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CROSSING THE BORDERS

Studies on cross-border cooperation within the Danube Region

Case Study

The Tourism Zone Haloze-Zagorje



Written by
Superna Ltd (Croatia)
Andrea Vugrinović
Andrej Dominko

superna





Contents

1. Introduction	3
1.1 Methodology and approach	4
2. Determination of geographical and demographical confines	6
2.1 Haloze region	6
2.2 Zagorje region	7
2.3 The Tourism Zone Haloze-Zagorje	8
2.4 Historic antecedents of the Tourism zone Haloze-Zagorje	10
3. The development of the cross-border cooperation	12
3.1 From a letter of intent to project proposals	12
3.2 The Tourism Zone Haloze-Zagorje as an early example of the LEADER PRINCIPLE in the region	12
3.3 The SOPS Agreement on frontier trade and cooperation	15
3.4 The project Tourism zone Haloze-Zagorje	16
3.5 Pros and cons regarding the establishment of the Tourism zone Haloze-Zagorje as defined in the process	23
3.6 The post-implementation period	23
3.7 The follow up of the establishment of the tourism zone: The project Entrepreneur zone Haloze-Zagorje and Wine road “Klampotic”	24
4. Main activity areas/profile	29
5. Management and budget	36
Organizational structure and composition of the working Body	37
6. SWOT analysis	39
Economy	39
Tourism	40
Natural and cultural resources and heritage	41
Management and Coordination/Governance	42
7. Future plans and goals of the cooperation	43
8. Unique, regionally specific features of the cooperation area	44
8.1 Old traditional houses	45
8.2 Numerous churches and chapels	46
8.3 Ethnographic collections	47



8.4	Castle and town complexes	48
8.5	Bicycle routes in the area	49
8.6	Natural landscape and other geographical features	50
8.7	Local food	51
9.	Summary.....	53
10.	Bibliography.....	54
11.	Annexes	56
	Annex 1: Map of the Tourism zone Haloze-Zagorje.....	56
	Annex 2: Location of the Tourism zone Haloze Zagorje.....	57



1. Introduction

The Tourism zone Haloze-Zagorje (TZHZ) represents an example of a long-lasting cross-border cooperation between Croatian and Slovenian municipalities. From the start of its establishment until today, it has extended over a period of more than one decade, which makes it one of the most experienced, formalised cross-border cooperation between municipalities in Slovenia and Croatia in the field of tourism.

The foundation of the cross-border tourism zone has acted as a catalyser for cooperation between various actors in Croatian and Slovenian local communities in the region and has contributed to the economic, social and cultural development of the cross-border region, which was previously considered relatively underdeveloped. Renewing and enhancing the cooperation as well as the mutual cultural, economic, and social ties, weakened by the process of disintegration of the ex-Yugoslavia that took place in the 1990s, was the main objective as it has been emphasized at numerous occasions by the project partners in both Croatia and Slovenia.

Since its foundation, as one of the first formalised cross-border cooperation initiatives of this kind in the region, the Tourism zone has provided an operational and institutional framework for additional cross-border cooperation activities, especially in the field of economic activities and additional tourism-related projects. There are examples of economic and touristic projects that have been prepared and implemented as a direct continuation of the tourism zone project, that are going to be further elaborated later. It is important to underline that those projects/actions – as repercussions of the TZHZ – have played an important role in the overall economic and social development in the cross-border region.

The Tourism zone Haloze-Zagorje provides an excellent example of best cross-border practices in the region and can be considered as an example for other cross-border efforts in the EU context together with its achievements as well as the problems it is facing. This is why it has been chosen for further elaboration within this case study.

The study gives a brief historical overview that demonstrates the deep historical and social links between Slovenia and Croatia, and gives an insight into the geographical confines of the border region. Moreover, it looks at the development of the cooperation from a letter of intent until concrete projects and their implementation. Using the acquired knowledge and information, the study puts together a SWOT analysis (where the strengths, weaknesses, opportunities, and threats of the cooperation are demonstrated). Finally, the research attempts to inform the readers about possible future plans of the cooperation as well as to identify its uniqueness.



1.1 Methodology and approach

This case study is based on the combined findings of desk research on the one side and direct contacts with representatives of the Tourism zone Haloze-Zagorje on the another. The **desk research** included a thorough analysis of various documents about the selected topic; i.e. study and analysis of project documentation, reports, articles, developmental strategies and other official documents of the municipalities included in the Tourism zone, as well as statistical reports and reviews. YouTube videos of the recorded events have also provided an appropriate source of information since many of the television broadcasts related to the zone were uploaded on this service as part of TZHZ's dissemination activities.

The case study uses a methodology of **direct contacts**, too, which includes meetings with representatives of the Tourism zone that were organized via telephone conversation and Skype conferences as well as via personal meetings. During these direct contacts (telephone, Skype, and personal meetings), interviews previously conducted by Superna were used so that additional information regarding the cross-border cooperation could be acquired. We have interviewed:

- Jernej Golc – Director of the developmental agency of the Municipality of Cirkulane Halo Ltd,
- Danijela Kos – employee at the Municipality of Cestica,
- Mirko Korotaj – mayor of the Municipality of Cestica,
- Dijana Katica, head of the Croatian Farmer Association, and
- Sonja Golc – project manager for the project „Tourism zone Haloze- Zagorje“ on the Slovenian side.

It is also important to point out certain facts regarding the selection process of the existing cross-border cooperation forms that were to be taken as examples of the best practices in cross-border cooperation. Prior to the selection of the best practice examples, a thorough research was conducted in order to define the existing cross-border cooperation networks between actors in Croatia and surrounding countries that are institutionalised and operational. Once a list of the existing cross-border cooperation networks was put together, a detailed assessment regarding their activities, consistency of engagement, impact, and overall relevance was conducted so that only the best examples could be chosen for the case studies.

The following cross-border cooperation networks were identified during the selection process:

- The Adriatic Ionian Euroregion;
- Euroregion “Drina-Sava-Majevica;”
- Alps-Adriatic Alliance;
- Tourism zone Haloze-Zagorje;
- Euroregion “Danube-Drava-Sava”;



- The Transfrontier Euro-Institute Network;
- Cross-Border Municipal Working Community Dežela pod Peco-Petzenland.

In addition to the aforementioned cross-border cooperation networks, numerous networks of twinned towns were also scrutinised but were immediately excluded from further assessment due to their extremely poor visibility element and a severe lack of joint activities as well as accessible information regarding these activities.

During the selection of the cross-border cooperation that would be included within the case study, the main selection criteria were put on the following:

- A consistent history of activities conducted jointly by the members of the cross-border cooperation followed by concrete results;
- The cross-border cooperation had to be initiated by the local and/or regional actors;
- The main focus of cross-border cooperation must be on the countries primary covered by the contract under which the case studies were prepared;
- A good visibility element and accessible representatives.

After the selection process, the following two cross-border cooperation networks were selected for case studies: the Tourism zone Haloze-Zagorje and the Euroregion Danube-Drava-Sava. Other defined cooperation forms were either initiated on a state level or simply represented purely formal networks with no real background in terms of organized and implemented cross-border activities and achieved results during the time of their existence.

2. Determination of geographical and demographical confines

2.1 Haloze region

Haloze is a Slovenian geographical sub-region, situated in the northeastern part of the country, in the Lower Styria region. It is a mostly hilly area, bounded by the rivers Dravinja and Drava in the north and by the Croatian border to the south. The area of Haloze is approximately 300 square kilometres and is inhabited by some 21.000 people, who communicate in the Haloze dialect, specific for the region. The climate of the region is very similar to the rest of the area in the Drava Valley. Yet the area is rather different in a geological sense.

Haloze is renowned for its fruits and wine and represents one of the seven districts of the Po-dravje wine region. The most renowned wines of this region are: Traminer, Pinot blanc, Sauvignon, Riesling and Pinot noir. Haloze is also renowned for its historically valuable monuments and sites, such as the Borl Castle, in writing first mentioned in 1199.



Figure 1: Landscape with vinyards typical for the Haloze region (Slovenia)¹

¹ Source: <https://en.wikipedia.org/wiki/Haloze>

2.2 Zagorje region

Zagorje (full name: Hrvatsko Zagorje) is a Croatian region and a separate natural and geographical entity, situated in the northwestern part of Croatia. Zagorje is divided into two areas: North Zagorje is part of the Varaždin County, and South Zagorje covers the entire territory of the Krapina-Zagorje County as well as the northwestern part of Zagreb County. On its northwestern side Zagorje is bounded by the Slovenian border. The entire Zagorje covers an area of 2.300 square kilometres.

Zagorje is rich in historical and cultural assets, shaped by the influence of various historical processes. It is rich in castles, churches and other monuments, as well as thermal spas. Zagorje is internationally renowned for the archaeological site related to the Krapina Early Man. People in Zagorje mostly speak in Kajkavian dialect, which has many parallels with the Slovenian language.



Figure 2: Landscape typical for the Zagorje region (Croatia)²

² Source: <http://www.vuglec-breg.hr>



2.3 The Tourism Zone Haloze-Zagorje

The cross-border activities conducted by the Slovenian and Croatian municipalities came as a natural consequence of many distinguished parallels between the local communities on both sides of the border. Historical and cultural factors played a vital role in this sense, since people from Haloze and Zagorje have much in common. Their languages are very similar and people from both countries are able to mutually communicate and understand each other without language barriers. They share many historical and cultural influences for several centuries. Residents from Haloze and Zagorje regions lived in the same empires and states: the Austro-Hungarian Empire (1867-1918), the Kingdom of Yugoslavia (1918-1944), as well as the Socialist Federal Republic of Yugoslavia (1945-1992).

The Tourism zone Haloze-Zagorje area covers approximately 600 square kilometres. About 200 settlements from 14 municipalities and a town are included in the zone, whilst around 55.000 inhabitants in total live in the area. On the Slovenian side, seven municipalities are included in the zone, while on the Croatian side, seven municipalities and (partially) one town are included. The border area of the zone is contiguous and defined by the bilateral cross-border co-operation accord (SOPS) between Slovenia and Croatia. The geographic map of the TZHZ can be found in Annex I of this case study.

The territory of the Tourism zone Haloze-Zagorje covers seven out of 428 municipalities in total and one out of 128 towns in total on the Croatian side, as well as seven out of 212 municipalities in total on the Slovenian side.

The Tourism zone is almost equally distributed on both sides of the border. Given the fact that the territory of Slovenia in total covers an area of 20.273 square kilometres, while Croatia's territory covers 56.594 square kilometres, the coverage area of the zone equals approximately 1.48% of Slovenian and 0.53% of Croatian territory. The share of the zone's territory in the sum of the territories of the two countries equals approximately 0.78%.



