



# **GUIDE FOR ENTREPRENEURS**

**Izradio: Poduzetnički centar Pleternica d.o.o.**



**2016.**

## INTRODUCTION



Dear entrepreneurs,

This brochure is intended for you, all entrepreneurs and to those who will yet become one. Its purpose is to ease up process of starting a business on your own. Through history city of Pleternica was economic center of Pozega-slavonian county and we want to keep such a trend in the future by ensuring favorable conditions for entrepreneurs. City of Pleternica is one of the rare cities that can be proud of his three entrepreneurial support institutions and as such City intends to maximally intensify economical activities in the City area. This brochure will shortly present you all benefits and opportunities that City of Pleternica provides as investment area. We hope that this brochure will be of help for your successful business venture.

Mayor

Antonija Jozić

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## **CITY OF PLETERNICA- FRIEND OF ENTREPRENEURS**

City of Pleternica as friendly city of entrepreneurs has founded four entrepreneurial support subjects to make City of Pleternica competitive and attractive for domestic and foreign investments.

**ECONOMIC COUNCIL-** an advisory council of mayor of Pleternica that makes bond between local public authority and entrepreneurs within city area. Economic council gives advices related to economical and developing programs, considers and proposes measures for improving current state in economy, initiates activities with purpose of improving economy state and encourages appropriate cooperation with institutions and bodies that work in area of economy.

**ENTREPRENEURIAL CENTER PLETERNICA LTD.-** founded in 2006 with purpose of encouraging local development with emphasis on development of economy and entrepreneurship. Entrepreneurial center Pleternica ltd. another role is to strengthen local capacities for project making that can be funded from European funds. Entrepreneurial center Pleternica ltd. is structured in 4 departments:

1. Development- project department
2. Accounting department
3. Department for MOBMS project implementation
4. OCPL department

**ENTREPRENEURIAL INCUBATOR-** technology- inovation centre with incubator for development of rural economy and entrepreneurship is designed to promote new technologies, inovations and entrepreneurship in rural area. Activities are directed on connecting science and economy and ensurance of infrastrucutural, financial and advisory support to inovative and technology stated projects. Entrepreneurial incubator is covered with solar panels which provides savings on administratory costs for all users. That is also used for developing awareness about prograss possibilities through sustainable development.

**ENTREPRENEUR ZONE-** provides to investors of city of Pleternica excellent terms of working and due to its location, size and competence to receive new entrepreneurs it represents entrepreneur zone with advantage upon other locations that are competent to receive entrepreneurs. It spreads across 160 hectares and its located 4km east of city center and its purposed for production lines. The complete zone is fully equipped with communal system (water, electricity, gas, telecommunications) and with an electric power plant of 16MW.

## ESTABLISHING A BUSINESS ENTITY

To start a business venture its necessary to establish one of the forms of business entities how you could be able to perform your economic activity legaly. Inside small and middle sector of entrepreneurship in Republic of Croatia most popular ones are crafts, Ltd. and simple Ltd.

Business registration forms	
Craft	free, conditioned by qualification, privileged
Trading company	Ltd., simple Ltd., shareholders company, limited partnership, public trading company, economic interest association, branch-office
Family farm	
Cooperative	
Freelance profession	

If you decided to establish craft or company we offer you below information how to do it fast as possible:

- informations about establishing trading company you can find on website through the service of Croatian government HITRO.HR which can be found at [www.fina.hr](http://www.fina.hr) → <http://www.hitro.hr/Default.aspx?sec=22>
- costs of establishing trading company → <http://www.aik-invest.hr/investicijski-vodic/osnivanje-drustva/>
- free online craft establishing → <http://e-obrt.minpo.hr/> (available through e-citizens service)
- co-operative establishment- cooperative can be established by at least seven cofounders which are completely business capable physical or legal subjects and each cofounder imports basic membership stake which can not be less than a 1.000,00kn. Co-operative is enrolled at the competent commercial court. More information about co-operative → Narodne novine 34/11, 125/13, 76/14
- establishing family farm its necessary to own agricultural land (as owner or rented). At establishing its necessary to fill out form for enrollment in agricultural economy, 70kn of government stamps, copy of your ID and giro account of a Family Farm owner

