



Final report Križevci

Version 1.1

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Introduction

Through sustainable financing, investments should promote transformation into an environmentally sustainable economy. Sounds simple. However, in Croatia practice shows that the logic of financial markets and the logic of sustainable development, that is, sustainability, differ greatly at the moment.

Actors such as companies, investors and the like often lack the orientation, strategy and support for the effective implementation of their own business sustainability requirement in relation to new regulatory requirements at European and national level. Therefore, it is important to achieve economic sustainability, i.e. profit-making without destroying the dimensions of biological-ecological sustainability. Today, the concept of sustainability is being introduced into all branches of the economy in order to slow down and stop the accelerated trend of environmental pollution and resource depletion. The approach of *the Turnaround money* project is to enable the implementation of effective sustainable finance strategies through motivation, education and networking of local and regional actors in order to firmly support environmental protection.

The main objective of *the Turnaround money* project was to identify important issues in Križevci region where the topic of sustainable finance needs and can provide some support to the economy. The project received support from key multipliers and decision-makers in Križevci region. Based on existing analyses and relevant data, the goal is to develop ^{1a} *Turnaround money concept* for Križevci region in a participatory way, and answer the question: What will be the most important steps in the next 2-3 years? It researches if and how an approach to channeling money into environmentally friendly activities can also help other regions to join the Turnaround money region. The current EU regulatory approach to bottom-up decision-making is complemented by a bottom-up approach, with great support from civil society organizations in the region surveyed. The timeframe for the Turnaround money project was from October 2021 to December 2022.

At the national level, the topic of sustainable development and sustainability has been present for more than 20 years in professional and scientific literature and the public, as well as in key development strategies such as *the Sustainable Development Strategy of the Republic of Croatia (2009)* and numerous action plans for the implementation of the Strategy, the

¹ In economics, a measure of the multiple effect of a one-time change of an exogenous variable on an endogenous variable. In economic theory, the term was developed by R. F. Kahn and J. M. Keynes, and expresses the quantitative relationship of the change of exogenous variables (size of investments, consumption, exports, cash reserves and other quantities) to changes in endogenous variables (aggregate demand, nac. income or employment). Given the different intensity of the dependence of these variables, the multiplicative effect is different and can be many times greater than the initial change. Multiplier. Croatian Encyclopedia, online edition. Miroslav Krleža Institute of Lexicography, 2021 Retrieved October 25, 2022 <<http://www.enciklopedija.hr/Natuknica.aspx?ID=42391>

existence of non-governmental organizations that encourage and support the implementation of sustainability-oriented changes (ODRAZ). Also, as a member of the European Union, the Republic of Croatia adopts all regulations in different areas and harmonizes them with the EU *acquis Communautaire*. Below is an overview of the key strategies and plans important for the Turnaround *money* project, which is being implemented in Koprivnica-Križevci County, more precisely in the city of Križevci.

Success sustainable finance story in Križevci

Križevci on a national level is particularly distinguished by the project **Križevci solar roofs** through which citizens, first time in Croatia, financed the installation of a solar power plant on two public buildings: the roof of the Development Center and Technology Park Križevci and on the roof of the City Library "Franjo Marković" Križevci.

After the successful launch of the two power plants, the citizens established an energy cooperative **KLIK – Križevci laboratory for innovation in climate**.

Today, through the activities of the office, 195 kW power plants have been built at households in Križevci, which results in 212 MWh of electricity savings and 43 tons of CO₂ per year, a total investment of approx. 342,000 euros, of which 81,000 euros is a subsidy from the city.

Interview phase

After stakeholder mapping and analysis of existing state, the topic of sustainable finance, i.e. investing in environmentally sustainable economic activities that should promote the transformation of the economy into an environmentally sustainable economy, was explored through interviews during March, April and May 2022. 15 interviewed respondents from 10 different entities are various stakeholders, such as:

- representatives of the City of Križevci and city institutions such as Križevci Entrepreneurial Center Ltd.
- representatives of NGO sector such as the association P.O.I.N.T. and the Foundation for Local Development and Solidarity "I Love Križevci"
- entrepreneurs: representatives of the social enterprise "Hedona" and representatives of "Friš", company for the production of batteries
- representative of the development agency of Koprivnica-Križevci County (PORA),
- representative of the Križevci Eparchy (Catholic Church of the Byzantine-Slavic rite).

