GOOD PRACTICES - CASE IDENTIFICATION /1ST LEVEL ANALYSIS

1. **Good Practice title:**

Microcredit program with EU support by the Croatian Bank for Reconstruction and Development (HBOR). This microcredit program belongs to the category of microfinance as a local employment tool.

2. **Territory of implementation/application (country/region/…)**

Croatian Bank for Reconstruction and Development (HBOR) implements this program country wide.

3. **Timeframe:**

year of introduction: 2016   year of termination: 0000   *(leave 0000 if ongoing)*

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

HBOR was founded in June 1992, as a development and export bank of the Republic of Croatia with the main task of promotion and development of the Croatian economy by extending loans, insuring export transactions against political and commercial risks, issuing guarantees and providing business advice.

5. **Main objective of the initiative:**

The main objective of the initiative is to offer credit to micro entrepreneurs with the purpose of self-employment, establishment of crafts and LTDs, modernisation and expanding of existing business as well as increasing the number of work places.

6. **Brief explanation of the initiative:**

Offered microcredit line:
- maximum loan amount is 25.000,00 EUR in HRK equivalent,
- repayment period of 5 years, including a 1 year grace period,
- variable interest rate is based on HBOR management decision, minimum of 3,2%.

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

> The target group are micro entrepreneurs, and other legal persons that meet the micro entrepreneur legal requirements on the day of application.

8. **Innovativeness:**

> The interest rate is not fixed for all entrepreneurs, the amount of interest rate payed by the partner banks to HBOR is 3,2% and can be altered by decision from HBOR management. The final interest rate is determined by the partner bank depending on the situation of the entrepreneur in question.

9. **Outcomes:**

> The program is still in early stage of implementation so no representative information could be gathered.