

Croatia



With the air of an exhausted marathon runner, on 1 July 2013 Croatia became the 28th member of the European Union (EU), the first new member country since 2007 (which saw the membership of Bulgaria and Romania). EU membership coincided with Croatia's fifth year of recession, putting something of a dampener on the celebrations. Notable absentees at the celebrations were Angela Merkel (Germany), Francois Hollande (France) and David Cameron (UK). Mrs Merkel's failure to turn up was the big disappointment – Croatia's historically close relationship with Germany was considered by many to have initiated the disintegration of former Yugoslavia. Croatia's independence in 1992 introduced a subtle shift in perceptions, which EU membership reinforced. Croatia's frontier with Serbia meant that it could now claim with some justification

that Europe ended at the Danube and the Balkans began with Serbia on the opposite bank. Central to Croatia's future is its strained relationship with Serbia. After the war of the mid-1990s and the atrocities committed by both sides, Croatia's Serbian communities shrank from 12 per cent of the population to 4 per cent. After the war each side blamed the other for attempted genocide; a first step in any rapprochement would be for the lawsuits lodged by both Croatia and Serbia to be dropped.

Transformed and transfixed

In Brussels Croatia's membership was applauded as the achievement of a 'transformed' nation. Observers nearer Zagreb than Brussels were less enthusiastic, pointing out that corruption and crime were as high as ever. And however much transformation there may have been, the

KEY FACTS

Official name: Republika Hrvatska (Republic of Croatia)

Head of State: President Ivo Josipovic (SPH) (from 18 Feb 2010)

Head of government: Prime Minister-elect Zoran Milanovic (SPH) (from 4 Dec 2011)

Ruling party: Kukuriku coalition, led by Socijaldemokratska Partija Hrvatske (SPH) (Social Democratic Party of Croatia), with Hrvatska Narodna Stranka-Liberalni Demokrati (HNS-LD) (Croatian People's Party- Liberal Democrats), Istarski Demokratski Sabor (IDS) (Istrian Democratic Assembly) and Hrvatska Stranka Umirovljenika (Croatian Pensioner's Party) (from 4 Dec 2011)

Area: 56,538 square km

Population: 4.40 million (2012)* (4,290,612; 2011; census figure)

Capital: Zagreb

Official language: Croatian

Currency: Kuna (K) = 100 lipas

Exchange rate: K5.66 per US\$ (Jul 2013)

GDP per capita: US\$12,972 (2012)*

GDP real growth: -1.98% (2012)*

GDP: US\$57.10 billion (2012)*

Labour force: 1.71 million (2012)*

Unemployment: 15.00% (2012)

Inflation: 3.43% (2012)*

Balance of trade: -US\$7.86 billion (2012)*

* estimated figure

2013 budget deficit was expected to be in the region of 5 per cent. Unemployment at the end of 2012 was 19.6 per cent and by July 2013 had topped 20 per cent, reaching 21 per cent for the first time. In 2008 the figure was already high, at 13.4 per cent.

Corruption in this predominantly Catholic country runs high – on the Transparency International *Corruption perceptions Index* Croatia ranked an unsatisfactory 62, in itself enough to deter foreign investors. Croatia could at least draw some satisfaction from the fact that it was ahead of Romania and Bulgaria. More significantly it was also well ahead of Italy (ranked 72) and Greece (94). Foreign direct investment (FDI) which had reached US\$5.4 billion in 2008 had slumped to US\$624 million in 2012. EU membership meant that the drop in FDI would be replaced by EU funding to the tune of some US\$23.5 billion in the period 2014 to 2020. The most visible aspect of Croatian corruption was the continued freedom of a dozen or more Croatian and Bosnian-Croat war criminals still at large. For many Croatians, particularly the older generations, these were war heroes rather than war criminals.