Figure 3: Logo of the Tourism zone³:

³ Source: <http://www.haloze-zagorje.eu/images/logos/logo-haloze-zagorje-SI.png>

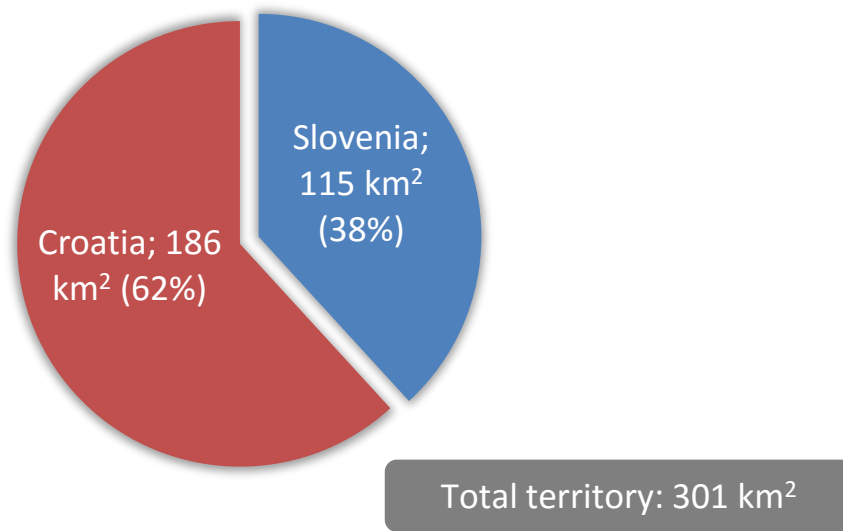


Figure 4: Territorial structure of the Tourism zone Haloze-Zagorje⁴

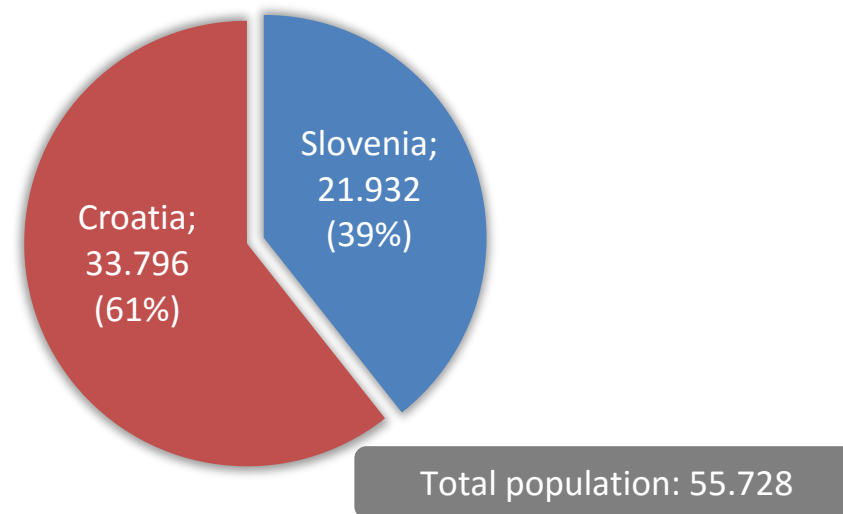


Figure 5: Population of the Tourism zone Haloze-Zagorje⁵

⁴ Source: authors' work

⁵ Source: authors' work



2.4 Historic antecedents of the Tourism zone Haloze-Zagorje

The mutual ties between the areas and their related communities that are now covered by the local self-government bodies (i.e. municipalities) within the TZHZ have to be analysed from a historical perspective. The establishment of the Tourism zone cannot be fully understood without the historical premise since that premise represents the basis on which today's cross-border cooperation has been built on. As we have already mentioned, the municipalities and communities grouped under the tourism zone had established close and friendly relationships well before the establishment of the Tourism zone Haloze-Zagorje. The municipalities from the two countries had together been part of three states throughout the 19th and the 20th centuries. The most important period in this context is that of the Socialist Federal Republic of Yugoslavia (SFRJ), within which Slovenians and Croats coexisted for more than 40 years. Because of the importance of the Yugoslavian era for building and enhancing mutual links between the municipalities and communities, an overview of this era is given within this subchapter.

Even though both Slovenia and Croatia have their national identities on their own, the sense of shared joint identity is strongly related to the Yugoslav era and the then-proclaimed "brotherhood and unity". The latter stands for an ideological slogan, a state practice and, in a general sense, a socially accepted way of life between the nationalities⁶ of Socialist Yugoslavia. One of the most important historical events that served as a base for growing unity of different nationalities was World War II, where a great part of the Slovenians and the Croats (in addition to others, e.g. Serbs, Macedonians, etc.) gathered under the resistance movement and the National Liberation Army, where they fought as Yugoslav partisans against German nazis, Italian fascists, and their collaborators.

After World War II, the "brotherhood and unity" was as a principle built within the foundation of the new Yugoslavia, and the majority of people of different nations from the republics that had found themselves in the new state have accepted it. In the following decades, industry and thus economies of the Yugoslavian republics were stable and growing, and the Slovenian and Croatian ones were the strongest. A high quality of life led to the establishment of a strong middle class on the federal level and the creation of a common modern identity, which had even more catalysed the feeling of one joint identity between Croats, Slovenes, and other nationalities. This situation lasted until the 1990s when Yugoslavia disintegrated and independent states within the former Yugoslavian territory were created.

⁶ The „brotherhood and unity“ was not related only to Slovenians and Croats in Yugoslavia, but also other Slavic nations within the Yugoslavian state: Serbs, Montenegrins, Macedonians, Bosniaks etc.



The roots of today's efforts in Croatia and Slovenia towards mutual cooperation in various fields (i.e. tourism, entrepreneurship etc.) can be traced to the more than forty-year-long Yugoslav era where nationalities and communities were not only co-existing but were actively living together, cooperating and developing the close mutual ties, identities and a generally positive orientation towards the creation of a joint space of social and economic cooperation. The Tourism zone Haloze-Zagorje as a cross-border initiative between the Croatian and Slovenian municipalities must also be considered within this context in order to achieve an appropriate and deeper understanding of the basis of its establishment.



3. The development of the cross-border cooperation

3.1 From a letter of intent to project proposals

As a formalized cross-border network, the Tourism zone Haloze-Zagorje came as a result of locally initiated cooperation efforts of the municipalities in the Slovenia-Croatia cross-border space in Haloze and Zagorje regions. Even prior to the formalization of their cooperation initiative, the municipalities established semi-formal mutual links and communication with the purpose of exchanging ideas and suggestions for future and to concrete more joint actions and exchange of best practices with the purpose of enhancing their local economies in line with modern standards established in the European Union and globally.

The municipalities and especially their local actors (small producers, farmers, entrepreneurs, non-governmental associations, and accommodation providers) recognized the significant potential of the cross-border space in the field of economy, with a special emphasis on tourism. This potential of the area was greatly tied to a shared history between the communities, similar cultural influences and, especially, their similar languages.

The idea of enhancing the economic potential of the communities in the cross-border space through taking advantage of historic and cultural factors, historical and architectural heritage and/or preserved natural resources were the main driver for the conducted efforts in establishing and maintaining closer mutual ties between the municipalities in the Haloze-Zagorje cross-border area. The municipalities and their communities in Croatia and Slovenia already cooperated during the period when both countries belonged to Yugoslavia. After the disintegration of Yugoslavia, they searched for new ways and possibilities in order to renew their former cooperation as independent states. Consequently, the entire framework of the cooperation changed.

3.2 The Tourism Zone Haloze-Zagorje as an early example of the LEADER PRINCIPLE in the region

Due to the fact that the municipalities created and maintained their mutual links by their own local initiative, the Tourism zone came as a result of a bottom-up approach rather than a top down decision from the state bodies. Prior to the establishment of the tourism zone, project partners from both sides of the border conducted a survey amongst local actors in the areas that were planned to be included in the future cross-border cooperation network. This survey included a wide area of local actors from the public, private, and civil sectors; namely small producers, accommodation providers, entrepreneurs, non-governmental organizations in the field of culture, sports, youth, and environmental protection, as well as local residents. The



survey was conducted with the purpose of obtaining information on existing tourism and economic resources and the potential of the cross-border area in order to assess the main course of development and the promotion of the zone. The surveying of local actors was conducted via a series of workshops organized by partners in their respective locations, both in Slovenia and Croatia. The main conclusions of the survey can be divided into the following premises:

- Private, civil and public actors from both sides of the border are interested in establishing closer mutual cooperation with the purpose of enhancing their competitiveness as well as overall development of the cross-border area;
- Local actors are interested in the preparation and implementation of joint activities in a long-term period;
- There is a critical mass of identified local actors from various fields in both countries that will ensure their significant contribution to the overall cross-border cooperation efforts;
- Local actors are interested in taking part in the promotion of the regionally specific features of the area in their daily activities and are ready to include those features in their products, offers, and services.

In addition to surveying local actors, municipalities in the cross-border area identified a wide spectre of existing potentials in their respective regions. The purpose of this process was to include and promote local features within the Tourism zone Haloze-Zagorje and to ensure that as many as possible of these features are included in the integral offer of the tourism zone.

That means the establishment of the cross-border cooperation Haloze-Zagorje can be considered as an early example of the development of the LEADER principle approach in this region. This is important to mention since both Croatia and Slovenia were relatively new to the LEADER concept at the time of the establishment of the tourism zone. Croatia and Slovenia, both as former Yugoslavian republics, were under the influence of state- or government-controlled practices at that time (end of the 90s⁷), on national, regional, or local level. The establishment of a network based on decisions of various local actors is considered as a pioneer venture in this part of Europe.

There are seven main pillars that define the integral LEADER approach and each of them can be identified as working principles during the process of establishment of the TZHZ:

- **The LEADER approach is based on specific local and regional features of a given area**, and it takes into account a small, socially connected territory which is often characterized by common traditions, local identities, and joint needs and expectations. The establishment of the Tourism zone is greatly based on this approach.

⁷ The letter of intent for establishment of the cross-border zone was issued in 1999.



