



Cross border cooperation of undertakings and it's implication to regional development

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Topic of research

- 1/Comparison of Croatian and Hungarian company law and contract law instruments applicable to cooperation of undertakings
 - Why? In order to define are those rules similar in both jurisdictions and do they create obstacle to cooperation of undertakings
- 2/ Is there regional policy in Croatia and Hungary as support to cross border cooperation of undertakings
- What is the role of regional policy in connection to economic development of region

Company law rules in Croatia and Hungary

○ Croatia

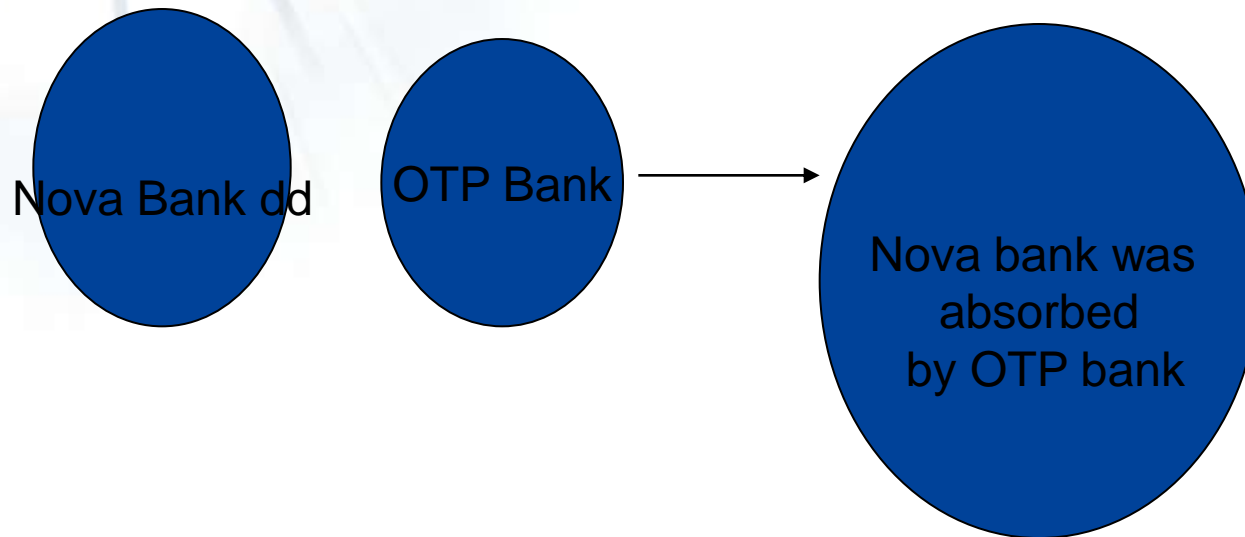
- Mergers and fusion
- Group of companies
- Takeovers

○ Hungary

- Merger and fusion
- Short form merger
- (Recognized) groups of companies

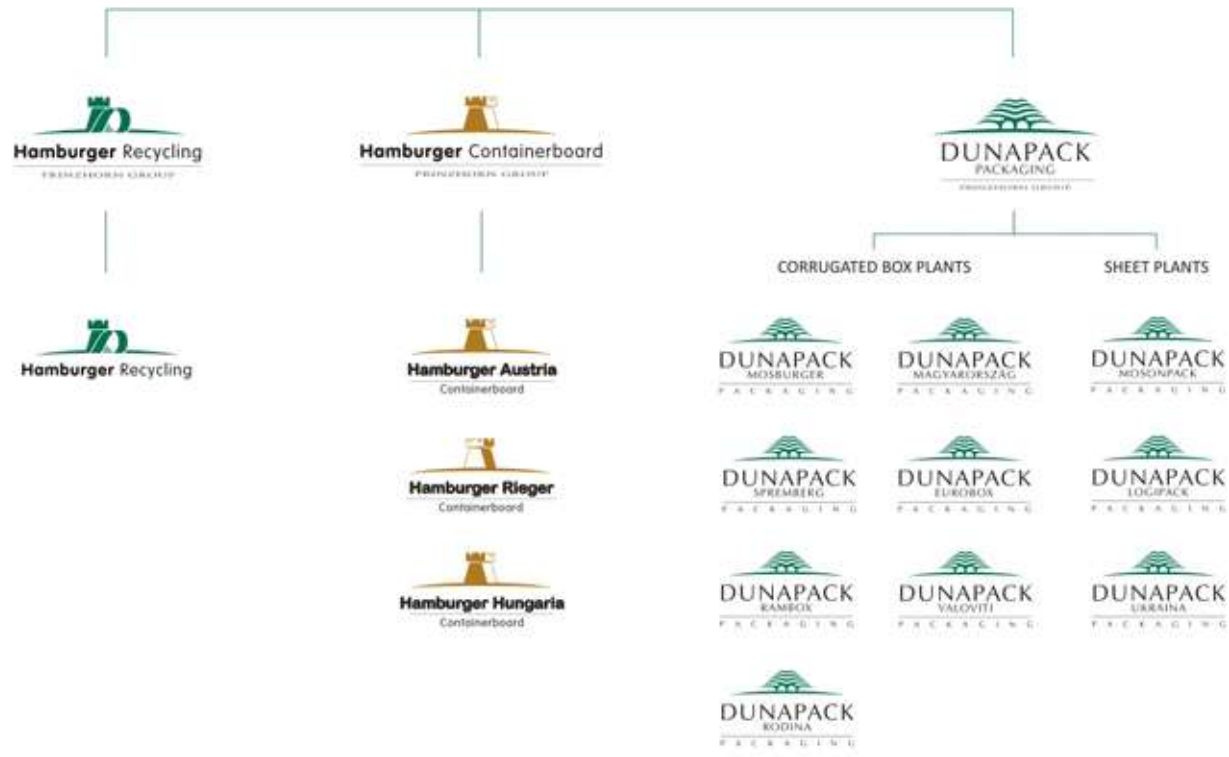
- 700.000 registered undertakings in Croatia and Hungary