But many of Croatia's professional and middle classes had another agenda in mind. The prospect – at least for those with a reasonable command of English or German – of finding employment in the EU's better performing economies was hard to resist. Better prospects, better remuneration elsewhere risked triggering a Croatian 'brain drain'. Croatia may have the external trimmings of a modern

economy – for example road sector reform has advanced significantly over the years and, as the European Bank for Reconstruction and Development (EBRD) notes in its 2013 Transition Report the concession for Zagreb airport has been awarded and the restructuring of the railways is under way. However, the EBRD also points out that Croatia's economic performance remained exceptionally weak. On the bright side, Croatia's economic output at least remained constant in 2011 after two years of negative growth, but fell again in 2012 to -2.0 per cent, largely due to adverse external developments. However, efforts are being made to shore up the fiscal position and reduce the government deficit.

Although one of the Balkans' better performing economies, the prosperity of Croatia's population lags behind that enjoyed in most European states. Croatia's GDP per person is roughly two-thirds of the European average at US\$12,972 in 2012. However, the government's finances are in better condition than similar economies confronted by the euro-zone crisis. Its debt levels are lower and the budget balance is expected to improve over the next five years.

None the less, the EBRD painted a bleak picture of the Croatian situation. Observing that at the end of 2012 the economy was back in recession and Croatia had experienced one of the most protracted recessions in the region as a result of the global financial crisis. After two years of declining output in 2009–10 and zero growth in 2011, gross domestic product (GDP) had declined by 1.3 and 2.1 per

cent respectively in first and second quarters of 2012 on the back of weak domestic demand and a decline in gross fixed capital formation. These trends reflected both knock-on effects from the continuing euro-zone crisis and the persistence of Croatia's deep structural problems. According to the EBRD, inflation had been rising since March 2012 and stood at 4 per cent year-on-year by August 2012. The increase was partly related to a rise in the value added tax (VAT) rate by two percentage points to 25 per cent, which became effective in March 2012, and partly to further deregulation of energy prices.

Economic difficulties had resulted in pressure on the kuna in 2012 and the Hrvatska Narodna Banka (HNB) (Croatian National Bank) (central bank) needed to intervene several times on the foreign exchange markets to prop up the currency. The government began to implement a fiscal consolidation plan in 2012. Changes in the tax system have been introduced. In addition to the increase in the VAT rate, the government implemented a new tax on dividend pay-outs and abolished a tax on reinvested profits. Proposals for the introduction of property, capital gains and dividend taxes were implemented later in 2012. The general government deficit in 2011 was 5.1 per cent of GDP, slightly below target. In 2012 the government targeted a narrower deficit of 3.9 per cent of GDP, but given the worsening economic outlook and the GDP figures for the first quarter, this target will be difficult to achieve.

Outlook

In the view of the EBRD the prospects for a Croatian recovery are bleak. In early 2013 the outlook was very uncertain. Given the protracted crisis in the euro-zone the risks on the downside are high, with only a modest recovery in prospect in 2013. Over the medium term, however, there are hopes that Croatia will be boosted by its EU accession and perhaps by the introduction of the long awaited reforms to public administration and the labour market, as well as the restructuring of publicly owned infrastructure companies.

Risk assessment

Politics	Fair
Economy	Fair
Regional stability	Fair

COUNTRY PROFILE

Historical profile

The Croats formed an independent kingdom during the tenth century.

KEY INDICATORS

Croatia

	Unit	2008	2009	2010	2011	2012
Population	m	*4.44	*4.44	*4.42	4.29	*4.40
Gross domestic product (GDP)	US\$bn	69.30	63.20	60.60	36.80	*57.10
GDP per capita	US\$	15,628	14,243	13,720	14,457	*12,972
GDP real growth	%	2.2	-6.0	-1.2	-0.1	*-2.0
Inflation	%	6.1	2.4	1.0	2.3	*3.4
Unemployment	%	13.4	14.9	11.8	14.3	*15.0
Exports (fob) (goods)	US\$m	14,358.5	10,717.7	12,066.6	13,463.6	12,449.0
Imports (fob) (goods)	US\$m	30,419.0	20,997.2	19,943.8	22,432.9	20,311.0
Balance of trade	US\$m	-16,060.5	-10,279.4	-7,877.2	-8,969.4	-7,862.0
Current account	US\$m	-6,519.0	-3,246.8	-900.7	-466.3	*-81.0
Total reserves minus gold	US\$m	12,957.3	14,894.5	14,132.5	16,049.4	14,807.0
Foreign exchange	US\$m	12,956.8	14,419.0	13,665.4	15,564.2	14,339.0
Exchange rate	per US\$	4.94	5.28	5.50	5.26	5.80
* estimated figure						

1089 Inner Croatia came under the control of Hungary and then the Habsburg Empire, remaining that way for eight centuries.