Short summary of the interviews ([URL](#))

No practice of sustainable financing in terms of taxonomy but as a good practice of reducing environmental pressure (use of recycled items) and investing in human capital and community (flea market, scholarships, donations for certain programs, and financing of basic and charitable activities).

Most common ecological model in business are the philosophy of 4R (Reduce, Reuse, Recycle and Rethink) and 5R (+Refuse), energy renovation of buildings (thermal façade), the use of ecological materials in everyday work (e.g. recycled paper and ecological packaging), the use of renewable energy sources, solar panels and the like.

Smaller activities that have an ecological dimension are carried out, such as collecting returnable packaging, which this is not integrated into financial decisions, but into environmental behavior and awareness.

Biggest challenge to improve environmental items in an organization or region is that environmentally friendly items are more expensive than non-ecological ones, and on the organization/community level it takes time to implement them.

However, dealing with social issues for the organizations is of great importance, there are many examples.

The basis of sustainable development in the region: investing in professional staff in all segments of society, sharing knowledge, experience and resources, realization of plans and strategies, regenerative agriculture and strengthening the position of deprived groups, improving the legal framework, make the system agile and fast, and work on the professional training of personnel for a new sustainable development direction in all segments.

Existing activities which can be integrated into „Turnaround money action plan” are activities of the City of Križevci and Koprivnica-Križevci County, activities of the energy cooperative KLIK and activities of the social company Hedona.

Workshops phase

Workshop was held on a dissemination event “Empowerment of local communities” which took place in Križevci on 14th May 2022. UEZ is organizing this event for 4 years with the goal of bringing together organizations and persons who are already active in transformation of the economy system to more just for people and planet/environment.

In the dissemination part of the event, the project Turnaround money with its goals, motivation and activities was presented to more than 100 participants (online and onsite) from 48 different organizations.

Along with the project, participants of the conference were introduced to the regulation on the EU taxonomy for sustainable finance which entered into force on 1 January 2022. The Regulation defines economic activities that can be considered environmentally sustainable. The taxonomy should give the market clear information on environmentally sustainable economic activities contributing to the achievement of six environmental objectives.

Interestingly, none of the participants of the conference has heard for the taxonomy before, and it was a very nice introduction to the workshop part later at the event.

Workshop 1

- Date 14/05/2022
- Participants: 52 persons (see [URL](#))
- Goal: introducing the sustainable finance topic to various stakeholders – enterprises, organizations, initiatives, municipality representatives, private persons etc. and motivate them to become multipliers of the topic
- Method: debate competition: 6 groups according to 6 environmental objectives from the Taxonomy, 3 dilemmas discussed: should taxonomy be regulation or guideline, should the reports be result or effort based, should the sustainable investments be public or private.
- Results: the discussions about the 3 dilemmas were not so opposite as the participants are already active in contributing to environmental and social issues, but it was a good harvesting method between different stakeholders to receive ideas for further developing the Turnaround money action plan
- Conclusion: both on national (Croatia) and local level (Križevci) the bridge between public and private organizations and people is missed for addressing the challenges from the interviews and workshops discussions
- Presentation and workshop participant list , see [URL](#)

Local action plan

- Period: from 01/09/2022 to 08/12/2022
- People involved: interview respondents, participants in Workshop 1, organization’s members and other active persons on the meetings with the team members

The goal of the action plan for sustainable financing is establishing a model of direct financing of sustainable practices for environmental protection and strengthening of social capital.