Merger: Nova bank dd was merger by Hungarian OTP bank



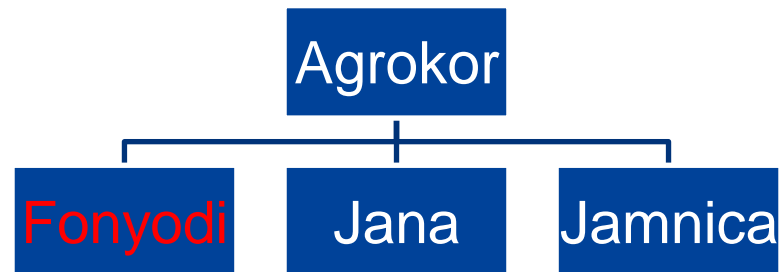
Group of companies: Dunapack Ltd with subsidiary established in Croatia

PRINZHORN GROUP



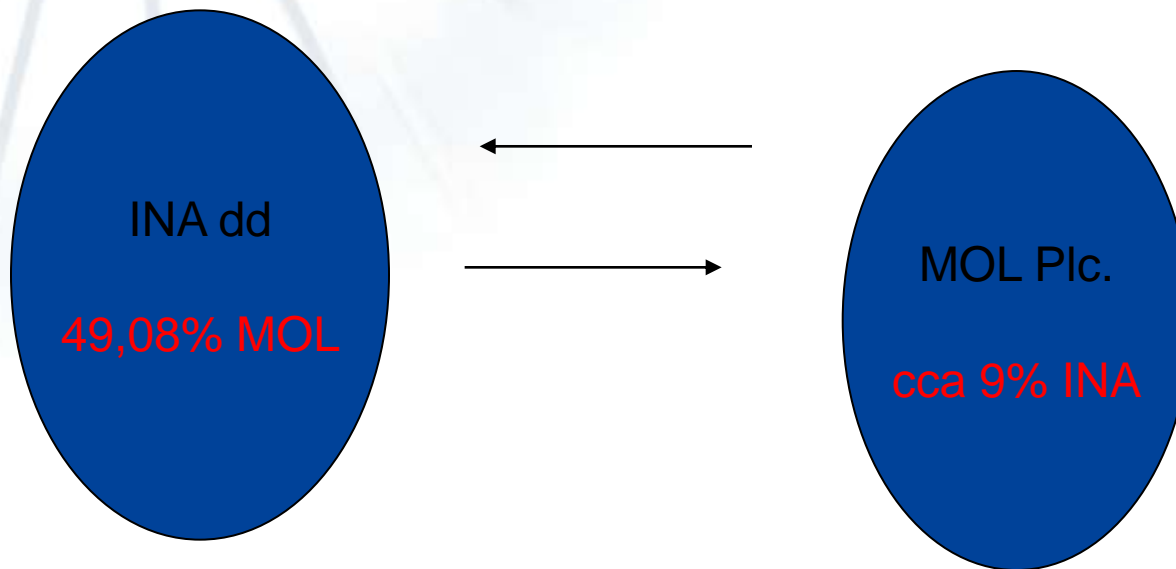
Takeover: Agrokor/ Fonyodi

- Agrokor bought majority interest in Fonyodi;
- Fonyodi continued to exist as company but is now controlled by Croatian group of companies Agrokor



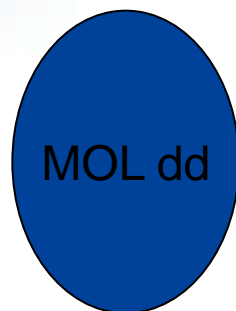
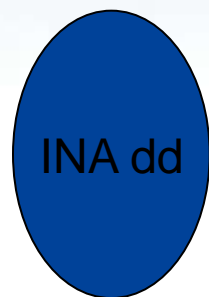
Takeover : INA / MOL

- Separate companies with cross shareholdings
- MOL has dominant influence in INA; INA is minority shareholder in MOL



What was the purpose of takeover between INA and MOL

- To have regionally stronger company with more money and resources than each company has separately
- Did that happened?



Contract law instruments (contractual forms of cooperation)

- Joint venture agreement
- Strategic alliances
- Clusters

- CONCLUSION: Company and contract law rules are compatible and they do not create obstacle to business cooperation

- Performance in practice : POOR!!

Regional policy and mutual regional projects

- Aims of regional policy in connection to regional development
- Possibilities
- Active projects

CONCLUSION I.

- Cooperative networks between cross-border competitors (business networks) are more frequent
- Concentration between cross- border undertakings are rare
 - Reasons:
 - EU membership,
 - The countrys' own regional policy
 - Complicated regulations
 - Lack of possibilities for consultations

CONCLUSION II.

- Structural Funds and the Cohesion Fund of the EU for Regional Policy for the period of 2007-2013:
 - 348 thousand million/billion EURO

Thank you very much for your attention!