## BASIC CHARACTERISTICS OF TRADING COMPANY AND CRAFT

	TRADING COMPANY	CRAFT
Fundamental capital	20.000,00 KN for Ltd. 10.000,00 KN for simple Ltd. 200.000,00 KN for shareholder company	none
Establishing costs	around 6.000,00 KN	around 500,00 KN
Time spent on establishing	40 days	1-3 days, max. 15 days
Registration office	Commercial court	competent state administration court or online
Responsibility	At the height of fundamental capital	solidarno- with all goods of a craftsmen
Accounting	dual accounting	simple accounting
Membership in chamber	Croatian economy chamber	Croatian economy chamber
Activities	all allowed economic activities regardless of qualification	all allowed economy activities with possession of needed qualification and/or privileges for privileged crafts
Tax rates	profit tax 20% income tax 12%+ surtax	income tax (12%, 25%, 40%), annual notification of income tax
Employees	no limit	no limit
Payment of value added tax	the principle of business event (R1)- given receipt/ electively by bill for entrepreneurs under 3.000,00 KN of income	the principle of cash register- on payment/on billing receipt (R2)- charged bills
Participation in family members work (without contract)	no	Yes
Possibility of temporary suspension of work up to one year	no	Yes
Cost of closing	600,00 KN for simple Ltd. 2.500,00 KN for Ltd.	170,00 KN

## ADVANTAGES AND DISADVANTAGES OF TRADING COMPANY AND CRAFT

### TRADING COMPANY

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> <li>- limited responsibility</li> <li>- continuity</li> <li>- relatively easy transfer</li> <li>- easier access to source of funding</li> <li>- engagement of managers and qualified employees</li> <li>- possibility of registering more types of activities</li> </ul>	<ul style="list-style-type: none"> <li>- relatively high start costs and high costs of closing</li> <li>- highlighted regulation</li> <li>- data and reports are public</li> <li>- limited interest of founder</li> <li>- book accounting</li> </ul>

### CRAFT

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> <li>- easy establishing and closing of craft</li> <li>- quick decisions and relatively secret business</li> <li>- income distribution and business control</li> <li>- legal regulation</li> <li>- tax models</li> <li>- book accounting is easier and low cost</li> <li>- money disposal</li> </ul>	<ul style="list-style-type: none"> <li>- unlimited responsibility</li> <li>- lack of continuity</li> <li>- risk of loss</li> <li>- limited funding sources</li> <li>- skills limitation and difficulty in securing qualified employees</li> <li>- tax model (tax is same as salary tax), minimum contributions for „contributionists“ are around 1.800,00 KN per month</li> </ul>

# **CITY OF PLETERNICA ENTREPRENEURSHIP SUPPORT INSTITUTIONS**

Entrepreneurship Center Pleternica Ltd.

Entrepreneurship Center Pleternica Ltd. is a company 100 percent owned by Pleternica city, and, as such, it is fully available to present and future entrepreneurs in the area.

Organizational department is further divided into four subdivisions, and the primary activity of the Centre is development of various national and international projects, including national funds, government proposals, World Bank, EU and other funds.

## **ENTREPRENEURIAL CENTER PLETERNICA LTD. SERVICES**

- business, entrepreneur and financial consultation, education and informing
- business plan and investment study development, market research
- bookkeeping and accounting services
- fair organization, promotion and exposition
- various other business and service industry services
- publishing, web publishing
- real estate business
- trade in goods and services
- national and international commercial mediation
- volunteer services organization and mediation
- food industry services
- various sports and recreation activities organization
- IT service management
- software development
- web development
- data analysis
- social services, including free counseling, social housing and accommodation and home care

# BUSINESS INCUBATOR PLETERNICA

Business Incubator Pleternica was founded in order to promote innovation, new technologies and entrepreneurship in rural areas. It is equipped with state of the art computer equipment and a 30kW solar power plant which ensures sustainability and lower energy expenses.