1529 After Hungary's defeat by the Ottoman Turks, a militarised border was formed between Croatia and Bosnia-Herzegovina.

1918 The defeat of the Austro-Hungarian Empire during the First World War saw the creation of the Kingdom of the Serbs, Croats and Slovenes, encompassing Bosnia and Herzegovina (BiH), Croatia, parts of Dalmatia and Macedonia, Montenegro, Serbia, Slavonia and Slovenia.

1921 Prince Alexander, Regent of Serbia, became King.

1929 Following disputes between Serbs and Croats, King Alexander assumed dictatorial powers and the country was renamed Yugoslavia.

1934 King Alexander of Yugoslavia was assassinated in France by Croatian extremists. Power passed to Prince Paul, acting as Regent to 11-year-old King Peter II. He ruled with the support of the armed forces.

1939 Croatia was granted internal autonomy.

1941 A coup by air force officers replaced Prince Paul and the pro-Nazi Germany government with the 17-year-old King Peter II and established a pro-Allied government. In response, German and Italian forces invaded Yugoslavia, forcing the royal family and government into exile. The fascist Ustaša movement, led by Ante Pavelić, created the Nezavisna Država Hrvatska (NDH) (Independent State of Croatia).

1943 Civil war ensued between two rival groups, the communist partisans, led by General Josip Broz Tito, and the Royalist Chetniks. The partisans proclaimed their own government in liberated areas.

1944 King Peter II was deposed.

1945 The Federal People's Republic of Yugoslavia was proclaimed, with Tito as prime minister – a Croat opposed to expressions of Croat (or any other) nationalism. Croatia became a constituent republic of the federation. The other republics were: BiH, Macedonia, Slovenia, Montenegro, Serbia and the two autonomous regions of Vojvodina and Kosovo.

1953 Constitutions were adopted and Tito became president of Yugoslavia. Increased autonomy for the constituent republics was extended in 1963 and 1974. 1971 A mass movement in favour of Croatian nationalist revival was crushed by Tito.

1980 Tito died. A system of a collective (rotating) presidency was adopted.

1989 Differences and friction between the wealthier republics, Slovenia and Croatia, and the different ethnic groups intensified.

1990 Following Slovenia's secession from Yugoslavia, Croatia held its own free elections which were won by the nationalist Hrvatska Demokratska Zajednica (HDZ) (Croatian Democratic Community). Franjo Tuđman became the first president of the Republic of Croatia. In August, Croatian Serbs held their own referendum, which favoured maintaining their cultural autonomy. Rebel Serbs took control of the Krajina and two other regions in Croatia – Eastern and Western Slavonia. The secession of Croatia, Slovenia and BiH led to invasions of these republics by the Jugoslovenska Narodna Armija (JNA) (Yugoslav National Army).

1991 Independence from Yugoslavia was unilaterally declared.

1992–94 Croatia was recognised as an independent state by the then European Community (EC) on 15 January and became a member of the UN. Franjo Tuđman was re-elected president. The declaration of independence was followed by several months of war, first against the JNA and then against local rebel ethnic Serbs. JNA units had been incorporated into the ethnic Serb armies in the Krajina region. The Croatian government began to finance and support Bosnian Croat attempts to separate from BiH. This exacerbated the civil war in BiH between the Muslim and Bosnian Croats, until a cease-fire was achieved and the Muslim-Croat Federation was established in 1994.

1995 After nearly four years of Serb control, western Slavonia and Krajina were recaptured by the Croatian army.

Tuđman's ruling nationalist HDZ won the parliamentary elections and Zlatko Matić became prime minister. President Tuđman of Croatia, along with President Slobodan Milošević of Yugoslavia and President Alija Izetbegović of BiH, agreed to end the Bosnian civil war.