Title of the action
1. Coordination – Sustainable Finance Office in Križevci
2. Motivation, Networking and Training
3. Business / Economy

1. Sustainable Finance Office at Križevci			
Status	Start	Duration	Connected actions
New Idea	1/2024	ongoing	All other actions within this plan
<p>Short description</p> <p>The establishment of <i>the Office for Sustainable Finance in Križevci</i> will create conditions for the continuation of the project "Turnaround money" after its expiration. Sustainable Finance Office in Križevci will thus be able to implement activities and measures within the action plan independently and in cooperation with other stakeholders. The most important activity of the office is education, realization of activities and measures, programs and projects, networking and cooperation with relevant actors at the local, regional, national and international level.</p> <p>With the proposal of establishing Sustainable Finance Office in Križevci, along with Energy and Climate office at cooperative KLIK, could become a central contact address and meeting point for all actors on the road to Sustainable Finance by coordinating important stages and processes in an independent and interdisciplinary way.</p> <p>Next steps</p> <p>In the next steps, it will be crucial to specify how exactly such an office should be set up in order to be able to meet the above-mentioned objectives (e.g. legal form). For this purpose, a goal-oriented workshop with the potential partners of such an office would be useful. The start of the preparation for the foundation is planned within next year (2023).</p>			
Effort & expenses		At least 1.5 full-time positions, an office in Križevci, budget for public relations: 100.000 €/year, organization of partner meetings each quarter.	
Target group(s)		<p>Direct: Cross-cutting. At least all organizations that are named as responsible organizations in connection with measures of this action plan.</p> <p>Indirect: All affected target groups of all envisaged measures of this action plan.</p>	
Responsible organizations		City of Križevci	
Further organizations involved		All potential partners within the action plan such as cooperative KLIK, UEZ, VGUK etc.	
Notes, effects & further examples		<p>Role models: To our knowledge, such an office does not yet exist in Croatia. Not at municipal level, county level neither on national level.</p> <p>Compare analogous institutions: Križevci Laboratory of Innovation for Climate (KLIK) and Centre for combating energy poverty at Križevci.</p>	

2. Motivation, networking and training			
Status New Idea	Start Mid 2023	Duration ongoing	Connected actions All other actions within this plan
<p>Short description</p> <p>Motivation, networking and training should be taken among citizens and companies in Križevci. Motivation will be achieved through education, workshops, public forums and outdoor festivals. Objective: raising awareness and multiplying knowledge about sustainable finance opportunities. Networking will be realized through cooperation with project partners who will be involved in education, workshops and public forums in order to present examples of good practice and help in their implementation in Križevci. It is important to regularly report on all office activities through the media and social networks.</p> <p>Next steps</p> <p>Picking up the idea by a Development plan of the City of Križevci for the period from 2021. to 2030., Strategy for the development of green infrastructure. First step is to extract ideas from all the strategic documents of the city and the region and act together.</p>			
Effort & expenses		Motivation and training takes place continuously. During the first year, it takes place at least once quarterly, and during the next year once quarterly. Expenses are budgeted for each event separately.	
Target group(s)		Citizens (households) and companies at Križevci and Koprivničko-križevačka County.	
Responsible organizations		Sustainable Finance Office in Križevci	
Further organizations involved		All potential partners within the action plan. Cooperative KLIK City of Križevci Project partners: UEZ, VGUK	
Notes, effects & further examples		The office will use the know-how of KLIK, which has extensive experience in motivation and training in Križevci. Mentoring support from project partners is important.	

3.Business / Economy			
Status	Start	Duration	Connected actions
New Idea	6/2023	ongoing	All other actions within this plan
<p>Short description</p> <p>The idea is to develop the guidelines for the investment of money to different companies and in the City of Križevci, which support the city's sustainability goals and provide a helpful tool for companies according to European Taxonomy. This would involve agreeing on key points according to which eco-logical and social criteria financial investments by companies (and thence also by private households) should be made. Also, it includes banks and their finances in the region into thematic events for various companies and citizens.</p> <p>Next steps</p> <p>Addressing and encouraging banks in the region to communicate environmental issues. By doing so, establishing a network of stakeholders.</p> <p>Setting up a round table to coordinate measures and topics.</p>			
Effort & expenses		Depending on the design of the process for developing the investment guidelines.	
Target group(s)		<p>Direct: Providers in the field of sustainability, banks and public welfare, sustainable finance</p> <p>Indirect: The guidelines developed can then also be used in principle by private households investing money.</p>	
Responsible organizations		Sustainable Finance Office, The city of Križevci, other public institutions, and existing business networks in Križevci could be considered for coordination.	
Further organizations involved		Companies, institutions and organizations in Križevci and other stakeholders within the City of Križevci	
Notes, effects & further examples		According to the sustainability goals (Development plan of the City of Križevci) of the city of Križevci, the criteria should be closely based on existing sets of criteria, such as the EU Taxonomy or other investment labels such as Green public procurement.	

