



**HRVATSKA GOSPODARSKA KOMORA**  
CROATIAN CHAMBER OF ECONOMY

# **CROATIA**

## **Business climate and opportunities in Croatia**

**BUSINESS MEETING WITH THE PARTICIPATION OF THE PRESIDENTS OF  
THE REPUBLIC OF CROATIA AND THE REPUBLIC OF BULGARIA**

Zelimir Kramaric, Vice President of CCE for International Affairs and EU

Sofia, 31 March 2016



# CROATIA 2015

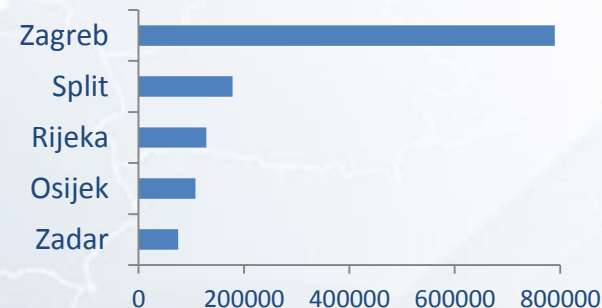


Area: 56,594 km<sup>2</sup>  
Population: 4.3 million  
Capital: Zagreb (800,000 inhabitants)  
Currency: Croatian Kuna (HRK)  
1 EUR = 7.61 HRK, 1 USD = 6,86 HRK (2015 average)

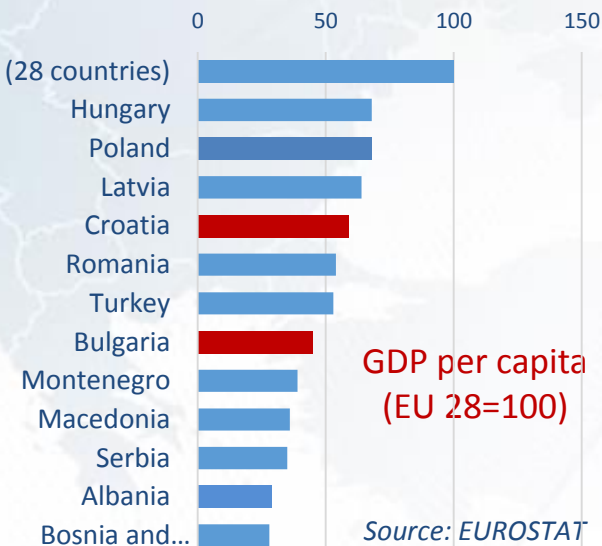
GDP (2015): 43.9 bn EUR  
GDP per capita (2014): 10,390 EUR  
GDP growth rate: 1.6% (2015)  
GDP growth rate forecast (EC): 1.4% (2016)  
Inflation (2015): - 0.5 %  
Unemployment rate (ILO, 2015): 17.7 %  
Average net salary (Oct. 2015): 749 EUR

Export (2015): 11.5 bn EUR  
Import (2015): 18.5 bn EUR  
FDI: 30.1 bn EUR (1993-2015 Q3)

Major cities (population)



GDP per capita in PPS (2014)