1996 Yugoslavia (by now consisting of Serbia and Montenegro and the two autonomous regions of Kosovo and Vojvodina) and Croatia signed an agreement on mutual recognition, formally ending five years of hostility.

1997 The HDZ won a majority in the upper house of the Sabor and President Franjo Tuđman was re-elected.

1998 Eastern Slavonia (some 5 per cent of Croatia's total territory) was handed back to Croatia by the UN Transition Authority for Eastern Slavonia (UNTAES).

1999 Franjo Tuđman died; Vlatko Pavletić became acting president.

2000 The Socijaldemokratska Partija (SDP) (Social Democratic Party) won the general election. A centre-left coalition

government was formed, led by the SDP, with Ivica Račan (SDP) as prime minister. Stjepan 'Stripe' Mešić of the Hrvatska Narodna Stranka (HNS) (Croatian People's Party) and regarded as an ally of the SDP, was sworn in as president.

2001 A constitutional amendment abolished of the upper house of parliament. Croatia agreed to extradite several suspected war criminals to the International Criminal Tribunal for former Yugoslavia (ICTY) at The Hague (The Netherlands). War veteran groups protested strongly at the government's co-operation.

2002 Ivica Račan resigned as prime minister, but was re-appointed and formed a new centre-left coalition government, comprising the SDP, HNS, Hrvatska Seljačka Stranka (HSS) (Croatian Peasant Party), Liberalna Stranka (LS) (Liberal Party) and Libera.

2003 Croatia submitted its formal application for EU membership. The nationalist HDZ, won parliamentary elections defeating pro-Western parties. Ivo Sanader (HDZ) became prime minister of a coalition government led by the HDZ with Hrvatska Socijalna Liberalna Stranka, Demokratski Centar (HSLD, DC) (Croatian Social Liberal Party, Democratic Centre).

2004 Milan Babić, a Croatian Serb, was jailed for 13 years by the ICTY Tribunal in The Hague for war crimes during his leadership, in the early 1990s, of the self-proclaimed Krajina Serb republic.

2005 Stjepan 'Stripe' Mešić won the run-off presidential election. The EU began accession talks with Croatia; they had been stalled because Croatia was deemed unco-operative in handing over suspected war criminals. The fugitive, General Ante Gotovina was arrested in the Canary Islands and sent to the war crimes tribunal in The Hague.

2006 Croatia membership talks with the EU were caught up in internal discord about enlargement when the EU decided to wait until at least 2010 before offering Croatia membership. Talks with Croatia continued with the EU, separately from Turkey, which had applied for membership at the same time.

2007 A coalition government between the HDZ and the Hrvatska Seljačka Stranka-Hrvatska Socijalno Liberalna Stranka (HSS-HSLD) (Croatian Peasant's Party-Croatian Social Liberal Party) was formed following parliamentary elections. 2008 An accession protocol with Croatia was signed by NATO ambassadors in Brussels.

2009 A border dispute with Slovenia that began in 1991 with the collapse of Yugoslavia impeded Croatia's efforts to join the EU. With such a short coastline (46km) Slovenia was intent on using the small Bay of Piran on the Adriatic Sea to

