Agricultural Equipment Cluster and possibilities for investing in Osijek-Baranja County

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Establishment of Croatian Agricultural Equipment Cluster (CAEC) - intense activity of structuring the cluster started in April 2007 within the Croatian Employers' Association, National Center for Clusters.

The initial funding that enabled the establishment, launch and implementation of the cluster initiative were EU grants through the PROINNO EUROPE, CEE Cluster Network project, then through funds obtained by Ministry of Economy, Labor and Entrepreneurship (MELE) and supported by financial resources of regional and local communities, respectively Osijek-Baranja County and the City of Osijek.

In the structure phase of the CAEC in 2007 over 100 potential companies were contacted:
- 42 companies and one research institution (members) have signed letters of intent on joining a cluster
- 23 companies have signed an agreement on a permanent consortium
Agricultural Equipment Cluster Initiative
Registration of AEC

• **Agricultural Equipment Cluster (AEC)** was founded on 14th July 2009 and was registered with the Commercial Court in Osijek as a limited liability company under the name of Agricultural Equipment Cluster Ltd.

• Companies that have established the Cluster:

  OLT d.d., Osijek
  STANDARD MIO (EUROMETAL) d.o.o., Osijek
  HITTNER d.o.o., Bjelovar
  GRAMIP-TPS d.o.o., Dubrava
  HIDRAULIKA d.d., Kutina
  LABINPROGRES-TPS d.o.o., Labin
  POD d.o.o., Dežanovac
  PECKA d.o.o., Markovac Našički
Cluster members selected product range

[Images of agricultural equipment]
EUROMETAL d.o.o.
STANDARD MIO
BRAND OWNER

Co-operation with HONDA spreads to Joint-Venture company concerning the engines G150, G200, G300.

1982–1990

2003...2012
• STANDARD MIO produced 20,000 pcs Powertillers for HONDA,

2000

Relationship with HONDA was established again
HONDA TILLERS

HONDA FG205K1DE

HONDA FG201K1 DE
PRODUCTION FOR HONDA

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity (pcs)</th>
<th>Turnover in EUR</th>
</tr>
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<tbody>
<tr>
<td>2003</td>
<td>3260</td>
<td>780.000,00</td>
</tr>
<tr>
<td>2004</td>
<td>11600</td>
<td>2.895.000,00</td>
</tr>
<tr>
<td>2005</td>
<td>6914</td>
<td>1.855.000,00</td>
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<tr>
<td>2006</td>
<td>7488</td>
<td>2.040.000,00</td>
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<tr>
<td>2007</td>
<td>9072</td>
<td>2.500.000,00</td>
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<tr>
<td>2008</td>
<td>9936</td>
<td>2.700.000,00</td>
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<tr>
<td>2009</td>
<td>5400</td>
<td>1.510.000,00</td>
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<tr>
<td>2010</td>
<td>15048</td>
<td>4.390.000,00</td>
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<tr>
<td>2011</td>
<td>450</td>
<td>165.000,00</td>
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<tr>
<td>2012</td>
<td>4536</td>
<td>1.540.000,00</td>
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<tr>
<td>2013</td>
<td>6048</td>
<td>1.830.000,00</td>
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<td>2014</td>
<td>6264</td>
<td>1.926.000,00</td>
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<tr>
<td>2015</td>
<td>5616</td>
<td>1.711.500,00</td>
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<tr>
<td>2016</td>
<td>5616</td>
<td>1.701.000,00</td>
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<tr>
<td>2017</td>
<td>4968</td>
<td>1.494.000,00</td>
</tr>
</tbody>
</table>
WARRANTY CLAIMS - HONDA

2003. – 2017. we produced 102,216 pcs of power tiller in total amount of 29 million EUR.

Warranty claims in past 14 years were in total amount of 7,800 EUR what is approximately 0,027% of total turnover.
Awards and Certificates handed to Agricultural Equipment Cluster

By Ministry of Economy and Entrepreneurship – Best Croatian Cluster in 2011

By European Secretariat for Cluster Analysis (ESCA) – Bronze Label Certificate

By Ministry of Entrepreneurship and Crafts – Best Croatian Cluster in 2015

Cluster Management Excellence

Striving for Cluster Excellence
Awards and Certificates handed to Agricultural Equipment Cluster

AWARD FOR THE DEVELOPMENT OF ENTREPRENEURSHIP IN CENTRAL AND SOUTH-EASTERN EUROPE "CREATORS FOR THE CENTURIES" FROM INTERNATIONAL ECONOMY FORUM "PERSPEKTIVE" IN DUBROVNIK, 03.03.2018.
Why invest in Osijek-Baranja County?

• Rich and preserved natural resources for food production; good quality soil, favorable climate conditions
• Good location and geographic connectivity – developed railway, road, river and air traffic infrastructure;
• Good educational structure - availability of formal education – university
• Accessibility of institutions providing non-formal education programs
• Networking with scientific research institutions
• A developed network of entrepreneurial support institutions
• 30 fully equipped entrepreneurial zones
• Developed banking sector
• Incentives for Entrepreneurs and Employment Incentives
• Support for investments by local and regional municipalities
Possibilities for investing in Osijek-Baranja County

- Infrastructure-equipped zones
- Possibility of investment in the food industry - existence of raw material base and processing capacity with agricultural tradition
- Energetics - Renewable Energy
- Increased share in existing commodity exchange - connecting businesses
- Investments in Infrastructure Projects - Corridor 5c
- Possibility of investment in metal and automotive industry - developed metal sector (Agricultural Equipment Cluster)
- Opportunity to invest in tourism - Osijek-Baranja County is one of the leading tourist counties in Europe
- Developed IT sector
Instead of conclusion...

“Success through cooperation
Is not just a sprint –
It’s a whole marathon”

or

“Coming together is a beginning;
Keeping together is progress;
Working together is success.”

Henry Ford (1863-1947)
Thank you for your attention!

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