- **LEADER underlines the importance of the bottom-up approach** as it ensures that local actors are involved in decision-making processes, they reflect on the priorities for the development of the area where they live and operate. As we already showed, local actors from Haloze and Zagorje regions were noticeably involved in the establishment of the cross-border zone.
- **LEADER promotes an establishment of local partnerships (local action groups)** with the purpose of the joint engagement of actors from public, private, and civil sector in defining local development strategies. Although the Haloze and Zagorje regions did not establish a joint cross-border local action group, various actors from the civil, private and public sectors from both areas were cooperating and involved in the establishment of the cross-border zone.
- **LEADER stimulates and encourages innovative approaches and solutions** for rural development. Here it is important to mention the significance of such innovations when it comes to the preservation of local traditions and their representation on the open market in a competitive way. The cross-border Tourism zone Haloze-Zagorje as a project represents an innovative approach of its time in the region, and is greatly oriented towards the valorisation of local traditions and heritage of the included areas and their positioning on the tourism market in a new way.
- **The LEADER approach includes the networking** of different stakeholders with the purpose of exchanging knowledge, experience, and best practices. The TZHZ included this principle in its programmatic objective and encouraged the cooperation and networking of various stakeholders from the cross-border area, which includes the joint promotion and implementation of transborder activities.
- **LEADER represents an integral approach** that underlines the importance of cooperation between different sectors involved and engaged in developmental activities. The process of establishing the TZHZ included activities that involved the cooperation of various actors from the civil, private, and public sectors.
- **LEADER encourages cooperation** between different LAGs with the purpose of preparing and implementing joint projects and actions. However, Haloze and Zagorje regions did not establish a joint, cross-border local action group. One of the main intentions of the partners was to establish and maintain cooperation links with other similar zones in the European Union. The purpose of this was to encourage local actors within the zone to get engaged in joint actions with other actors on the EU level.

All of the municipalities included in the tourism zone closely cooperated and were directly engaged in the project of the Tourism zone Haloze-Zagorje as project partners. There are two municipalities that distinguished themselves in the process of initiating the first steps of further cooperation. The first signs of bringing the semiformal cooperation to the level of formal and institutionalized cross-border cooperation network are tied to the efforts conducted by the Municipality of Zavrč (Slovenia) and Municipality of Cestica (Croatia). The local self-government



bodies of these two municipalities are the main responsible partners of the project and they conducted the initial steps in gathering human and other resources needed for project preparation.

The first steps towards the formalized development of the Tourism zone Haloze-Zagorje took place in 1999. In that year, the 'Letter of intent' was signed in Trakošćan, Croatia, by the representatives of the municipalities within the future tourism zone⁸. In 2003, an agreement on cooperation in the field of tourism was signed and the administrative zone Haloze-Zagorje was established, which marked the start of the preparation of the project called "Tourism zone Haloze-Zagorje". Since the beginning of the project preparation, Mr. Dragutin Čehok (M.Eng) from the company INTER IN Ltd. played a key role in the project preparation process, both as lead consultant and coordinator of the project. During the 2003/2004 period, the 'Elaborate on the establishment of TZHZ' was prepared alongside with the tourist zone maps. In the same period, the zone was physically marked with road signs on both sides of the border. After the technical inspection of the area and approval of the responsible bodies, a meeting took place in Koper (Slovenia) in April 22nd 2004, where the Tourism zone Haloze-Zagorje was officially declared by the SOPS⁹ commission.

3.3 The SOPS Agreement on frontier trade and cooperation

Since its establishment the cross-border tourism zone Haloze-Zagorje is on a higher decision level, regulated by the Agreement on frontier trade and cooperation between Croatia and Slovenia. Consequently, it is necessary to present the basic principles of the agreement document.

The Agreement on frontier trade and cooperation (SOPS) between Slovenia and Croatia is a document that defines a general framework and terms of cross-border cooperation between the two countries in the areas (local self-government bodies) near the common border. The Agreement is issued by the legislative bodies in Croatia (i.e. the former Croatian House of representatives) and Slovenia (i.e. the National Assembly).

The Agreement on Frontier Trade and cooperation was jointly defined and agreed upon by the Slovenian and Croatian governments, and was signed in Ljubljana (Slovenia) on 28th of April 1997. The signatories of the Agreement were Mate Granić (Croatian Minister of Foreign Affairs) and Zoran Thaler (Slovenian Minister of Foreign Affairs). On the 29th of September 1997, the Agreement was approved by Franjo Tuđman, then President of the Republic of Croatia.

The Agreement on Frontier Trade and Cooperation does not define specific cross-border structures (i.e. existing euroregions, tourism and entrepreneurship zones, etc.) but only defines

⁸ For the list of included municipalities, please refer to Table 2 of this document.

⁹ Croatian "Sporazum o pograničnom prometu i suradnji" – Agreement on frontier trade and cooperation



cross-border areas (municipalities and settlements) as well as segments of territorial seas of Croatia and Slovenia where the Agreement is applicable. The list of settlements on the Slovenian and Croatian side is very long and the full version can be found in the Official Gazette Nr 15/97¹⁰.

Within the context of cross-border cooperation networks, the Agreement on Frontier Trade and Cooperation between Slovenia and Croatia will soon become obsolete. Namely, in the time when the Agreement was signed, neither Slovenia nor Croatia were members of the European Union¹¹. As non-EU countries, national borders between Croatia and Slovenia were strict. However, after the entry to the EU, national borders have lost their strict relevance and rigidity. The Agreement on Frontier Trade and Cooperation has remained in force even after Slovenia and Croatia entered the EU, but the borders will become obsolete, especially when Croatia will be a member of the Schengen area. In this context, certain obstacles that the Agreement on Frontier Trade and Cooperation puts towards the acceptance of new members within the Tourism zone Haloze-Zagorje are expected to end within that period.

The Agreement defines the terms for cross-border travel and trade in the defined areas that were formally recognized and confirmed by the SOPS commission. For tourism zones, the Agreement grants issuing tourist licences for visitors that makes their travel between the defined cross-border sections much easier. The holders of such tourist licences are able to travel within and remain in the cross-border area without having to undergo more complex procedures that apply to other visitors (i.e. without the licence). Hence, all the activities for tourists in the area are conducted more easily, which has a substantial positive impact on activities that include crossing the borders (e.g. bicycling, sightseeing, hiking etc.).

However, there is a specific limitation that the SOPS agreement brings to (tourism) zones. Namely, the SOPS lacks flexibility, and the cross-border tourism zones are definite, which means that no additional areas can join the defined zone without complex negotiation procedures on state level. This fact puts several limitations to the tourism zones in the cross-border area, since the legal framework for such zones is defined on state level.

3.4 The project Tourism zone Haloze-Zagorje

The project proposal was submitted for the first call of the INTERREG III A cross-border programme. After the elaboration process, the project was highly ranked (only 13 out of 96 projects in total applied by Croatian partners were chosen for funding) due to its quality design, impact on the target groups, innovative approach, and its relevance for the development of the

¹⁰ A direct link to the Croatian version of the Official Gazette Nr 15/97 can be found in the Bibliography of this case study.

¹¹ Slovenia entered the European Union in May 2004, and Croatia in July 2013.

Slovenia-Croatia cross-border area. On May 19 2006, the contract was signed between the EU and the lead partners from Croatia and Slovenia. The Municipality of Cestica was the main project partner on the Croatian side, while the Municipality of Cirkulane was the main project partner on the Slovenian side as well as the lead partner as well. Each of the main partners in Croatia and Slovenia were responsible for coordinating the project partners and activities, spending the funds in line with the budget and reporting project progress to the responsible bodies.

Apart from the aforementioned lead institutions, the following entities were also project partners: municipalities Gorišnica, Cirkulane, Podlehnik, Videm, Zetale and Zavrč (on the Slovenian side); municipalities Bednja, Donja Voća, Đurmanec, Jesenje, Klenovnik, Lepoglava and Vinica (on the Croatian side) as well as the Municipality of Tuzla (Bosnia and Herzegovina). As the Municipality of Tuzla is an area which is geographically located far away from the cross-border space of Haloze-Zagorje, it was not supposed to become a part of the new tourism zone, but it participated in the project as an associate partner. Consequently, the Municipality of Tuzla played a minor role in the project of establishing the Tourism zone; its engagement was limited to attending project meetings and taking part in some of the activities. This way the exchange of best practices on cross-border cooperation efforts between the Slovenian and Croatian municipalities, within the context of EU programmes, was ensured for the Municipality of Tuzla as well. The total budget for the project was 394.371 EUR, while the EU contribution was 295.778 EUR. The project duration was 24 months in total.



Figure 6: Project management meeting organized during the implementation of the project (October 2006)¹²

*Order of appearance (from left to right): upper row: **Vladimir Pernek**, President of the Municipality of Đurmanec; **Anton Buloten**, County Prefect of Žetale; **Dragutin Čehok**, project advisor; **Rado Radošek**, representative of the*

¹² Source: <http://www.cestica.hr>



Municipality of Marčane, Ivica Lukaček, representative of the Municipality of Gornja Voća; lower row: Vera Borak, project leader on the Croatian side; Mirko Korotaj, Mayor of the Municipality of Cestica, Jasminka Grabar, secretary of the Municipality of Bednja, Sonja Golc, project leader on the Slovenian side.

On May 29 2006, the project “Tourism zone Haloze-Zagorje” was announced to the wider public. High expectations were put towards the implementation of the project by both project partners and by the residents of the Haloze-Zagorje area. In addition to this, the project was also funded by the EU, which contributed to an overall positive attitude of the residents towards the European Union integration process.



Figure 7: Presentation conference for the Tourism zone, Babinec, Croatia, 2008¹³

The activities carried out gave the needed momentum to the economic, social, cultural, and overall development of the Haloze-Zagorje tourism region. The project created the framework for creating new tourism offers in the region that would contribute to creating new job opportunities for entrepreneurs, small producers, local residents, and investors. The sector of culture and heritage has also made a profit from the project since it included activities of preservation of cultural heritage and ensured its integration as a part of integral tourism offer of the area. Moreover, for the sake of its sustainability the project ensured a basic framework for future cooperation among a wide spectrum of different economic and non-economic stakeholders, generating better connection between local communities from both sides of the Croatian-Slovenian border.

¹³ Source: <http://www.cestica.hr>



Traditions of the local communities have been included in the integral tourism offer, which positively contributed to ensuring sustainability of local folklore and traditions. Namely, local residents, especially traditional crafts and arts were now given the opportunity to link their activities into the commercial offer of the zone, which opened the path for better financial sustainability of the local economy and gave a boost for the preservation of local traditions in the area.

Due to the fact that the TZHZ had been previously declared by the Agreement on frontier trade and cooperation Commission, tourists in the zone were now given the opportunity to obtain tourist licence and travel from one to another side easily and without unnecessary administrative burdens. This way, visitors were given the chance to move freely throughout the entire area of the cross-border tourism zone, visit places and sites in reasonable time, without unnecessary and, more importantly, often time-consuming obstacles. Moreover, by moving freely through the zone, visitors were able to experience the area as a unitary and organic unity.



