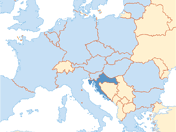
**Get to Know Croatia –**

**A Reliable Business Partner**

[](http://croatia.eu/images/01-01/polozaj.gif)

**INTRODUCTION:**

**General Information:**

Area: 56,594 km²

Population: 4.3 million

Capital: Zagreb (800,000 inhabitants)

Currency: Croatian Kuna (HRK)

1 EUR = 7.63 HRK, 1 USD = 6.9 HRK

GDP (2014): 43.1 bn EUR

GDP per capita (2014): 10,158 EUR

Inflation (2014): - 0.2 %

Unemployment rate (ILO, 2014): 17.3 %

Average net salary (Jan 2015): 737 EUR

Export (2014): 10.41 bn EUR

Import (2014): 17.23 bn EUR

FDI: 29.4 bn EUR (1993-2014)

**Main trading partners (2014):** Italy (14.11 %), Germany (13.63 %), Slovenia (11.02 %), Austria (7.70 %), Bosnia-Herzwgowina (6.14 %), Hungary (5.43 %), Russia (4.13 %), Serbia (3.15), …, China (1.78 %), Israel (0.14 % ).

**Export Products:** Mineral Fuels; Machinery, Mechanic Appliances; Electric Machinery; Wood & wooden articles; Pharmaceutical Products

**Leading Foreign Investors:** Austria, the Netherlands, Germany, Hungary, Luxembourg, Italy, France, Slovenia, Switzerland.

**Foreign Companies already active in Croatia**



**Export Potentials of Croatia – by active sectors:**

Information-Communication Technology

Pharmaceutical Industry

Electric Equipment

Wood & Wood Processing Industry

Food and Food-Processing Industry

Metal Industry

Automobile Industry

Textile Industry

Construction Industry

Ship-building

Chemical Industry

**Why is Croatia a reliable business partner?**

*Because…*

1. Croatia has a good geo-strategic position which offers a quick access to a market of over 500 million people.
2. Croatia offers stability & safety of business activity.
3. Croatia offers a stimulating investment climate – pro-business oriented environment which encourages new investments and ensures stability
4. Croatia has highly educated, multilingual & competent workforce.
5. Croatia has a modern transport infrastructure.
6. Croatia is EU member (1 July 2013)→ which access to a market of over 500 million people - Possibility of using EU funds

*Croatia also offers…*

**STIMULATING INVESTMENT ENVIRONMENT**

* Equal rights for foreign and domestic investors
* Free transfer of return on equity from the country
* Avoidance of double taxation
* 0% profit tax on reinvested capital
* Numerous incentives for business activities to investors

**INVESTMENT PROMOTION ACT**

* Tax incentives (reduction of profit tax to 10-0%; regular profit tax 20%)
* Employment grants (up to 18,000 EUR)
* Education grants (up to 80% of costs).
* Initial and capital expenses.
* Labor intensive investment projects

Incentives for:

* manufacturing activities, technology centers, strategic business support and high value-added services, tourist activities (4 plus star hotels..)

**REQUIREMENT:**

Minimum investment: 150,000 EUR + 5 new workplaces

Micro entrepreneurs: 50,000 EUR + 3 new workplaces

**INVESTMENT POTENTIALS**

**INDUSTRY**

* 17.8% of GDP (2014)
* 18.5% of total employment (2014)
* Investment possibilities: Pharmaceutical, ICT, wood, textile & leather processing, metal, automobile, electric, chemical, plastic & rubber industry.

**ENERGY**

* Project of building LNG Terminal on the island of Krk, Croatia
* Project of building the pipeline infrastructure in the Croatian part of the Ionian-

Adriatic Pipeline

* Adriatic Gas Corridor: Croatia-Hungary-Ukraine
* Research and exploatation of hydrocarbon in Croatia

**AGRICULTURE AND FOOD PRODUCTION**

* 6.5% of GDP; 4.8% of total employment (2014)
* 1.3 million hectares of utilized agricultural area
* Wide range of products (wine, cereals, fish, olives, fruits, vegetables etc.); internationally known food products – confectionary, diary products, olive oil, Mediterranean fruits
* Investment potential in aquaculture and health food production.
* There are already companies with kosher certificate.

**TOURISM**

* Natural beauty combined with culture heritage
* Revenue: 7.4 bn EUR (17.2% of GDP; +2.8%)
* 13.1 mil tourists (+5.6%), increase in tourist traffic in all counties
* 66.5 mil overnight stays (+2.6%)
* Priority – Investments in high quality tourist facilities
* Investment possibilities: Nautical tourism, Health & wellness tourism, Congress tourism

**INVESTMENT LOCATIONS**

* More than 100 ready entrepreneurial zones – utility services, clear ownership, good logistics & traffic connection
* Strong support form local communities
* Additional tax reliefs:
* relief from utility tax
* lower payments for municipal services
* lower land prices

**Invest in CROATIA ... how to proceed: useful contacts**

1. Economic Diplomacy – MFA Croatia

http://gd.mvep.hr/en/

1. Embassy of Croatia Tel Aviv

<http://il.mvep.hr/>

1. Ministry of Economy of Croatia

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

1. Croatian Chamber of Commerce

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

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

1. Agency for Investments and Competitiveness

[www.aik-invest.hr](http://www.aik-invest.hr)

1. Export website of the Government of the Republic of Croatia

[www.izvoz.gov.hr](http://www.izvoz.gov.hr)

1. <http://croatia.eu/>

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*Croatian Tourism Board, photo: Ante Verzotti (Split)*

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*Croatian Tourism Board, photo: Boris Kacan (Dugi otok island)*

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*Croatian Tourism Board, photo: Ivo Tomljenović (Dubrovnik)*