give it access to international waters. Croatia wanted the border to be half-way through the bay and submitted maps and documents showing this to EU negotiators. Slovenia vetoed Croatia's first accession attempt and without an agreement by April Croatia was unable to join the EU in 2009. Croatia joined NATO. Ivo Sanader resigned and Jadranka Kosor became prime minister. Ivo Josipovic (Socijaldemokratska Partija Hrvatske (SPH) (Social Democratic Party of Croatia) won the first round of presidential elections. 2010 Josipovic won the run-off presidential elections, with 60.3 per cent of the vote, Milan Bandic (independent) 39.7 per cent; turnout was 50.2 per cent. In a tit-for-tat move Serbia began legal action against Croatia at the ICJ for genocide committed in the early 1990s. The alleged genocide was said to have occurred during clashes between the two countries as Croatia fought for independence. The action was in retaliation for Croatia's refusal to drop a similar suit before the ICJ for atrocities by Yugoslav and Serbian forces against Croats in 1999. A referendum held in Slovenia voted in favour of allowing international arbitrators to resolve the border dispute concerning the Bay of Piran. A five-person panel, including one Slovene and one Croat, will settle the matter. Sretko Kalinic, the assassin of Serbia's first democratically elected prime minister (Zoran Djindjic) in 2001, was extradited to Serbia to serve a 30-year prison sentence; a Serbian court had found him guilty *in absentia*. Croatia signed a protocol to jointly found a new company, Cargo 10, with Macedonia, Serbia and Slovenia to incorporate their railway companies; later joined by Bosnia Herzegovina. Former prime minister, Ivo Sanader, left the country, just hours before parliament voted to lift his immunity from prosecution. An international arrest warrant was issued and he was arrested in Austria on charges of bribery and corruption. 2011 A census, carried out on 31 March, recorded a population of 4,290,612 people residing in the country, of which 792,875 were in Zagreb. In May, Croatia and Slovenia submitted their maritime border arbitration agreement to the UN. Extradition papers for Ivo Sanader's return to Croatia were signed in Austria in July. Parliamentary elections took place on 4 December, in which the four-party Kukuriku coalition (led by SPH) won 40 per cent of the vote and replaced the incumbent coalition led by HDZ, which won 23.5 per cent (47). The HDZ coalition had been blamed for the poor state of the economy, rising unemployment and a number of corruption scandals, which marred the election campaign. The

Kukuriku leader, Zoran Milanovic (SPH) had warned that he would introduce an austerity budget to avoid a credit agency downgrading and that he would approach the IMF for financial aid if necessary. 2012 On 22 January, a referendum on European Union membership was held, in which 66.27 per cent of the vote was in favour of joining. The EU accession treaty was ratified by parliament on 9 March; Croatia's date of accession is scheduled for 1 July 2013. On 5 September, the ratings agency Fitch gave an unexpected filip by upgrading Croatia's outlook from negative to stable and reaffirming its rating of BBB. This followed the government's progress in developing a medium-term plan of addressing fiscal challenges, improving tax compliance and fighting tax avoidance. 2013 Croatia became a member of the European Union (EU) on 1 July. Despite only just becoming a member of the EU, in late August Croatia refused to implement a European Arrest Warrant requested by Germany for the killing of a Croatian dissident in 1983. Croatia had passed a law to prevent arrests for crimes committed before August 2002. Signs in Serbian Cyrillic script put up in the town of Vukovar were torn down by protestors on 2 September. The law states that where a minority reaches one third of the population signs must be bilingual. Serbs, according to the 2011 census, make up 34.8 per cent of the population.

Political structure Constitution

The written constitution was first adopted in December 1990, with amendments in 2000 and 2001 that cut back presidential powers and abolish the upper house of parliament.

Under the constitution there is a principle of the separation of power into legislative, executive and judicial branches, which are limited by the right to local and regional self-government.

The laws of Croatia must conform to the constitution

The electoral law gives the vote to all Croatians over the age of 18, including those living abroad. Ethnic minorities are equal with ethnic Croats according to the constitution. However, in recent years the international community has raised strong objections to laws that *de facto* discriminate against other groups – specifically returning Serb refugees. Until these problems are solved, Croatia is unlikely to be recognised as a fully democratic state. The administration of Croatia is divided into 21 *zupanije* (counties). There are also two *kotari*, or special districts, at Glina and Knin, which are under direct Serb control.

Independence date

25 June 1991

Form of state

Unitary, democratic republic

The executive

Executive power is vested in the president who is Head of State and supreme commander of the armed forces and is directly elected for five years and a maximum of two terms.

The president appoints the prime minister and, by recommendation of the prime minister, other members of the government. These appointments are subject to confirmation by the House of Representatives.