Figure 8: Front cover of the Tourist guide for Haloze-Zagorje¹⁴:

The main result of the project was the establishment of a joint cross-border management structure of the Tourism zone. This way, a long-term organizational and operational framework for the zone was established and ensured. Also, during the project, there were several other activities implemented in order to catalyse the development of tourism in the cross-border region. All activities were closely tied to the main objective and so ensured complementary outputs necessary for the appropriate establishment of the zone. The project activities were:

- training courses for the area's tourist guides;
- establishment of a register of local tourist guides;
- writing a draft of the Development strategy for the Tourism zone;
- creation of valuable ethnographical collections;
- partial rehabilitation of the Dominkova and Vukova farmhouses, of the wine museum in Velika Gorica and a votive monument in Stogovci, Ptujška Gora

¹⁴ The online version of the Tourist guide is available at <http://www.yumpu.com/sl/document/view/5282258/vodnik-po-turisticni-coni-haloze-zagorje-turisticna-cona-haloze->



- establishment of the office as well as additional facilities for meetings and promotional activities related to the zone;
- reconstruction and renewal of the DVD15 Babinec facilities;
- marking bicycle routes in the area for GPS systems;
- marking the zone with road signs.



Figure 9: Ptujška Gora, one of the attractions in Haloze-Zagorje¹⁶:

Various promotional materials were produced in three languages¹⁷ in order to disseminate the purposes of the project. These promotional materials were the following: tourism zone brochure, guides with tourist destinations including bicycle routes, culture monuments and sites of great natural value in the zone, as well as events calendars and posters. Furthermore, the TZHZ was actively presented on numerous regional fairs as well as local and cross-border manifestations.

¹⁵ In Croatian “Dobrovoljno vatrogasno društvo”, in English „volunteer fire brigade“

¹⁶ Source: <http://www.slovenia.info>

¹⁷ in Slovenian, Croatian, and English

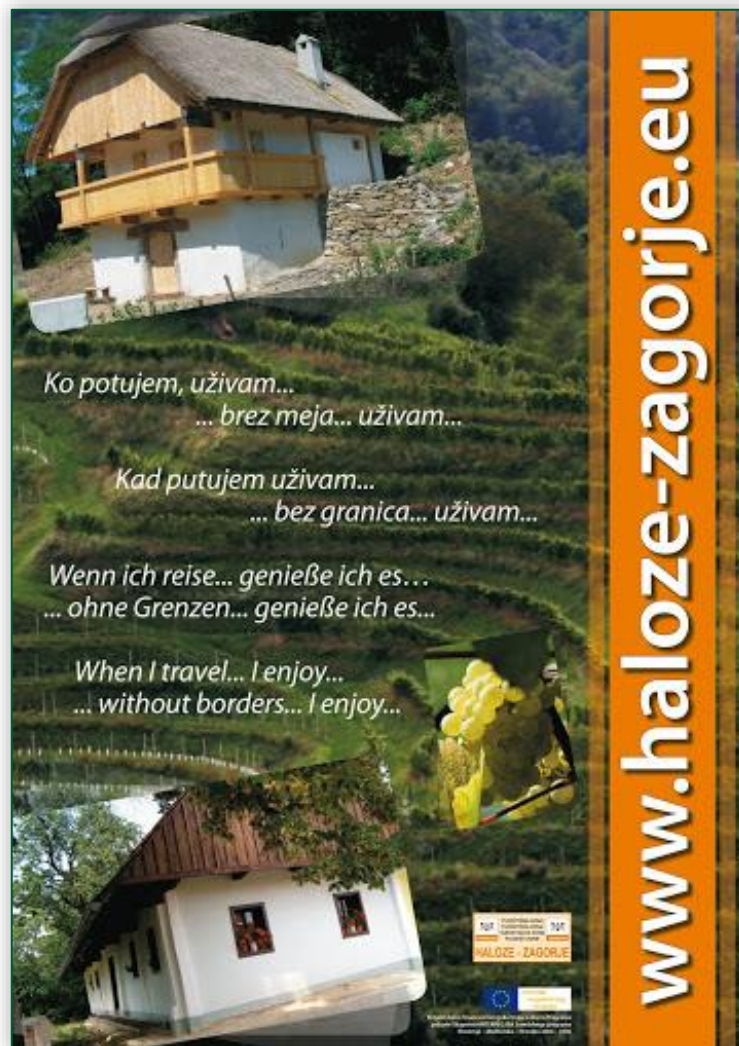


Figure 10: Poster of the Tourism zone Haloze-Zagorje¹⁸:

Moreover, it is necessary to mention that the zone was promoted at the Zagreb Fair in the capital of Croatia, which is one of the most renowned international fairs in the wider region. What is more, a promotional film was produced in four languages (Croatian, Slovenian, English, and German) together with the tourist guide, info points, and other promotional materials. Video commercials were produced and transmitted on the Croatian and Slovenian national televisions (HRT and TV Slovenia). In addition, an internet site was established with information about the project and a detailed overview of the Haloze-Zagorje region, its history, culture, traditions, food and architectural heritage.

¹⁸ Source: <http://www.haloze-zagorje.eu>



Figure 11: Varaždin County Prefect Mr. Radimir Čačić (in the middle), Ms. Dijana Katica, Croatian Farmers Association, and Mr. Mirko Korotaj, the Mayor of the Municipality of Cestica (on the right) during the presentation of the project Tourism zone Haloze-Zagorje, Babinec, 2008¹⁹.

Prior to and during the establishment process of the Tourism zone, project partners had already cooperated with different stakeholders in the region (such as with small producers, grape growers and wine makers, family farms, accommodation providers, traditional craftsmen, small farmers, unemployed people, etc.) in order to address the main issues to be dealt with within the project. The main pros and cons that were identified during the consultations are presented in the following table.

¹⁹ Source: <http://www.cestica.hr>



3.5 Pros and cons regarding the establishment of the Tourism zone Haloze-Zagorje as defined in the process

Pros

- the zone will be able to utilize specific natural, cultural and economical advantages from the both sides of the border
- institutionalized cross-border cooperation will enhance best practices exchange between its members
- cross-border cooperation will serve as an excellent basis for future joint cross-border initiatives
- cross-border cooperation has a major overall potential to significantly contribute to the development of tourism, economy, culture and society
- cross-border cooperation will take advantage of the opportunities granted via the SOPS Agreement and ensure easier trade and travel within the zone for tourists and local residents
- The financing of the project will have a major positive impact of ensuring positive attitudes from the local population towards the European Union and its policies.
- The tourism zone will ensure the inflow of tourists and visitors (consumers), and further stimulate local producers to improve their activities in order to gain competitive advantage. The zone will also have a great impact on stimulating more people to start their own businesses.

Cons

- none defined during the process

3.6 The post-implementation period

Following the project implementation period, project partners continued with planning, organizing and conducting activities in order to ensure the zone's operations and sustainability as well as its positive impact on defined target groups. Representatives of the municipalities included in the zone were primarily interested in funding opportunities for future actions related to the zone. The main priority was to further stimulate members to further cooperate on preparing projects for applying for various EU funds in the field of tourism and entrepreneurship.

Project partners continued to organize meetings and joint events, which provided a good opportunity for them to survey the process of the development of the zone in the post-project period. The meetings and events were organized regularly, approximately once every six months.



One of the examples of such meetings took place in 2010, when the representatives of the municipalities (mayors and municipal prefects) included in the tourism zone met in Lepoglava, in the premises of the Tourist and cultural information centre. The meeting was also attended by the representatives of the “Tourism zone Haloze-Zagorje” project staff, in order that suggestions and ideas for future actions are ensured from all relevant actors.

During the meeting, attendants were analysing existing funding opportunities related to EU programmes and encouraged their members to work together and submit their joint project proposals. The main focus was put on future projects related to the economy, with a special emphasis on tourism development projects. Also, the organization of future joint events and manifestations for tourists and the local population was underlined as an important method for ensuring the future activities and overall life of the TZHZ in the long term.

The meeting also served as an appropriate ground for project partners to cooperate in defining the principles of the newly established Council of the Tourism zone Haloze-Zagorje, which included mayors of the municipalities as well as the representatives of the project staff. The defined purpose of the Council was to assess the possibilities and opportunities related to the zone as well as to define the plan and programme of the activities.

3.7 The follow up of the establishment of the tourism zone: The project Entrepreneur zone Haloze-Zagorje and Wine road “Klamptotic”

As we already mentioned, the establishment of the cross-border Tourism zone Haloze-Zagorje has provided an organizational and operational framework for additional projects, either as actions initiated by the municipalities alone or as joint actions between some or all of the municipalities. The fact that the municipalities continued joint preparation, submission and implementation of additional projects underlines the major developmental influence and the multiplicative factor of the Tourism zone Haloze-Zagorje project results.

The most notable example of such activities is related to the establishment of the Entrepreneur zone Haloze-Zagorje. The project represents a direct follow-up to the establishment of the TZHZ. The project was initiated by the Municipality of Cestica (the lead partner for the tourism zone establishment on the Croatian side of the border) in 2007, and it included municipalities in the Tourism zone. The project was realised within the PHARE programme and the European Union contributed to its realisation with 88.000 EUR. Moreover, as a part of the Entrepreneur zone, the Economy zone of the Municipality of Cestica and City of Lepoglava was also established. The project of the establishment of the Entrepreneur zone Haloze-Zagorje is an example of a successful, jointly prepared and implemented project proposal conducted by the municipalities in the Haloze-Zagorje region after the establishment of the tourism zone.



Figure 12: Celebration of St. Martin's day in Haloze-Zagorje²⁰

In addition to the Entrepreneur zone, the project Wine road “Klampotic” also represents a direct follow up of the Tourism zone Haloze-Zagorje project. The main partner of this project aimed at establishing the wine road was the Municipality of Cestica, while the project was co-funded by the European Union with 300.000 EUR within the period 2010-2014. This project came as the result of the initiative of various family farms in the region, which showed their interest for the integration of their wine products in a unique tourism destination offer in the Zagorje region.