Dissemination phase

Dissemination events

- Economic perspective of the common good - International scientific symposium, Split
 - Date: 21.-23. April 2022
 - Participants: Peter Fabjan, Domagoj Sajter, 40 onsite and 20 online participants
 - Output: DoCeST association from Split that promotes the Social Doctrine of the Church for young people, organized an international symposium "Economic perspective of the common good" at the University of Split, where UEZ was asked to present the Economy of Community as a business model that is more sustainable to the environment and people. At the end of the presentation UEZ presented it activities together with the Turnaround money project
 - [url](#) of the presentation
- Empowerment of the local communities – conference, Križevci
 - Date: 14.-15. May 2022.
 - Participants: Sandra Kantar, Peter Fabjan, Dijana Fabjan, over 100 persons online and onsite
 - Outcome: After the presentation of the project and the EU Taxonomy, prof. Sandra Kantar (Križevci College of Agriculture)) and Peter Fabjan facilitated a workshop entitled "Turnaround money: sustainable financing for the empowerment of local communities"
- Future of Fair Finance Festival: presentation and debate
 - Date: 16/11/2022
 - Participants: Sandra Kantar, Peter Fabjan and online and on site in Mannheim
 - Outcome: Peter Fabjan presented Turnaround money activities in Križevci and the development of the action plan. The event was personally supported by the Mayor of Križevci Mario Rajn who joined online for the debate.
- Innovations and agribusiness: Climate change and sustainable bioeconomy – 4th International scientific symposium, Zagreb
 - Date: 25/11/2022
 - Participants: Sandra Kantar, Kristina Svržnjak, Peter Fabjan, 40 persons
 - Outcome: Sandra Kantar and Kristina Svržnjak applied with a topic Sustainable finance in Koprivnica-Križevci County, Peter Fabjan presented the project, it's activities and the development of Turnaround money action plan
 - [URL](#) of the organizer, [URL](#) of the post, [URL](#) book of summeries

Media

- Web uez.hr ([URL](#))
- Social media:
 - LinkedIn, number of posts, [URL](#)
 - Facebook, number of posts, [URL](#)
- Journals
 -
- Newsletters:
 - UEZ (May 2022)
 - UEZ (November 2022)

Sustainability

- Based on the interviews and meetings on a multi-sector level, most parties are interested in continuing the process of strengthening bottom-up (community governed) sustainable finance:
 - In the government / public sector:
 - City of Križevci
 - PORA – county development agency
 - RCTP - Research and development park Križevci
 - In the finance sector:
 - Cooperative for ethical banking, Croatia
 - ICFC – international crowd funding centre, Croatia
 - Feels good investment fund, Croatia
 - Entrepreneurs and social entrepreneurs
 - In civil society:
 - NGO's from local and national level
 - Social innovation hubs
- What are the next steps planned and who will work on the topic also after the project:
 - UEZ offers its continues support for further embedding the sustainable finance framework and action plan in the Croatian context; UEZ can support the establishment of the Sustainable Finance Office convening the abovementioned interested parties and preparing the continuation of the Turnaround Money process.
 - Moreover, the academic staff members of Turnaround Money (Križevci College of Agriculture) are committed to fostering the learning process by means of educational materials (validated methodology, game, case study) and service-learning projects.