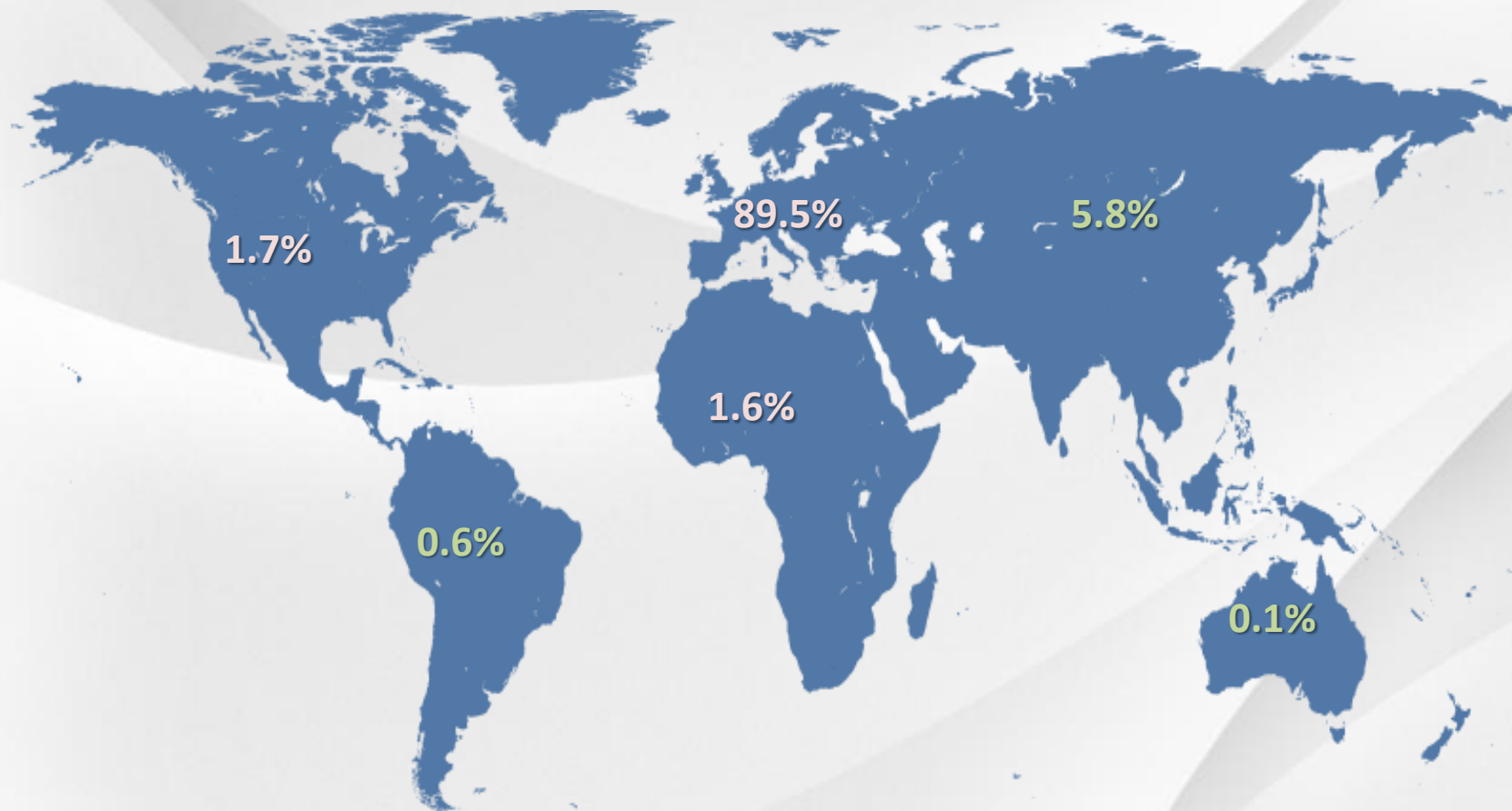


GDP per capita (EU 28=100)