Table 1: Croatian and Slovenian municipalities with their related settlements included in the Tourism zone Haloze-Zagorje²¹:

Country	Municipality/city	Region	Settlements
Croatia	Municipality of Bednja	Varaždin county	Bednja, Benkovec, Brezova Gora, Cvetlin, Jamno, Jazbina Cvetlinska, Ježovec, Mali Gorevec, Meljan, Osonjak, Pašnik, Pleš, Podgorje Bednjansko, Prebukovje, Purga Bednjaska, Rinkovec, Sveti Josip, Šaša, Šinkovica Bednjanska, Šinkovica Šaška, Trakoščan, Veliki Gorevec, Vranojelje, Vrbno, Vrhovec Bednjanski

²⁰ Source: <http://www.cestica.hr>

²¹ Source: authors' work



Country	Municipality/city	Region	Settlements
	Municipality of Cestica	Varaždin county	Babinec, Brezje Dravsko, Cestica, Dubrava Križovljanska, Falinić Breg, Gornje Vratno, Jarki, Kolarovec, Križanče, Križovljan Radovečki, Mali Lovrečan, Malo Gradišće, Natkrižovljan, Otok Virje, Radovec, Radovec Polje, Selci Križovljanski, Veliki Lovrečan, Virje Križovljansko, Vratno Otok
	Municipality of Donja Voća	Varaždin county	Budinščak, Donja Voća, Fotez Breg, Gornja Voća, Jelovec Voćanski, Plitvica Voćanska, Rijeka Voćanska, Silvarsko
	City of Lepoglava	Varaždin county	Kamenica, Žarovnica, Zlognje, Donja Višnjica
	Municipality of Klenovnik	Varaždin county	Dubravec, Goranec, Klenovnik, Lipovnik, Plemenščina, Vukovoj
	Municipality of Vinica	Varaždin county	Donje Vratno, Gornje Ladanje, Goruševnjak, Marčan, Peščenica Vinička, Vinica, Vinica Breg
	Municipality of Đurmanec	Krapina-Zagorje county	Donji Macelj, Đurmanec, Goričanovec, Gornji Macelj, Hlevnica, Hromec, Jezerišće, Koprivnica Zagorska, Lukovčak, Podbrezovica, Prigorje, Putkovec, Ravninsko
	Municipality of Jesenje	Krapina-Zagorje county	Brdo Jesenjsko, Cerje Jesenjsko, Donje Jesenje, Gornje Jesenje, Lužani Zagorski
Slovenia	Municipality of Zavrč	Administrative unit Ptuj	Belski vrh, Drenovec, Gorenjski vrh, Goričak, Hrastovec, Korenjak, Pestike, Turški vrh, Zavrč
	Municipality of Gorišnica	Administrative unit Ptuj	Cunkovci, Formin, Gajevci, Gorišnica, Mala Vas, Moškanjci,



Country	Municipality/city	Region	Settlements
			Muretinci, Placerovci, Tivolci, Zagojčiči, Zamušani.
	Municipality of Cirkulane	Administrative unit Ptuj	Brezovec, Cirkulane, Dolane, Gradišča, Gruškovec, Mali Okič, Medribnik, Meje, Paradiž, Pohorje, Pristava, Slatina, Veliki Vrh
	Municipality of Videm	Administrative unit Ptuj	Barislovci, Belavšek, Berinjak, Dolena, Dravci, Dravinjski Vrh, Gradišče, Jurovci, Lancova Vas, Ljubstava, Majski Vrh, Mala Varnica, Pobrežje, Popovci, Repišče, Sela, Skorišnjak, Soviče, Spodnji Leskovec, Strmec pri Leskovcu, Šturmovci, Trdobojci, Trnovec, Tržec, Vareja, Velika Varnica, Veliki Okič, Videm pri Ptuju, Zgornja Pristava, Zgornji Leskovec
	Municipality of Podlehnik	Administrative unit Ptuj	Dežno pri Podlehniku, Gorca, Jablovec, Kozminci, Ložina, Podlehnik, Rodni Vrh, Sedlašek, Spodnje Gruškovlje, Stanošina, Strajna, Zaki, Zgornje Gruškovlje
	Municipality of Žetale	Administrative unit Ptuj	Žetale, Dobrina, Kočice, Nadole, Žetale
	Municipality of Majšperk	Administrative unit Ptuj	Bolečka Vas, Breg, Doklece, Dol pri Stopercah, Grdina, Janški Vrh, Jelovice, Koritno. Kupčinji Vrh, Lešje, Majšperk, Medvedce, Naraplje, Planjsko, Podložje, Preša, Ptujaska gora, Sestrže, Sitež, Skrblje, Slape, Spodnja Sveča, Stanečka Vas, Stogovci, Stoperce, Zgornja Sveča



Regarding the changes in the shape of the territory of the Tourism zone Haloze-Zagorje, no municipalities from either side of the border had left or joined the zone after its establishment. As previously said, the territory of the tourism zone is defined by the Agreement on frontier trade and cooperation between national bodies in Slovenia and Croatia, and it is not subject to change. There have been, however, requests from other municipalities on the Slovenian side for joining the zone, as the interviews conducted for the purpose of preparing this case study have shown. On the other side, in Croatia there were no requests for joining the zone.



4. Main activity areas/profile

Regarding the activities of the cross-border cooperation, such as academic research and educational activities conducted within the Tourism zone Haloze-Zagorje cross-border cooperation, there are examples for education activities. These activities were prepared and implemented in order to enhance the skills and knowledge of stakeholders operating in a wide range of areas in the economy of the zone. Examples of educational activities conducted in the TZHZ are:

- A series of trainings for tourist guides were organized in cooperation with the Tourist guides association²². Training activities were held on both sides of the border and included all municipalities within the zone. The trainings consisted of a theoretical and a practical part. In total, 13 tourist guides participated and at the end of the educational process, licences were issued to them and they became official guides for the Tourism zone Haloze-Zagorje. The ceremony took place on December 3rd 2006 in the Municipality of Cirkulane (Slovenia).
- Within the project *Economic zone Cestica*, which is a continuation of the project *Tourism zone Haloze-Zagorje*, educational activities were organized for stakeholders relevant in the field of economic development.
- Within the project *Education*, education was conducted for the entrepreneurs, tourism actors, farmers, and civil society organisations' representatives.
- Within the project *Wine road "Klampotic"*, which is a continuation of the project *Tourism zone Haloze-Zagorje*, wine producers were educated in order to meet the criteria for including their offers in the wine road.
- Within the project *Preserving traditional crafts*, small traditional producers were educated in the field of marketing.
- Within the project *Development and promotion of the tourism potentials of Bednja*, various stakeholders were educated in the field of tourism.
- Within the project *Organizing small farms for conducting tourism activities*, members of small family farms were educated.
- The establishment of the *Museum-education centre "Vindija"* involved educational activities for its staff. Today, the centre itself provides education for visitors.
- The project *Economic zone Cestica* included education for stakeholders in entrepreneurship.
- Within the project *Entrepreneurship in Haloze-Zagorje*, education was organized for entrepreneurs.

²² In Croatian: „Udruga turističkih vodiča“



- *Organizing family entrepreneurship in Bednja* included education for family entrepreneurs.
- Within the project *Traditional items from Podlehnik*, a series of workshops related to production of traditional items was organized.
- Within the action *Informing local population on the importance of preventive healthcare*, a series of educational activities were organized for the local population.
- As part of the action *Knowledge for development of LAG Haloze*, educational activities were conducted for stakeholders.
- During the action of *Enhancing tourism sector in Haloze*, stakeholders in tourism were educated.



Table 2: Table of additional projects prepared and implemented by two or more members of the Tourism zone Haloze-Zagorje²³:

Programme	Name of the project	Project partners	Budget	Description	Results
2000 - 2006 Slovenia - Hungary - Croatia (SI- HU-HR)	Dostupnost - Haloze	Lead Partner: Obcina Videmu Project partners: HALO EDIL ING – economy interest association for de- velopment of entrepre- neurship and tourism Municipality of Zavrc Municipality of Cestica Municipality of Gorisnica Municipality of Majsperk Municipality of Podlehnik Municipality of Zetale	Total budget: 74.871 EUR EU funding: 56.153 EUR	The project’s general objective was to im- prove cross-border mobility and accessibility for all people residing along the border. The improvement of cross-border accessibility and the reconstruction of roads near the border produce favourable conditions for the development of business, agricultural and tourist activities in the area. The project provided the necessary essential elements for the future improvement of cross-border traffic networks that will enable people from both sides of the border to have better access to services	Documents necessary for the upgrading of several road sections in the area of the participating municipalities were prepared, as follows: documents concerning three projects for the area of Videmu municipality, six for the area of the Majsperk municipality and one each for Zavrc and Podlehnik municipalities. The objective was to improve cross-border traffic networks and increase cross-border mobility with Croatia.

²³ Source: authors' work



Programme	Name of the project	Project partners	Budget	Description	Results
2000 - 2006 Slovenia - Hungary - Croatia (SI- HU-HR)	Entrepreneurship - HZ	<p>Lead partner: Municipality of Cestica</p> <p>Project partners: Municipality of Bednja Municipality of Donja Voca City of Lepoglava HALO EDIL ING – economy interest association for development of entrepreneurship and tourism Municipality of Klenovnik Municipality of Gorisnica Municipality of Majšperk Municipality of Podlehnik Municipality of Zetale Municipality of Gornje Jesenje Municipality of Videm Municipality of Vinicka Municipality of Đurmanec Municipality of Zavrč</p>	<p>Total budget: 117.345 EUR EU funding: 88.009 EUR</p>	<p>A joint economic and social cohesion and the development of human resources is expected through the stimulation of cooperation and the improvement in business dynamics within the Haloze-Zagorje cross-border area. A better cross-border cooperation among municipalities and companies was established and regional support structures were given with the purpose of reestablishing a supporting environment for economic development of the area, including a larger number of companies at a single location and an the opportunity for a safe and rapid development of the companies and an improvement of the social and economic situation in the Haloze and Zagorje areas. A foundation has been established for more active and determined resolution of the entrepreneurial problems in the area; networks of the Haloze-Zagorje entrepreneurial zones have been established; joint marketing and promotion of entrepreneurial zone; an increase in the number of businesses thereby economically strengthening the area; new opportunities for the employment have been developed and the unemployment level of the area has decreased; the influence of the border on local population has decreased.</p>	<p>A brochure and a DVD for the needs of the Haloze-Zagorje Entrepreneurial Zone project were produced; feasibility studies for Otok Virje, Cestica and Lepoglava entrepreneurial zones were completed; a development strategy and a marketing strategy were completed; a concept design and an unclassified road plan for the Cestica entrepreneurial zone were completed; a concept design for the entrepreneurial zone, an access road plan, the main drainage, water supply system and telecommunication network projects; a feasibility study for the Lepoglava entrepreneurial zone was completed; two cooperation meetings were held where each entrepreneurial zones were presented.</p>



Programme	Name of the project	Project partners	Budget	Description	Results
PHARE 2005	TCIC – Tourism and culture information centre	<p>Lead partner: The city of Lepoglava</p> <p>Project partners: Zadruga lepoglavska čipka Nezavisna udruga mladih Gradska knjižnica Lepoglava Zajednica športskih udruga Grada Lepoglave Pučko otvoreno učilište „Đuro Arnold“ Ivanec</p>	<p>Total budget: 981.000 EUR EU funding: 74,15%</p>	<p>The general objective of the project was to improve the competitiveness of the Lepoglava region in accordance with the Micro-regional development strategy for tourism. The specific aim of the project was to develop the tourism infrastructure and new tourism products through establishing Tourism and culture information centre in Lepoglava.</p> <p>Within the project, building of the Tourism and culture information centre was renovated and equipped, tourism marketing strategy was developed, new tourism packages were created, seminars and workshops for tourism stakeholders were held, and various promotional materials in English, German, Italian, and Croatian were designed and issued.</p>	<ul style="list-style-type: none"> • Renovated and equipped premises of the Tourism and culture information centre • New tourism services developed • Enhanced of the attractiveness of the Lepoglava region • Improved human resources capacities in the tourism sector



Programme	Name of the project	Project partners	Budget	Description	Results
Europe for Citizens	Creating European identity through joint culture and sports traditions	Lead partner: Municipality of Cestica Project partners: Municipality of Cirkulane (Slovenia) Municipality of Heiningen (Germany) Municipality of Molnari (Hungary)	Total budget: 56.448 EUR	In total of 4 project events were organized within this project, 1 event per project partner. During the project, representatives of the partner regions and their associated sports and culture organizations/CSOs organized various cultural and sport events, where they enhanced their mutual links and exchanged best practices.	At the end of the project, included project regions (municipalities) signed a town twinning agreement. Within the agreement, the framework for future joint activities between the twinned municipalities was defined for the fields of culture, sports, and recreation.