National legislature

The unicameral Hrvatski Sabor (Parliament of Croatia) (known as Sabor) has between 100–160 members (exact numbers are determined by the Sabor), elected in multi-seat constituencies (up to a maximum of six), by proportional representation from party lists, to serve for four-year terms. Of the total number, eight seats are reserved for minority communities and five for expatriates.

Legal system

All civil and criminal cases are dealt with by basic and higher courts. The Supreme Court is the highest authority for civil and criminal law, charged with ensuring uniform application of laws and equality of citizens. All judges and other judicial officials are appointed by the Judicial Council, an elected body that is answerable to the parliament. The Judicial Council also acts as the Constitutional Court to determine the conformity of national legislation with the Constitution.

All prosecutions are the responsibility of the Office of the Public Prosecutor. There is also a Public Attorney. The Justice Ministry is the administrative authority of the Croatian judiciary. Its major instrument is the Croatian police, which falls under the jurisdiction of the interior minister.

Last elections

4 December 2011 (parliamentary); 27 December 2009/10 January 2010 (presidential first round and runoff); 22 January 2012 (EU referendum)

Results: Parliamentary: Kukuriku coalition (of four political parties, led by Socijaldemokratska Partija Hrvatske (SPH) (Social Democratic Party of Croatia) won 40 per cent of the vote (80 seats, out of 151), the HDZ coalition (of three parties, led by Hrvatska Demokratska Zajednica (HDZ) (Croatian Democratic Union) 23.5 per cent (47), Hrvatski Laburisti-Stranka Rada (HL-SR) (Worker's Party-Labour Party) 5.1 per cent (six), Hrvatski Demokratski Sabor Slavonije i Baranje (HDSSB) (Croatian Democratic Assembly of Slavonija and Banranja) 2.9 per cent (six); four other political parties (two with

seats reserved for ethnic minorities and other independent and community representatives) won the remaining 12 seats. Presidential (first round): Ivo Josipovic (Socijaldemokratska Partija Hrvatske (SPH) (Social Democratic Party of Croatia) won 32.8 per cent of the vote, Milan Bandic (independent) 15 per cent, Andrija Hebrang (Hrvatska Demokratska Zajednica) (HDZ) (Croatian Democratic Union) 12.2 per cent, Nadan Vidosevic (independent) 11.5 per cent; all other candidates won less than 8 per cent each. Turnout was 44 per cent. Runoff: Josipovic won 60.3 per cent of the vote, Bandic 39.7 per cent; turnout was 50.2 per cent.

Referendum: 66.27 per cent of votes (1.3 million) were in favour of the motion to approve membership of the European Union, 33.13 per cent (650,000) disagreed; turnout was 43.51 per cent.

Next elections

2015 (parliamentary); 2014 (presidential)

Political parties

Ruling party

Kukuriku coalition, led by Socijaldemokratska Partija Hrvatske (SPH) (Social Democratic Party of Croatia), with Hrvatska Narodna Stranka-Liberalni Demokrati (HNS-LD) (Croatian People's Party- Liberal Democrats), Istarski Demokratski Sabor (IDS) (Istrian Democratic Assembly) and Hrvatska Stranka Umirovljenika (Croatian Pensioner's Party) (from 4 Dec 2011)

Main opposition party

HDZ coalition (led by Hrvatska Demokratska Zajednica (HDZ) (Croatian Democratic Union), with Hrvatska Gradanska Stranka (HGS) (Croatian Citizens Party) and Demokratski Centar (DC) (Democratic Centre)

Population

4.40 million (2012)* (4,290,612; 2011; census figure)

Last census: 31 March 2011: 4,290,612

Population density: 79.8 inhabitants per square km. Urban population 58 per cent (2010 Unicef).

Annual growth rate: -0.1 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP) 11,000 (UNHCR 2004)

Ethnic make-up

Croats (90 per cent of the population), plus Serbs, Hungarians and Gypsies. The April 2001 census, the first since the 1991–95 war, indicated that Serbs made up 4.5 per cent of the population (the figure was 12 per cent in the early 1990s).

Religions

Predominantly Roman Catholic, with Christian Orthodox, Muslim and Jewish minorities, living mostly in Zagreb.