Appendix – Annex 1

Regional development plans – Koprivnica-Križevci County

1. DEVELOPMENT PLAN OF KOPRIVNICA-KRIŽEVCI COUNTY FOR THE PERIOD 2021 TO 2027 Available at: <https://kckzz.hr/hr/svi-dokumenti/oglasna-ploca/gospodarstvo/1088-2022-02-16-7-plan-razvoja-kkz-2021-2027/file>
2. IMPLEMENTATION PROGRAM OF KOPRIVNICA-KRIŽEVCI COUNTY FOR THE PERIOD FROM 2021 TO 2025. Available at: <https://arhiva.kckzz.hr/wp-content/uploads/2021/12/PROVEDBENI-PROGRAM-KOPRIVNICKO-KRIZEVACKE-ZUPANIJE.pdf>
3. DEVELOPMENT PROGRAM FOR YOUTH OF KOPRIVNICA-KRIŽEVCI COUNTY FOR THE PERIOD FROM 2021 TO 2027. Available at: <https://arhiva.kckzz.hr/wp-content/uploads/2021/06/RAZVOJNI-PROGRAM-ZA-MLADE-2021.-2027..pdf>
4. Amazing Amazon of Europe. Dostupno na: <https://kckzz.hr/hr/kckzz-projekti/amazing-amazon-of-europe>

Projects in the field of education, culture, science, sports and national minority in Koprivnica-Križevci County:

5. Competence Center in Koprivnica-Križevci County. Available at: <https://kckzz.hr/hr/kckzz-projekti/centar-kompetentnosti-u-koprivnicko-krizevackoj-zupaniji>
6. Centers of Excellence. Available at: <https://kckzz.hr/hr/kckzz-projekti/centri-izvrsnosti>
7. A smart meal for smart kids. Available at: <https://kckzz.hr/hr/kckzz-projekti/pamet-an-obrok-za-pametnu-djecu>
8. Transportation of high school students. Available at: <https://kckzz.hr/hr/kckzz-projekti/prijevoz-ucenika-srednjih-skola>
9. Opportunity for all 5. Available at: <https://kckzz.hr/hr/kckzz-projekti/prilika-za-sve-5>
10. Program of construction of school sports halls. Available at: <https://kckzz.hr/hr/kckzz-projekti/program-izgradnje-skolskih-sportskih-dvorana>
11. Development of competencies through work-based learning. Available at: <https://kckzz.hr/hr/kckzz-projekti/razvoj-kompetencija-kroz-ucenje-temeljeno-na-radu>
12. Swimming school. Available at: <https://kckzz.hr/hr/kckzz-projekti/skola-plivanja>

13. School scheme. Available at: <https://kckzz.hr/hr/kckzz-projekti/skolska-shema>
14. Student scholarships. Available at: <https://kckzz.hr/hr/kckzz-projekti/studentske-stipendije>
15. Co-financing speech and language pathology assistance. Available at: <https://kckzz.hr/hr/kckzz-projekti/sufinanciranje-logopedске-pomoci>
16. Everyone at school, everyone at table 7. Available at: <https://kckzz.hr/hr/kckzz-projekti/svi-u-skoli-svi-pri-stolu-7>
17. Student competitions. Available at: <https://kckzz.hr/hr/kckzz-projekti/ucenicka-natjecanja>
18. Strategy for the development of the city of Koprivnica until 2030. Age. Available at: <https://koprivnica.hr/wp-content/uploads/2022/05/Strategija-razvoja-grada-Koprivnice-do-2030.-godine.pdf>
19. Implementation programme of the City of Đurđevac for the period 2021 - 2025 Available at: <https://djurdjevac.hr/wp-content/uploads/2022/01/Provedbeni-program-pdf>

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8. Study and strategy for the development of green infrastructure of the city of Križevci by 2027 Available at: <https://krizevci.hr/wp-content/uploads/2020/10/Studija-i-Strategija-razvoja-ZI-Grada-Krizevaca-do-2027.pdf>
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10. A guide to the European Green Deal: why do we need it, how will it be funded and what does it bring us? <https://oie.hr/vodic-kroz-europski-zeleni-plan-zasto-nam-je-potreban-kako-ce-se-financirati-i-sto-nam-donosi/>
11. Cooperative for ethical financing. Available at: <https://zef.hr/>