## FIRST TIME ENTREPRENEURS INCUBATION SUBSIDY

YEAR	BENEFITS
1	free
2	subject pays 25% of market price
3	subject pays 50% of market price
4	subject pays 100% of market price

\*administration costs are not subsidized

Besides business incubation in terms of business space, Business Incubator Pleternica also offers rental of an informatics classroom equipped with 21 PCs, projector, flipchart and various other IT equipment, as well as conference room rental.

\* informatics classroom and conference room use is free of charge for the incubator residents





## ENTREPRENEURIAL ZONE OF PLETERNICA

Entrepreneurial Zone of Pleternica is located on the outskirts of City of Pleternica and takes up 1,6 square kilometers. It is infrastructurally equipped with water supply, sewers, electrical grid, telecommunications and natural gas grid, and is intended for industry (food, metal and wood processing industry), trade (shopping centers) and other service industry uses.




### PLETERNICA ENTREPRENEURIAL ZONE GENERAL INFORMATION

ZONE SIZE	1,645,000 m <sup>2</sup>
USABLE LAND SIZE	619,700 m <sup>2</sup>
ALLOWED CONSTRUCTION COEFFICIENT	0,6
ALLOWED USABILITY COEFFICIENT	1,8
ALLOWED CONSTRUCTION HEIGHT	21 M
NATURAL GAS GRID	YES
ELECTRICAL GRID	YES, 16MW
WATER SUPPLY	YES
SEWERS	YES
MUNICIPAL CONTRIBUTION	0,00 EUR

MUNICIPAL FEE	0,06 EUR (1 <sup>ST</sup> YEAR
DISCOUNT 75 %, 2 <sup>ND</sup> YEAR DISCOUNT 50%, 3 <sup>RD</sup> YEAR DISCOUNT 25%)	
WATER SUPPLY CONTRIBUTION	1,04 – 2,08 EUR
WATER SUPPLY FEE	0,14 EUR/M2
HIGHWAY DISTANCE A1 HIGHWAY (ZAGREB - LIPOVAC)	20KM
INDUSTRIAL RAILWAY STATION PRESENCE IN VICINITY	YES
HARBOR DISTANCE	RIJEKA PORT, 340KM
AIRPORT DISTANCE	KLISA AIRPORT, OSIJEK,
105KM	

## CATALOG OF ENTREPRENEURS IN ENTREPRENEUR AREA

	<p><b>Name:</b> <u>Tofrado trgovina Ltd.</u>  <b>Activity:</b> Specialized wholesale trade  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> <a href="http://www.tofrado.hr">www.tofrado.hr</a></p>
	<p><b>Name:</b> <u>Microplet, vl. Anto Barbarić</u>  <b>Activity:</b> Production of finalized metal products except machines and equipment  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> <a href="http://www.microplet.hr">www.microplet.hr</a></p>
	<p><b>Name:</b> <u>Elvio production Ltd.</u>  <b>Activity:</b> Wood processing  <b>Land of origin:</b> Italy  <b>Website:</b> <a href="http://www.floriangroup.hr">www.floriangroup.hr</a></p>
	<p><b>Name:</b> <u>Contura – Lignor Ltd.</u>  <b>Activity:</b> Production of products out of wood and wooden material  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> <a href="http://www.contura.hr">www.contura.hr</a></p>
	<p><b>Name:</b> METAL – PLAST  <b>Activity:</b> Production of plastic products  <b>Land of origin:</b> Republic of Croatia  <b>Tvrtka vlasnik:</b>  <b>Website:</b> n/p</p>
	<p><b>Name:</b> <u>Alca Zagreb Ltd.</u>  <b>Activity:</b> warehouse  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> <a href="http://www.alca.hr">www.alca.hr</a></p>
	<p><b>Name:</b> Dairy BIZ  <b>Activity:</b> Milk production  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> <a href="http://www.mljekara-biz.hr">www.mljekara-biz.hr</a></p>
	<p><b>Name:</b> <u>Kovinotokarija vl. M. Kristić</u>  <b>Activity:</b> Metal turnery  <b>Land of origin:</b> Republic of Croatia  <b>Website:</b> n/p</p>