756	356	150	1,000	250
37	Marijanci	PZ Črnovci	1,846	56	200	1,590	0
38	Petlovac	B. Petrovo Selo	18	18	0	0	0
39		Petlovac	24	24	0	0	0
40	Petrijevci	Zona _privrede	1,850	0	650	1,200	0

N°	Cities	Name of zone	Total invest. (000 kn)	Financial source (000 kn)			
				Local gov.	County	RC	Other
41	Podgorač	PZ Podgorač	852	0	552	200	100
42	Punitovci	PZ Josipovac Punitovački	121	121	0	0	0
43	Semeljci	PZ Semeljci	2,958	1,227	400	1,180	150
44		Gospodar. zona	170	171	0	0	0
45	Strizivojna	PZ Svinjarevo	442	12	230	200	0
46	Trnava	PZ Trnava	176	67	20	89	0
47	Viljevo	PZ Cret Viljevski	736	236	100	400	0
48	Viškovci	PZ Viškovci	369	139	50	0	180
	Total OBC		179,155	68,495	25,971	61,768	22,921

Source: [1]

Table 3 Entrepreneurial zones in operation in the area of Osijek-Baranja County - at the end of 2013

N°	Cities	Name of zones	Number of companies	Number of employees	Investments (000 kn)	Invest/employ. (000 kn)
1	Belišće	PZ Beli Manastir	12	111	14,329	129.1
2		PZ uz rijeku Karašicu	7	97	4,999	51.5
3		PZ Tržni centar Belišće	22	24	119	4.9
4	Donji Miholjac	Ind.zona Janjevci	40	715	22,763	31.8
5	Đakovo	Ind-pod. zona Đakovo	36	465	1,519	3.2
6		PZ Široko polje	3	20	83	4.2
7	Našice	Industrijska zona	14	267	15,683	58.7
8	Osijek	PZ Tenje	11	93	6,402	68.8
9		PZ Zapad	2	20	424	21.2
10		Zona skladišta i servisa	5	249	1,188	4.7
11	Valpovo	PZ u Bizovačkoj ulici	6	52	2,844	54.7
12		PZ K-VI	3	33	3,931	119.1
13		PZ II u Valpovu	9	53	160	3.0
14		Zona male privrede	1	54	3,470	64.3
15		Industrijska zona	14	158	453	2.8
Municipalities						
16	Antunovac	PZ Antunovac	4	42	15,479	368.6
17	Bilje	PZ Sjever Bilje	1	9	8,698	966.4
18	Bizovac	PZ Sajmište	6	20	2,550	127.5
19	Čeminac	PZ Čeminac	1	2	2,950	1,475
20	Darda	Zona obrta, MS pod	5	177	12,722	71.8
21	Draž	PZ Gajić	1	12	520	43.3
22		PZ u Duboševici	1	25	100	4.0
23		PZ u Topolju	2	30	170	5.6
24	Đurđenovac	Zona zanat. i MP	2	8	2,659	332.2
25	Erdut	PZ u Bijelom Brdu	1	2	5,135	2,567.5
26	Kn. Vinogradi	Pod_ rekreat zona	3	51	10,927	214.2
27	Koška	Zona malog gospod.	1	7	1,756	250.8

N ^o	Cities	Name of zones	Number of companies	Number of employees	Investments (000 kn)	Invest/employ. (000 kn)
28	Marijanci	PZ Črnkovci	5	75	1,846	24.6
29	Magadenovac	PZ Magadenovac	1	10	0	0
30	Petrijevci	Zona male privrede	7	150	1,850	12.3
31	Semeljci	PZ Semeljci	4	11	2,958	268.9
32		Gospodarska zona	1	3	171	56.9
33	Viškovci	PZ Viškovci	1	3	369	122.9
	Total OBC		232	3,049	148,778	48.8

Source: [1]

Table 4 Entrepreneurial zones in Osijek-Baranja County - which at the end of 2013 were not in operation

N ^o	Cities / Municipalities	Name of enterprise zone	Founded in	Area (ha)	Investments (000 kn)	Invest./ha (000 kn)
1	Belišće	PZ „Kod pruge“	2013	5.45	550	101
2		PZ Zagajci	...	6.12	120	19.5
3	Osijek	Ind. zona Nemetin	2006	100.98	15,064	149
4		GZ Jug I faza	2006	155.00	8,976	57.9
5		Sl. zona Osijek	2006	37.40	155	4.1
6	Valpovo	PZ u Valpovu	2010	32.86	453	13.7
7		PZ K-III ul.Lj.Gaja	...	3.39	0	0
	Municipalities					
8	Čepin	PZ Vinogradi	2003	33.00	997	30.2
9	D.Motičina	PZ Topolinka	2010	6.00	0	0
10	Draž	PZ u Batini	...	3.47	0	0
11	Drenje	PZ Dr_Aerodrom	2008	7.30	0	0
12		PZ Drenje-Cigla	2008	2.70	0	0
13	Đurđenovac	St_p_zona-Pašnjak	2005	33.03	42	1.2
14		PZ sj-Pribiševaca	2005	15.40	0	0
15	Ernestinovo	PZ Ernestinovo	2003	4.67	198,746	42.5
16	Feričanci	PZ Dračica I	2004	5.33	1,452	272
17	Gorjani	Proiz_posl. zona	...	5.55	0	0
18	Jagodnjak	PZ Jug	...	12.43	0	0
19	Marijanci	PZ Marijanci	2004	9.00	0	0
20	Petlovac	PZ Bar.Petrovo Selo	2006	1.62	18	11.3
21		PZ Petlovac	2006	5.00	24	4.8
22	Podgorač	PZ Podgorač	2006	6.42	852	132.7
23	Popovac	PZ Kneževo	...	5.94	0	0
24	Punitovci	PZ Josipovac Punit.	2008	3.36	121	35.9
25	Satnica Đak.	PZ Satnica Đak.	2011	45.16	0	0
26	Strizivojna	PZ Svinjarevo	2009	9.94	442	44.5
27	Trnava	PZ Trnava	2008	9.74	176	18.1
28	Viljevo	PZ Cret Viljevski	2004	5.70	736	129
29	Vladislavci	PZ Vladislavci	...	15.94	0	0
30	Vuka	PZ	...	0	0	0
	Total OBC		2003 - 2013	587.90	30,377	51.6