Source: EUROSTAT

# TOTAL TRADE = 30.01 bn Eur

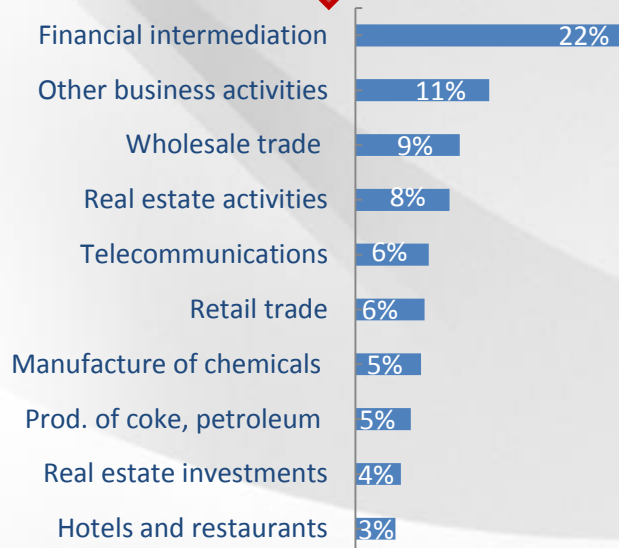
Export 11.53 bn Eur  $\longleftrightarrow$  Import 18.48 bn Eur



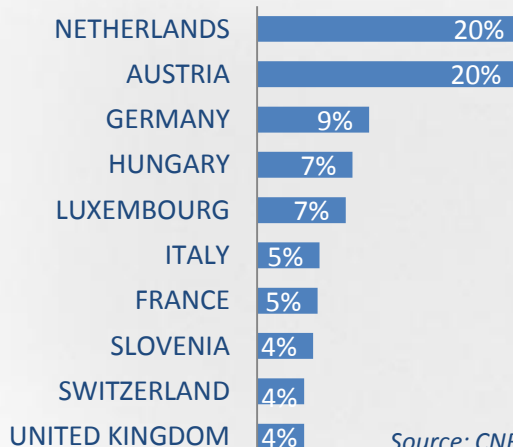
Main partners: 1. Germany, 2. Italy, 3. Slovenia, 4. Austria, 5. Hungary... 26. Bulgaria



# FDI = 30.1 bn EUR (1993-2015 Q3)



## Leading investors:



Source: CNB

Some of foreign companies active in Croatia...



In the period 1993 to Q3 2015 there is no registered FDI from Bulgaria to Croatia



# CROATIA - Your reliable business partner

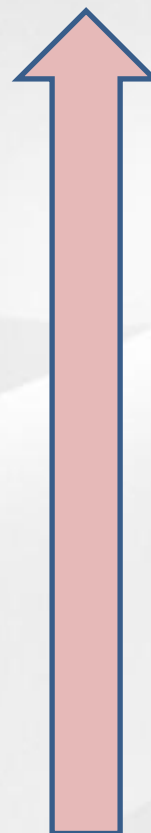
- ✓ Unique geostrategic location in Europe - linking CEE to Adriatic
- ✓ Stability & safety of business activity
- ✓ Stimulating investment climate
- ✓ Highly educated, multilingual & competent workforce

- ✓ Long tradition in industrial production
- ✓ Modern transport infrastructure
- ✓ EU member
- ✓ Possibility of using EU funds



# IMPROVING BUSINESS ENVIRONMENT

- ✓ Act on Investment Promotion
- ✓ Act on Strategic Investment Projects
- ✓ New legal framework in construction and physical planning)
- ✓ E-Construction permit
- ✓ Obligatory e-contribution payment



**World Bank – Doing Business 2016 Report:**  
CRO 40/189

- Recognized improvements:
- ✓ Starting up business
  - ✓ Crossborder trade
  - ✓ More efficient enforcement of judgment
  - ✓ Registering property

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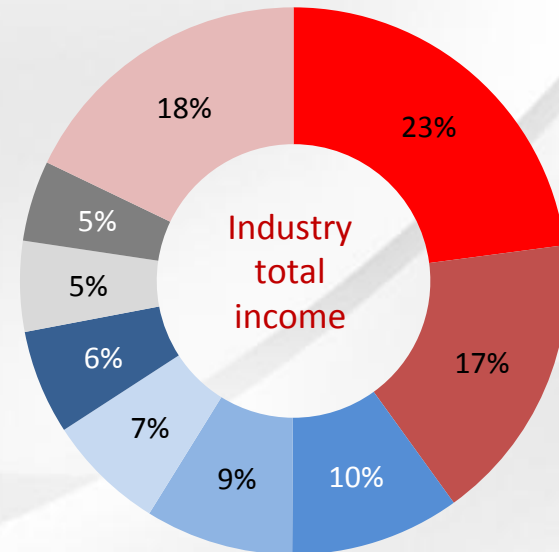
**The Global Competitiveness Report 2015–2016**  
CRO 77/144