Regarding publication activities, TZHZ has its own website (www.haloze-zagorje.eu) where a wide spectrum of information is provided to the wider public. However, the website has not been updated for a few years now, and the cross-border cooperation is not engaged in any additional publication activities directly tied to the tourism zone. On the other hand, municipalities included in the zone are actively engaged in publication activities related to their respective regions (municipalities), which they use to promote their regions and often the Haloze-Zagorje zone, too. In addition to that, municipalities are engaged in informing local actors about actual calls for proposals as well as other funding opportunities. The municipalities can also provide legal assistance to the actors of their respective regions.



5. Management and budget

During the project implementation period, the Tourism zone had its own separate budget for project activities. After carrying out the project activities and spending the budget in line with the project's financial plan, the final report was issued and accepted. The post-implementation activities in the tourism zone continued to be financed from the budgets of the participant municipalities in the zone. As a consequence of the ongoing economic global crisis, the budgets of the municipalities available for funding activities related to the tourism zone are scarce. The main consequence is that the activities related to the joint promotion of the tourism zone are relatively rare today, and are often carried out by one or two partner municipalities included in the tourism zone.

Although the establishment of the Tourism zone Haloze-Zagorje represents an example of best practices related to joint cross-border cooperation in this part of Europe, probably the main weakness related to the zone is that the project partners from both sides of the border did not manage to ensure financial sustainability for the tourism zone. After the establishment of the zone, partners continued to finance activities related to its promotion and further development. Nevertheless, the means of financing the zone have not sufficed to ensure a high level of competitiveness of the tourism zone on an open market and in line with modern tourism needs.

Although the activities of TZHZ are today conducted relatively rarely compared to the project implementation period, when sources of financing these activities were ensured via the project budget, there are some activities conducted today by project partners.

The main activities conducted by the tourism zone in the post-project period are related to organizing various cultural events, cultural associations (KUDs) meetings, hiking excursions, carnivals (fašnik), degustation of local products (local wine and food), etc. Not all of these activities are being carried out via cooperation between the municipalities included in the Haloze-Zagorje tourism zone, and it is often the case that only one of the municipalities conducts such activities on its own. On the other hand, the activities are well focused, keeping in mind the specific local features of the cross-border area. All of the activities strive to take advantage from the cultural, historical and natural resources and assets of the region in order to promote its potential and present it to the wider tourism-related public.



Organizational structure and composition of the working Body

When it comes to the structure of the working body of the Tourism zone Haloze-Zagorje, it is important to mention that the organization does not have a formally employed and professionalized employee structure. The main organizational unit from the beginning of the establishment of the zone is the Council of the Tourism zone, composed of the mayors of the municipalities included in TZHZ as well as the representatives of the project staff that was engaged in the process of preparing and implementing the establishment of the zone. The organizational structure has not changed since its first establishment.

There is one main seat of the Council on each side of the border. In Croatia, the seat of the Council is stationed in the premises of the Municipality of Cestica, while on the Slovenian side the seat is part of the Municipality of Cirkulane. Both Cestica and Cirkulane were lead partners of the project Tourism zone Haloze-Zagorje in Croatia and Slovenia. As lead partners and the most active members of the cross-border cooperation, they continued to act as leaders of the tourism zone.

There are two persons who act as leaders of the Council: on the Croatian side is Mirko Korotaj, the Mayor of the Municipality of Cestica, while on the Slovenian side is Janez Jurgec, the Mayor of the municipality of Cirkulane. Mayors can appoint additional staff. All of the people engaged in conducting operations and activities related to TZHZ are highly educated persons with experience in tourism, economy and EU projects. Depending on the person, the staff can communicate in English, Slovenian, Croatian, and German.

The role of the Council as the body of the representatives of the member municipalities of the Haloze-Zagorje region is related to the planning of the zone's future development. This planning is primarily oriented towards identifying available EU funding opportunities for future joint projects in the field of tourism and economy. The Council organizes staff meetings on a regular basis (usually one every six months) with the purpose of exchanging ideas and reviewing possibilities for future projects, defining priorities for future cross-border cooperation, and exchanging best practices in the field of EU projects prepared and/or implemented by the municipalities. The Council also contributes to ensure additional media coverage for the Tourism zone by organizing conferences and preparing statements for local and regional media.

The municipalities included in the Council are also responsible for providing information about the available EU programmes and other funding opportunities to local actors in their respective regions. Each municipality has a special person (a member of the municipal staff) whose role is to help potential applicants (entrepreneurs, producers, non-governmental organizations, etc.) in preparing their project proposals.

Since the Tourism zone Haloze-Zagorje does not have its separate budget plan, and since the activities conducted by the zone are funded via the budgets of municipalities included in the



zone, the Council of TZHZ conducts their work as part of their primary employment in the municipalities included in the zone. In line with that, the members of the staff of the Council are compensated for their work related to the zone via their monthly payments (which they receive from their respective municipalities).

In total, there are 17 persons operating as members of the Council of the Tourism zone Haloze-Zagorje: 15 of them are official representatives of the municipalities (8 from Croatia and 7 from Slovenia), and another two persons are representatives of the staff engaged in the project “Tourism zone Haloze-Zagorje”.



6. SWOT analysis²⁴

This case study analyses a specific cross-border cooperation. The information and knowledge was gathered through interviews with representatives of the partner organizations involved in the Tourism zone Haloze-Zagorje. The main purpose of these interviews was to gain information from first hand regarding the specific strengths, weaknesses, opportunities, and threats facing TZHZ. Most of the interviews were conducted via telephone conversation with representatives of the tourism zone member organizations.

The SWOT analysis was prepared for four fields. To be specific, the analysis looks at the areas of economy; tourism; natural and cultural resources/heritage; management and coordination/governance.

Economy

Strengths	Weaknesses
<ul style="list-style-type: none"> • good communication and geographic location • stable entrepreneurship activities • presence of a qualified labour force • experience of stakeholders in the field of EU programmes 	<ul style="list-style-type: none"> • relatively low level of competitiveness of some enterprises • relatively low growth of new enterprises • an insufficient promotion of the region in international context • migration of local population outwards from the zone
Opportunities	Threats
<ul style="list-style-type: none"> • interest of enterprises from other regions for cooperation and networking • available programmes and initiatives for entrepreneurship • the EU market ensures business networking with other countries without administrative and tariff barriers • possibilities of CBC cooperation in the field of economy 	<ul style="list-style-type: none"> • high level of competitiveness of products and services in other EU countries • global financial crisis • a relatively low economic rating of the Croatian economy when compared to other EU economies

²⁴ All SWOT tables were compiled by the authors of the case study.



Tourism

Strengths	Weaknesses
<ul style="list-style-type: none"> • a high proportion of cultivated lands • renowned agricultural products • transfer of knowledge and experience with other European regions • preserved natural resources • established formal cross-border tourism zone • existing bicycle route within the area appropriate for sport and recreational tourism 	<ul style="list-style-type: none"> • inadequate utilization and promotion of the natural and cultural potential of the region • a lack of coordinated activities in the field of tourism with other members of the Tourism zone • a lack of financial resources available for the tourism zone • a relatively low level of networking between tourism stakeholders
Opportunities	Threats
<ul style="list-style-type: none"> • a growing interest of tourists for Croatia • a growing demand for rural tourism offers • growing interest of other tourism destinations in the wider area for networking and cooperation • high demand for differentiated and specialized tourism offers on the market 	<ul style="list-style-type: none"> • promotion of Croatia primarily as a country of coastal tourism offer • no developmental strategy for the tourism zone • a relatively high level of competitiveness of other tourism zones in the wider region



Natural and cultural resources and heritage

Strengths	Weaknesses
<ul style="list-style-type: none"> • preserved traditional landscapes, rivers and forests • rich architectural heritage, monuments, and historical sites (in some cases even legislatively protected) • preserved old traditional houses in villages, suitable for tourism • preserved old traditions in the field of culture and folklore 	<ul style="list-style-type: none"> • insufficient usage of renewable energy sources • degradation of soil due to the usage of pesticides in agriculture • insufficient awareness of the local population of the importance of preserving natural and cultural heritage • inadequate promotion of natural and cultural heritage of the area
Opportunities	Threats
<ul style="list-style-type: none"> • EU funds available for projects in the field of preservation of nature and cultural heritage • renowned cultural and historical sites in the area • interest of NGOs in the field of nature and cultural heritage for cooperation and joint activities • increased need for the usage of renewable energy sources due to the increase of gas, oil and electricity prices 	<ul style="list-style-type: none"> • global climate change could have a negative impact on the eco-system of the area • high costs of initial investments in renewable energy sources • threat of degradation of ground waters due to intensive agricultural activities in the wider area