Education

Primary education is compulsory and free of charge. Secondary education is between the ages of 14–18. Vocational schools offer courses lasting for three or four years, including a period of practical instruction. There are four universities offering courses in science, engineering and medicine that meet international standards.

Public expenditure on education typically amounts to 5 per cent of annual gross national income.

Literacy rate: 98 per cent adult rate; 100 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Six to 14

Enrolment rate: 99 per cent; gross primary enrolment, of the relevant age group (including repetition rates), (World Bank).

Pupils per teacher: 19 in primary schools

Health

The healthcare system has recovered since the internal conflict ended in 1995, but national coverage remains patchy, notably in the Krajina and Eastern Slavonia regions.

HIV/Aids

HIV prevalence: 0.1 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 75 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 1.5 births per woman, 2010 (Unicef); maternal mortality 6 per 100,000 live births (World Bank).

Child (under 5 years) mortality rate

(per 1,000): 5 per 1,000 live births (WHO 2012); 1 per cent of children under five years are malnourished (World Bank).

Head of population per physician:

2.44 physicians per 1,000 people, 2003 (WHO 2006)

Welfare

The government faces a huge fiscal burden with an ageing population and a legacy of insufficient funds to pay retirees, particularly those who retired early following reforms of the late 90s. In 2002 the government introduced a dual social insurance and mandatory, privately managed, compulsory pension schemes, for all workers, with contributions that vary depending on the class of old age pension. Regular pensions require contributions of 10.75 per cent and 8.75 per cent (of payroll), from employee and employer respectively. Basic pensions require contributions of 8.75 per cent and 5.75 per cent (of payroll), from employee and employer respectively. Insurance contributions cover among other benefits, medical, disability and survivor's

pensions. By 2020 projected pension fund assets should reach 25–30 per cent of GDP.

In 2003 it was estimated there were over 50,000 Croatian refugees, of which 27,700 were internally displaced persons (IDP).

Main cities

Zagreb (capital, estimated population 685,799 in 2012), Split (165,013), Rijeka (126,013), Osijek (82,830), Zadar (70,775), Pula (57,053), Sesvete (55,458), Slavonski Brod (52,978), Karlovac (46,588), Varazdin (38,487).

Languages spoken

Croatian is written using the Latin alphabet. German and English are commonly used as second languages and business people are fluent in English. Bosnian and Serbian are also spoken and, near the Adriatic coast, Italian is spoken.

Official language/s

Croatian

Media

The constitution guarantees press freedom and bans censorship.

Press

Dailies: Most popular newspapers have a tabloid format with commercialised stories.

In Croatian, national newspapers include *Jutarnji List* (www.jutarnji.hr), *Vecernji List* (www.vecernji.hr), and *Vjesnik* (www.vjesnik.com). Regional newspapers include *Slobodna Dalmacija* (www.slobodnadalmacija.hr) from Split, *Novi List* (www.novolist.hr) from Rijeka, *24 Sata* (www.24sata.hr) from Zagreb and *Glas Istre* (www.glasistre.hr) from Pula.

Weeklies: In Croatian, the most influential news magazine *Globus* (www.globus.com.hr) has reported on corruption and organised crime that have been avoided by more mainstream publications. Another independent political magazine is *Nacional* (www.nacional.hr).

Gloria (www.gloria.com.hr) is the most popular women's magazine and *Nogometni Magazin* (www.nogometni-magazin.com) is a sports publication.

Business: In Croatian, *Business.hr* (<http://business.hr>) and *Privredni Vjesnik* (www.privredni-vjesnik.hr with an English online edition) are both weekly newspapers.

Broadcasting

Television is the medium of choice for news and information for most people. Hrvatska Radiotelevizija (HRT) (www.hrt.hr) is the national, public broadcaster, which is funded through license fees and advertising revenue.

Radio: RTH operates three stations RTH1, 2 and 3, with a network provides by

regional linking stations. There are numerous private stations centred on cities and regional centres, including Radio Samobor (www.radiosamobor.hr) with news and music, from Zagreb, Radio Mrežnica (www.radio-mreznica.hr) from the Central region, Radio Laus (www.radio-laus.hr) from Dubrovnik, Radio Istra (www.radioistra.hr) from Istria and Gradski Radio (www.eter.hr) from Slavonia.