# INDUSTRY

- 21.2% of GDP (2015)
- Industrial production growth rate: 2.7% (2015);
- Main industrial branches (export-oriented): refined petroleum products; manufacture of other transport equipment; electrical equipment; chemicals and chemical products; food products; manufacture of fabricated metal products; pharmaceuticals

## Investment possibilities:

- Pharmaceutical, ICT, wood, textile & leather processing, metal, automotive, electrical, chemical, plastic & rubber industry



- food processing and beverages
- oil & refined petroleum products
- chemicals, plastics & pharmaceuticals
- electronic, ICT & optical products
- metal products
- wood processing, furniture & paper industry
- transport equipment
- textiles & leather

## Croatian companies - suppliers & contractors supporting the investment:

- ✓ tradition & quality in manufacturing
- ✓ educated workforce
- ✓ experienced with extensive track record on foreign markets

# TOURISM

## Characteristics:

- ✓ Natural beauties
- ✓ Climate
- ✓ Geographical location
- ✓ Cultural and historical heritage

## Tourism in numbers:

- Revenue (2014): 7.4 bn EUR (17.2% of GDP; +2.8%)
- 13.2 mil foreign tourists in 2015 (+8.3%)
- 72,3 mil overnight stays of foreign tourists in 2015 (+6.8%)
- More than 15,500 registered companies
- 85,000 employees

## Export markets:

Germany, Slovenia, Austria, Italy, Czech Republic, Poland, France, UK, Hungary, Slovakia





# AGRICULTURE & FOOD PRODUCTION

- 4.3% of GDP
- 1.3 million hectares of utilized agricultural area
- Wide range of products (wine, cereals, fish, olives, fruits, vegetables etc); internationally known food products – confectionary, dairy products, olive oil, mediteranean fruits

## Investment possibilities:

- ✓ *Aquaculture*
- ✓ *Healthy food production*



- ✓ *2,500 year old wine producing tradition*
- ✓ *Prize-winning top quality olive oil & wine*

## FOOD PROCESSING INDUSTRY

(in relation to the overall processing industry):

- 21% of employees
- 28.1% exchange
- 23.7% added-value
- 25.5% gross operating surplus
- 14% share in number of companies

- ✓ *Business activities conducted according to the highest food quality and safety standards* (ISO 9001, ISO 14001, ISO 22000, HACCP, Halal, Kosher, IFS, BRC, OHSAS 18001 etc.)



## ENERGY

- Favourable climate & unpolluted natural environment:
- ✓ Over 2,700 hours of sunshine per year
- ✓ Windy regions by the Adriatic sea and East Slavonia
- ✓ Geothermal energy from natural sources on the continent
- ✓ Access to vast amounty of biomass
- ✓ substantial, mostly already engaged, hydro-power potential
- ✓ **Investment possibilities:** planned increase in capacity – modernisation and construction of new powerplants (hydro power plants, thermal power plants, LNG terminal); RES; environment protection & production of clean energy



## INFRASTRUCTURE

- 3 Pan-European corridors passing through Croatia, a part of future TEN-T
- 7 inter. airports, 6 seaports, 4 riverports
- 26,958 km of roads, 2,722 km of rail network
- **Investment possibilities:** sea ports - construction of new terminals (Port of Dubrovnik, Port of Ploče); airports - reconstruction and modernisation (Osijek Airport, Rijeka Airport)



# CROATIA - BULGARIA

- **Trade (2015) = 163.4 million EUR**

Cro export to Bulgaria: 67.9 m EUR (+52%)

- 0.6% of total Croatian export (29th export partner)