Management and Coordination/Governance

Strengths	Weaknesses
<ul style="list-style-type: none"> • Long history and cooperational experience between the municipalities • Experienced staff of the municipalities • Institutionalized cooperation • Stable political situation in the municipalities that ensures structured cooperation without interruptions often related to the shift of political staff in municipalities 	<ul style="list-style-type: none"> • a lack of professionalized organizational structure • a lack of jointly developed development documents for the cross-border area • Weak joint activities in the post-project period • Lack of municipal funds for conducting cross-border activities due to the economic crisis
Opportunities	Threats
<ul style="list-style-type: none"> • Available EU programmes for preparation and implementation of new projects and other activities • Available best practices of other institutionalized cross-border networks in the field of professionalizing the working organ • New technologies and tools that can be used for a better management and coordination 	<ul style="list-style-type: none"> • Some of the key figures that were engaged in the project Tourism zone Haloze-Zagorje are best introduced to all segments of the cooperation are no longer active within the zone • The extended period of financial crisis represents an additional obstacle to the establishment a professional working organ



7. Future plans and goals of the cooperation

During the interviews with the representatives of the municipalities, a topic was also the question of future cooperation and goals of development of the Haloze-Zagorje cross-border area. The answers show a wide spectrum of developmental priorities for the region. The following tables are structured in order to show those priorities and plans regarding specific developmental fields, and they follow the fields of the SWOT analysis²⁵:

Field	Plans and priorities
Economy	<ul style="list-style-type: none"> • to improve promotional efforts for the cross-border region as an entrepreneur-friendly zone • to stimulate and provide help to local entrepreneurs for applying for projects from EU programmes, especially in the field of CBC • to enhance foreign direct investments, especially in the context of the Entrepreneur zone Haloze-Zagorje
Tourism	<ul style="list-style-type: none"> • to improve the promotion of Haloze-Zagorje as a tourist zone, with special emphasis on its cultural assets • to stimulate and help tourism actors (small producers, accommodation providers, small farmers) regarding the opportunities of existing EU programmes • to further diversify touristic offers in the region
Natural and cultural resources and heritage	<ul style="list-style-type: none"> • to enhance the promotion of the cultural and natural heritage of the cross-border area as a unique place with many advantages • to enhance resource efficiency and the usage of renewable energy sources in the region • to promote organic farming in order to minimize the negative impacts of agriculture on the environment

²⁵ The table was compiled by the authors.

8. Unique, regionally specific features of the cooperation area

One of the main competitive features of the Tourism zone Haloze-Zagorje is related to the rich cultural, historical and architectural assets of both Haloze and Zagorje regions. A vast number of monuments, castles, other historical sites, and well-preserved ethnological collections endow this area with unique potentials that can be utilized in tourism, especially in cultural tourism. Furthermore, local traditions, architectural and ethnographic heritage significantly contribute to the attractiveness and tourism potential of the region. What is more, a diverse landscape specific for this part of Europe can be considered as a further specific advantage of the area.

It is estimated that the area contains approximately 220 touristic sites of various types, while there are around 30 tourism providers that offer their services to the visitors of the region. All this makes the entire Haloze-Zagorje area very suitable for developing various tourism offers, like cultural tourism, rural tourism, sport, and recreational tourism.



Figure 13: Paragliding in Haloze-Zagorje²⁶:

²⁶ Source: <http://www.haloze-zagorje.eu/>

In addition to the aforementioned, the area is rich in valuable natural assets. Also, within TZHZ there are several valuable ethnographical collections, where visitors can learn about the traditional life and the history of the local communities. The main assets with major potential for developing tourism in the cross-border are as follows.

8.1 Old traditional houses

- Vukova household: traditional wooden house with fireplace, room with old oven, balcony and roof made out of straw, built in the 19th century;
- Dominkova household: a traditional house typical for Pannonia, built around 300 years ago with traditional carpentry and roof making;
- Other old traditional houses throughout Zagorje. Many of them are still under restoration and renewal.



Figure 14: A typical traditional house²⁷

²⁷ Source: <http://prozorudom.com>



8.2 Numerous churches and chapels

- Church of St. Miklavž, first mentioned in 1430;
- Church of Virgin Mary, built in 1538;
- Church of St. Mohor from the 17th century;
- Church of St. Janez from the 17th century;
- Church of St. Marjeta in Gorišnica, first mentioned in 1391;
- Church of St. Barbara in Cirkulane, built in the 13th century. This church is one of the most renowned of its type in Lower Styria (Slovenian part of Styria);
- Church of St. Andrej in Leskovac, built in 16th century;
- Churches of St. Augustin and St. Magdalena in Velika Varnica;
- Church of St. Vid in Videm;
- Churches of Mary the Virgin and Grieving Mary in Podlehnik;
- Churches of St. Mihael (15th century), Marry of Tolažnica (18th century), St. Boštjan (15th century) and St. Mohor (15th century) in Žetale;
- Church of St Anton Puščavnik from the 15th century, in Stoperce;
- Churches of Mary and St. Janez, and the tombstone from the 15th century in Ptujška Gora;
- Churches of St. Miklavž and St. Bolfenk in Majšperk;
- Church of St. Mary alongside numerous other ancient churches and chapels in Lepoglava;
- Churches of St. Marko and St. Jurij and the tomb-chapel of earl Erdödy in Vinica;
- Church of St. Martin and chapel of St. Tomaž and Izidor in Donja Voća;
- Church of St. Trojstvo and chapel of St. Vuk of Vukovje, in Klenovnik;
- Numerous churches and chapels in Bednja (St. Ivan, St. Tri Kralja, St. Josip, Madona, St. Mary, St. Pavel) ;
- Church of St. Jurij in Đurmanec;
- Church of St Ivan Krstnik in Jesenje.

8.3 Ethnographic collections

- Ethnographic museum in Velika Varnica: collection of typical tools used by former residents in daily life. The collection was put together by the local Ethnographic society.
- Folk costumes in Pobrežje from the 19th century: collection of photography material that depicts traditional clothing. The photography collection was made by the members of the local Folklore association.
- From a seed to bread: ethnological collection stationed on the premises of a local family farm “Korpičeva kmetija”. The collection includes traditional tools used for preparing bread.
- Carnival masks: specific kind of masks used in local carnivals.
- House of wine and bread in Pristava: traditional house specific for the Haloze area, where visitors are able to see various tools used to process wine and bread by the local population.
- Trakošćan castle: a protected cultural and historic entity, it includes various exhibitions and collections.
- Lepoglava lace: the area of Lepoglava is known for its traditional way of producing lace, which is being made out of local material and by using specific methods.
- Collection of photographs and murals made by Ivan Ranger, stationed in Lepoglava.
- Ethnographic museum in Gornja Voća: collection of sculptures. Sculptures are put on display in the museum but can also be seen throughout the Gornja Voća.



Figure 15: Ethnographic museum in Velika Varnica²⁸:

²⁸ Source: <http://www.panoramio.com>

8.4 Castle and town complexes

- Trakošćan: the castle in Trakošćan is considered to be the most beautiful castle in entire Croatia. The castle is surrounded by a lake and rich flora. The castle is renowned on international level, too.
- Paulite monastery complex in Lepoglava. The complex was founded by Paulites around 1400. In 1503, the first Croatian secondary school was organised there, which then became a faculty and later the first Croatian university.
- The City of Borl is located approximately 60 meters above and near the Drava river, representing the biggest feudal building in Haloze. There are many legends connected to this castle.
- Castle from the 17th century in Zavrč.
- Medieval fortified town in Klenovnik. It serves as a treatment centre/spa for lung diseases nowadays.



Figure 16: The Trakošćan castle (Zagorje, Croatia)²⁹

²⁹ Source: <http://www.info.bednja.hr>

8.5 Bicycle routes in the area

There are eight bicycle and hiking routes established in the Haloze-Zagorje cross-border area. These cycling and hiking routes provide an exceptional opportunity for adventure, sport and recreation for the tourists since they pass through different specific/rich landscapes. In addition to this, the bicycle routes are not far away from other tourism facilities of the area (accommodation, restaurants, etc.).



Figure 17: Map of the bicycle and hiking route in the Municipality of Jesenje³⁰:

³⁰ Source: <http://www.haloze-zagorje.eu/>

8.6 Natural landscape and other geographical features

Beyond the architectural and ethnological assets of the region, there are other significant features providing further incentives to visit the region. For example, the preserved nature of the area, its rich natural landscape and other geographical features provide further opportunities and possibilities for the region to offer additional tourism offers. Some of the most important natural assets that are being used as part of integrated touristic offers in TZHZ are the following.

- Ravna Gora (mountain): 660 meters high. There are two mountaineering refuge facilities at the visitors' disposal, where they can eat, rest, visit a nearby old church, and enjoy an exceptional panoramic view.
- Donačka Gora (mountain): 883 meters high, it includes a valuable protected forest area on the top of the mountain.
- Aboretum Opeka in Marčan: park with more than 14.000 trees as well as 200 species, and a castle.
- Vindija cave in Donja Voća: it offers a beautiful cave with artefacts that date back to the Neolithic era.



Figure 18: Donačka Gora (Slovenia)³¹

³¹ Source: <http://www.skyscrapercity.com>

8.7 Local food

Beyond the historical and natural assets of the cross-border region, the uniqueness of the area is profoundly supported by additional cultural assets. These include local food made by traditional methods of the old Slavs and they are made from traditional receipt; specific climate and soil is favourable for unique grapes, hence wine and local strong liquors are key products of the region.

Local food in Haloze and Zagorje regions have been historically prepared by using the natural resources of the area and local agricultural products. True, some aspects of the food preparation in Haloze and Zagorje regions share some similarities with the culinary traditions of Central Europe.



Figure 19: Typical Haloze-Zagorje bread prepared in a traditional way³²

Typical “green” foods of the Haloze-Zagorje region are the products made out of cow milk, fatty foods, pastas, soups, and various types of vegetables made out of beans, cabbage, beet, gourd, etc. Pigs and turkey represent the main sources of meat in the region. Nevertheless, visitors can find many other specific food products characteristic for the region, e.g. blood pudding, various types of sausages, stuffed stomachs, ham, bacon, cracklings, etc. Fishing in the Drava and Mura, especially recreational fishing, should be mentioned too. What is more, snails represent an appreciated meat source in the region, baked on fat and onions and mixed with chicken eggs. Furthermore, the production of local bread should also be mentioned, baked in traditional ovens that can still be found in preserved traditional houses in the region. What is more, both Haloze and Zagorje regions are well known for their specific traditional confectionery food. The most important cake of this area is “gibanica”. It is prepared out of sweetened flour and stuffed with nuts, cheese or poppy and baked in ceramic pots. In the Zagorje region,

³² Source: <http://oblizeki.com>



for example, the most popular type of “gibanica” is stuffed with pumpkin noodles and mixed with cow milk and poppy seeds. In addition to “gibanica”, “štrudli” (strudels) are also a popular traditional cake of the area and can be prepared using various vegetables and cheese, just as “gibanica”.