Source: [1]

3. Entrepreneurial zones and traffic connections of eastern Croatia

Eastern Croatia, basically has good connections with railway, river, road and air traffic. The main natural traffic routes of Eastern Croatia are: [5] [11] [12] [13] [19]

I. Longitudinal

1. Via Posavina.
2. Via Podravina

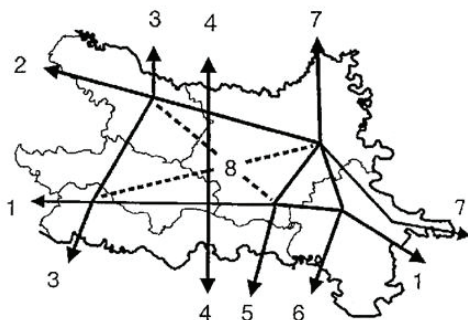
II. Meridional or transverse

3. Virovitica - Okučani
4. Donji Miholjac – Slavonski Brod,
5. Osijek - Đakovo
6. Osijek - Županja

III. By spatial orientation combined

7. Danubian route

Figure 1 Traffic connections of eastern Croatia



Eastern Croatia, in practice, has no good connections with the world. What is missing is the completion of the construction of Vc Corridor - and not only the completion of the road, but also railway, river and air transport. Because only the connection of Eastern Croatia transport network to Europe and the world can stimulate investors to come and invest with expected faster return of capital compared to other regions and offers in enterprise zones.

International Vc Corridor is the connection of the North with the South and the port of Ploče, and East with Western Europe. Beli Manastir-Osijek-Svilaj motorway, is a part of the Pan-European Vc Corridor which was agreed upon at the Conference of European Transport Ministers in Helsinki in 1997. The most important constructions on the planned A5 motorway are the bridge over the Drava River, the overpass over the railway, and bridge over the Sava River. The A5 motorway Beli Manastir-Osijek-Svilaj has a total length of 88.6 km, out of which 72.5 kilometers are in the Osijek-Baranja County. [14] [15] [16] Motorway sections still to be built are:

- Border with Hungary – Beli Manastir; L = 5.0 km to be built
- Beli Manastir – Osijek; L = 24.6 km to be built
- Sredanci - border with Bosnia and Herzegovina; L = 3.5 km under construction

When it comes to business zones of the production profile - it is very important for them to be close to transport routes, i.e. to have a good connection and that it allows modern and technically compatible transport system with the area of Central Europe. This means to accelerate the pace of construction and completion of strategically extremely important projects of road infrastructure within the Vc Corridor, river infrastructure, railway infrastructure, through a series of actions and

measures aimed at preparing programs and projects for the withdrawal of funds from the structural funds and the Cohesion Fund of the EU.

As a revision was made of establishments and investments in enterprise zones - it would be necessary to make such a serious analysis regarding the connections of business zones with transport corridors in the region of Eastern Croatia. This is especially important for manufacturing companies in the industrial zones. Without good transport connections, foreign investors will not invest their capital in insufficiently connected areas.

3.1. Broadband Access and Entrepreneurial Zones in Eastern Croatia

A similar analysis is required regarding communication links, i.e. the availability of broadband access (high speed Internet). There is no research for the area of Eastern Croatia regarding zones and their connections to modern communications, but knowing the situation in several such zones we can point out that many enterprise zones are not connected to high speed Internet. This is a condition without which there is no business, not only for foreign investors but also the local manufacturers and local service companies.

Namely, development of broadband access networks today has the same revolutionary impact as the development of transport networks or electricity grids a century ago. Modern information and telecommunication technologies are basis of economic development and the society of knowledge; Information and knowledge have become (rather than equity) a basis of individual and social growth and development. Predictions indicate that by 2020, digital content and applications will almost entirely be submitted via the Internet. The development of better, faster, more reliable and cheaper public services and operations in the public sector (operation of state bodies and local government, health and education systems, etc.) as well as economic operations and stimulating development of rural and underdeveloped areas - depends on degree of territory coverage with IT infrastructure, i.e. a network of fiber-optic cables (broadband access), which allows high speed Internet. [3]

4. Conclusion

The slogan "If you build - we will come" just leads us to desire to achieve our previous development vision through completion of enterprise zones, regulation of complete infrastructure (electricity, water, drainage and access roads) with possibility of using modern IT technologies, so we expect the arrival of foreign investors and investments in modern production facilities. At the same time, certain benefits and incentives to investors are implied, through legal provisions for security of investments, long-term stability in allocation of contributions and taxes, and through it, faster return on investment.

However, foreign investors cannot be expected if we do not finish the started construction of Vc Corridor and enable rail, river and air traffic routes for the transport of cargo to planned worldwide destinations. If we do, we will enable investors the security of return on invested capital, and in that way develop the processing of our products, employ people and achieve our dream - the well-being of life for the population of Eastern Croatia, as well as the whole Croatia.

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