Cro import from Bulgaria: 95.5 m EUR (+2%)

- 0,5% of total Croatian import (28th import partner)

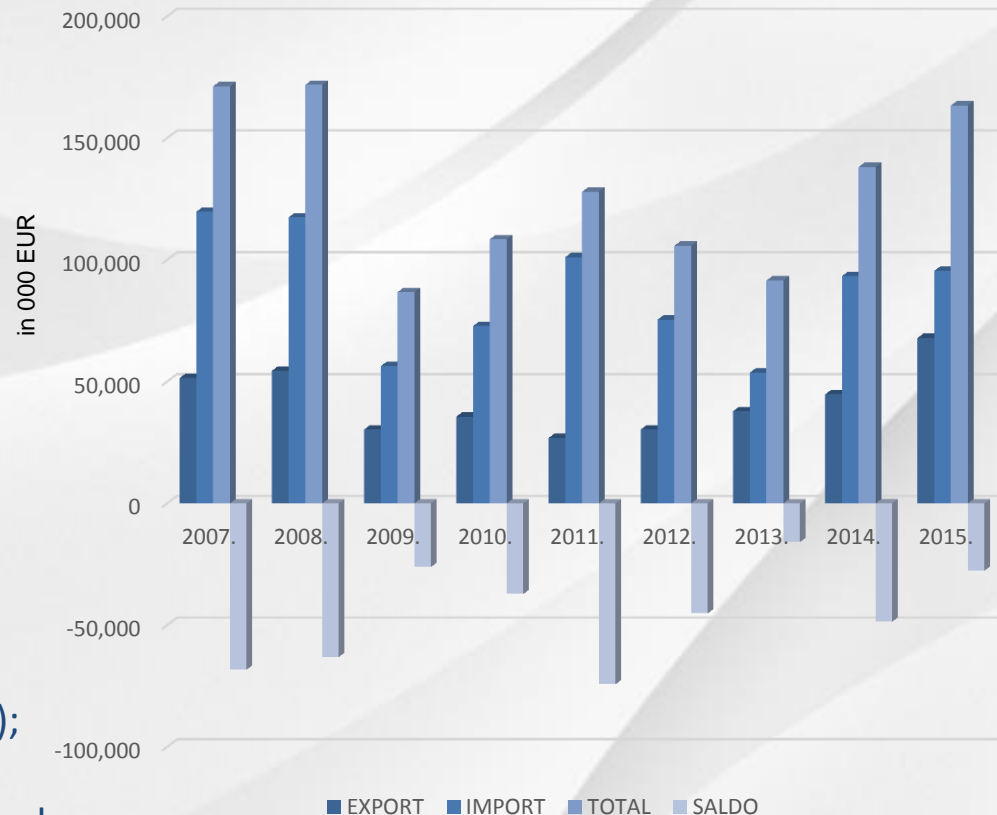
## *Croatian exports to Bulgaria:*

Mineral or chemical fertilisers (18%); sugar (13%); tobacco (5%); motor cars for transport of persons (5%); harvesting machinery (3%)

## *Croatian imports from Bulgaria:*

Chocolate and preparations containing cocoa (15%); women's suits, ensembles, jackets (10%), pharmaceuticals (6%); flat-rolled products of iron and steel (5%), video game consoles and machines (4%)