Dairy products, specific for the Haloze-Zagorje cross-border space, also need to be underlined within the context of the specific features of the region. Cow milk in the region is used for preparing specific cheeses dried in special baskets or nets, often enriched with selected vegetables. Sour cream is also an important dairy product of the region, often used for preparing other foods. Moreover, Haloze-Zagorje region is rich in fruits such as apples, plums and pears, which are eaten fresh or dried. Fruits are also used in the preparation of marmalades and/or jams. That means all the features of the regions, like local food, local wines, landscapes, architectural assets, ethnologic collections and/or preserved nature generate attractive elements that can be utilized in tourism.



9. Summary

The Tourism zone Haloze-Zagorje represents an example for a successful formalized cross-border cooperation between local municipalities from Croatia and Slovenia. The project is an example of the early development of the LEADER approach in this part of Europe. There are 15 municipalities included in the cooperation; seven from Slovenia and eight from Croatia. All of the municipalities share many cultural, historical and natural influences, and they have established the cross-border tourism zone in order to take advantage of these shared assets and to improve their competitiveness. Subsequently, tourism and especially cultural/recreational tourism and sport are at the centre of the cooperation.

The cross-border region was considered as an underdeveloped area prior to the establishment of the zone. Nevertheless, it has achieved certain results in terms of regional development since its establishment. It has intensified joint cross-border actions, it has enhanced overall tourism appearance of the area in EU context, and it has acted as a catalyst for overall economic development of the cross-border space. Moreover, the tourism zone acted as a framework for additional projects conducted by the municipalities in the zone.

On the other hand, TZHZ has not surpassed certain obstacles in its development. First of all, the tourism zone has not overcome the shortcomings within its formalized structure; namely it has not achieved financial sustainability and is still being financed by the municipalities. The zone has neither got a separate budget, nor formal employees. All work related to the zone is being conducted by staff members of the municipalities, who have their primary functions/tasks within the municipal institutions and they have neither time, nor the necessary specialization needed for a successful management of the tourism zone. The main consequence of this is that the zone lacks continuous activities regarding its operations, management, planning, and promotion on open market, which undermines its chances for better positioning and attracting more visitors.

Hence, the Tourism zone has its strong sides as well as specific flaws. Both can serve as examples and provide lessons for other EU cross-border cooperation efforts. Others can learn from the experience, identify advantages/disadvantages and see the challenges related to the development of cross-border cooperation.

The Tourism zone Haloze-Zagorje represents a long-lasting cross-border initiative in the region with a long history of development and activities. It is one of a few institutionalized cross-border initiatives in the region that has been existing long enough to achieve developmental results but also to show certain weaknesses that cross-border cooperation networks face. These are the primary facts why the Tourism zone Haloze-Zagorje was chosen as an example of best practices in cross-border cooperation. As new cross-border initiatives will arrive in the future and, hopefully, they will achieve better developmental impact and will overcome challenges, we hope that one of the reasons for their success will be based on the knowledge provided by this case study.



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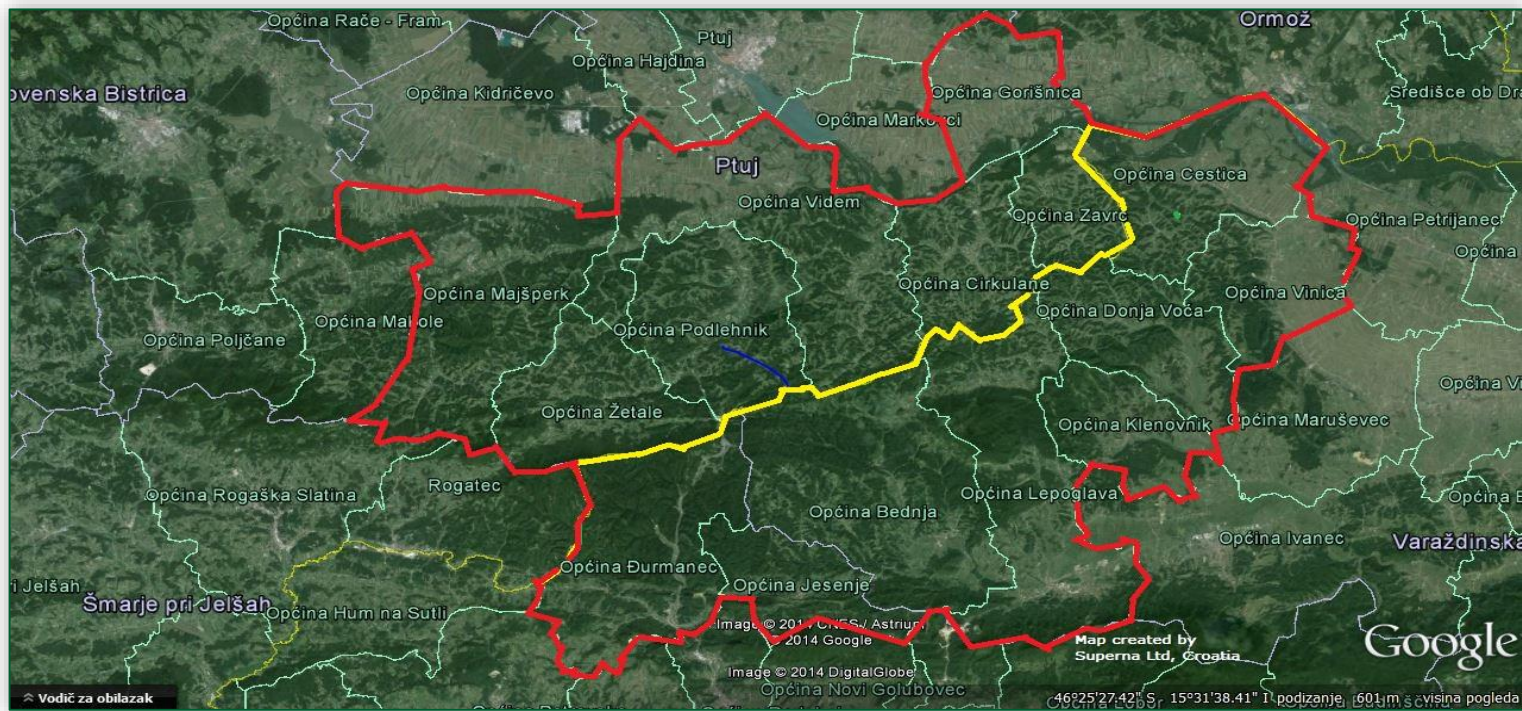
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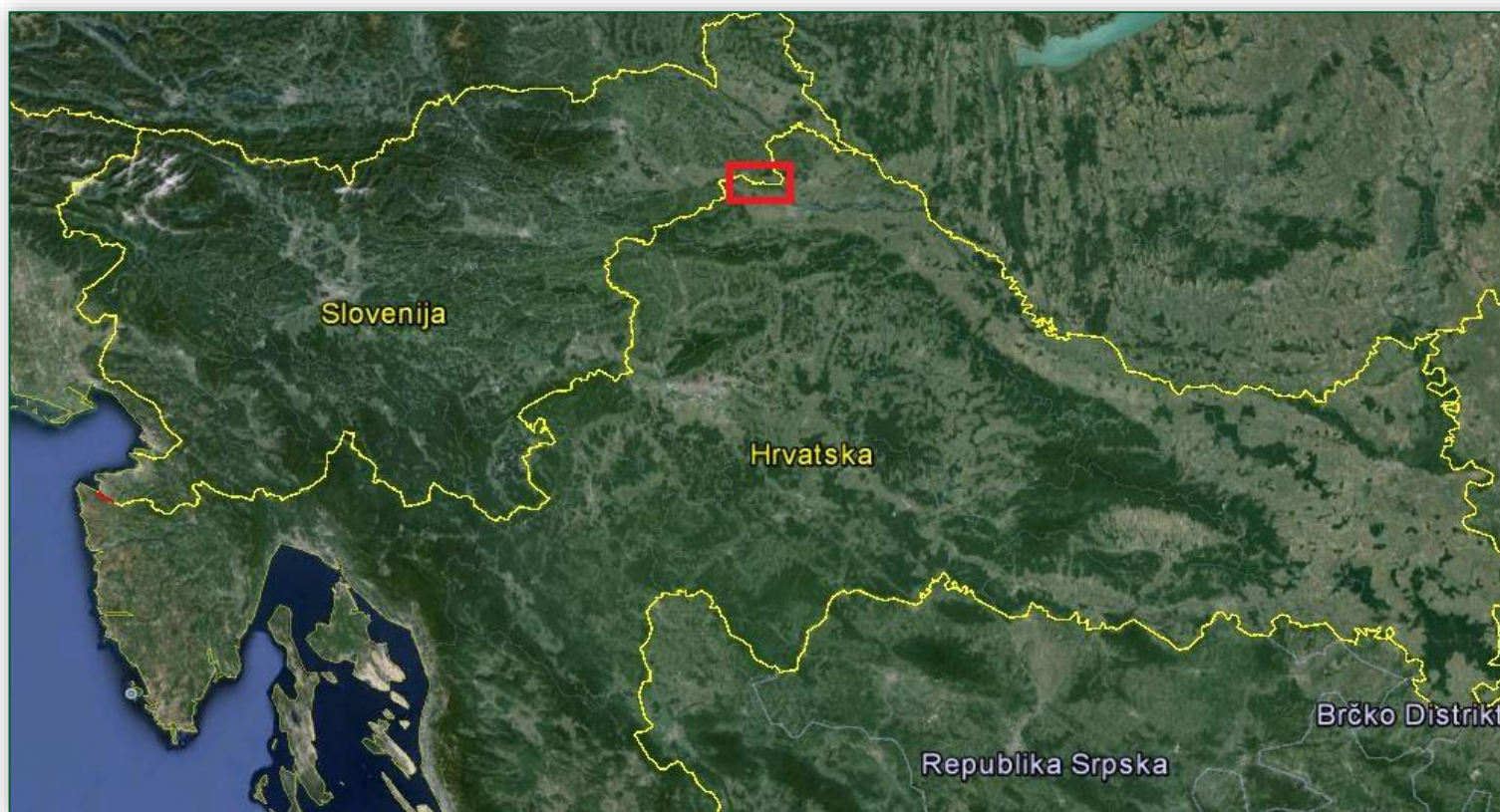
11. Annexes

Annex 1: Map of the Tourism zone Haloze-Zagorje



The red line shows the geographical outline of the Tourism zone Haloze-Zagorje. The yellow line represents the state border between Croatia in the South and Slovenia in the North. (Source: authors' work.)

Annex 2: Location of the Tourism zone Haloze Zagorje



The red square marks the location of the cross-border Tourism zone Haloze-Zagorje. (Source: authors' work.)

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