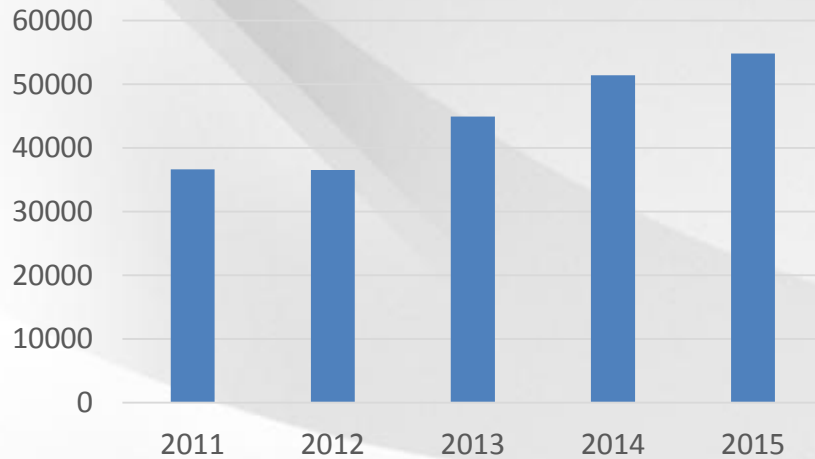
Trade exchange Croatia - Bulgaria  
2007 - 2015



# CROATIA - BULGARIA



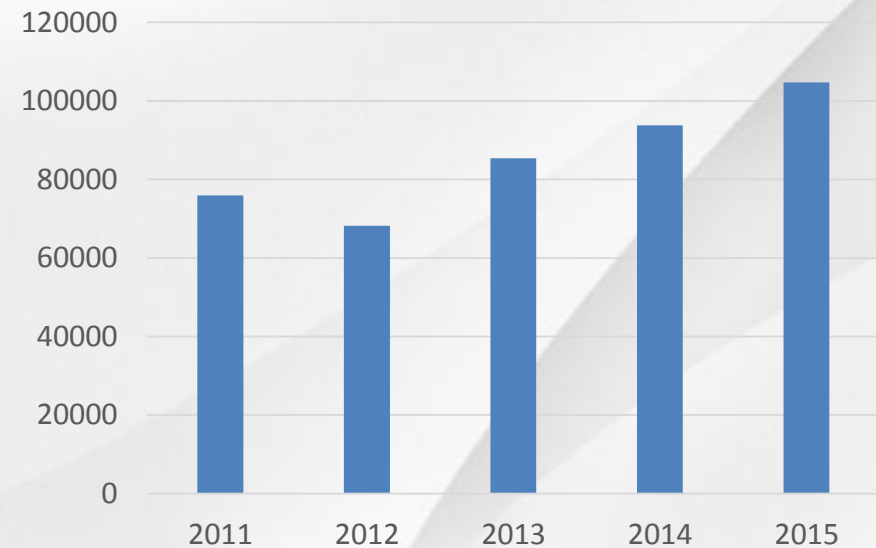
No. of arrivals of Bulgarian tourists



## Tourism (2015)

- ✓ 54.851 Bulgarian tourists = +6.6%
- ✓ 104.743 overnight stays = +11,7%

No. of overnight stays



# BULGARIA AND CROATIA – POSSIBILITIES OF COOPERATION



- ✓ Infrastructure, transport & logistics
- ✓ ICT
- ✓ Metal and electro-industry
- ✓ Tourism
- ✓ Energy sector
- ✓ Food industry
- ✓ Construction



**Joint cooperation on third markets**



**EU Structural & investment funds**



# CROATIAN CHAMBER OF ECONOMY

*modern, professional institution with a 164 year old tradition*

*represents, promotes and protects economic interests of its members*

*a reliable source of information to companies*

110,000  
member  
companies

Professional  
associations

20 county  
chambers in  
Croatia

Representative  
offices abroad  
(Bruxelles,  
Moscow)



HRVATSKA GOSPODARSKA KOMORA  
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## **CROATIAN CHAMBER OF ECONOMY**

### **INTERNATIONAL AFFAIRS SECTOR**

Tel.:+385 1 4828 382

Fax:+385 1 4828 379

Rooseveltov trg 2

10000 Zagreb, Croatia

e-mail: [eo@hgk.hr](mailto:eo@hgk.hr)

[www.investincroatia.hr](http://www.investincroatia.hr)

[www.hgk.hr](http://www.hgk.hr)



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***We promote, we connect, we can help!***