Television: There are three national, commercial, networks including the government-owned HRT (www.hrt.hr) TV, which has two channels providing domestically produced news and entertainment programmes and foreign imports. The private TV channels include RTL Televizija (www.rtl.hr) and Nova TV (<http://dnevnik.hr>). The Croatian media company OIV (www.oiv.hr) provides a comprehensive cable TV service, with 21 channels, to Croatia and neighbouring countries.

The conversion of terrestrial signals to digital is scheduled to be completed by 2010 and will provide the opportunity for transmission of many more channels.

Other news agencies: HIC (Croatian Information Centre): www.hic.hr
Hina (Croatian News Agency): <http://webserv2.hina.hr>

Economy

Croatia has a free-market, service sector led, economy with its industrial sector, particularly shipbuilding, underpinning its international trade. Shipbuilding accounts for around 10 per cent of all exported goods and with manufacturing represents over 28 per cent of the structure of the economy. Farming includes crops for both a processed food industry and organic crops for export to other EU countries. The service sector represents over 65 per cent of GDP, with tourism as its principal sector and the country's major foreign exchange earner.

The economy of Croatia is dependent on exports and tourism; GDP growth began to fall early in 2008 as the global economic crisis took hold and trade weakened and tourist numbers fell. Growth dropped from 5.1 per cent in 2007 to 2.2 per cent in 2008, before falling into recession in 2009 with GDP of -6.0 per cent. Recovery was slow and remained in negative growth of -1.2 per cent in 2010, and was projected to register 0.0 per cent in 2011.

In 2009, the government had introduced three supplementary budgets with measures that included expenditure cuts, freezing wages and pensions and raising value added tax (VAT). It also imposed a 'solidarity tax' on higher income earners. Although the measures helped improve

financial market sentiment and the currency regained much of its strength, the overall fiscal deficit widened to just under 4 per cent of GDP.

Unemployment has been typically high at 12.7–8.7 per cent over 2005–08, but it rose sharply to 17 per cent in 2009. However in the first quarter in 2010, there was a pickup in industrial production and with growth in the construction sector unemployment was projected to fall to less than 10 per cent by the end of the year. The International Monetary Fund (IMF) considered that Croatia had benefited from global growth before 2008 but had not used the large-scale foreign direct investment (FDI) to improve either its overall competitiveness through structural reforms, or benefits founded in the tourist sector (which accounts for around 50 per cent of export earnings and services). In 2008, FDI amounted to a record US\$6 billion, which halved to US\$3.3 billion in 2009 before plunging to US\$426 million in 2010. However, FDI increased in 2011 to US\$1.5 billion.

The World Bank ranked Croatia overall as 79 (out of 182), on its *Doing Business* list in 2012, which was a rise of 10 from its ranking in 2010. From 2011, Croatia adopted a World Bank backed model for a new range of civil procedures and enforcement of judgements in credit laws. This propelled Croatia higher up the ranking for getting credit and enforcing contracts. On 5 September 2012, the ratings agency Fitch gave an unexpected fillip by upgrading Croatia's outlook from negative to stable and reaffirming its rating of BBB. This followed the government's progress in developing a medium-term plan of addressing fiscal challenges, improving tax compliance and fighting tax avoidance.

External trade

As a member of the European Union (EU), Croatia operates within a community-wide free trade area, with tariffs set as a whole. Internationally, the EU has free trade agreements with a number of nations and trading blocs worldwide.

International trade plays an important role in the economy. Shipbuilding is the major manufacturing industry, with ferrous steel and aluminium products also important. Electronics, including military applications, are part of the new technology industries, with pharmaceutical products and energy production. Traditional industries provide agricultural products such as timber, textiles, organic crops (prized in the EU) and processed food.

Imports

Principal imports are vehicles, machinery and electrical equipment, chemicals and

foodstuffs, natural gas, electricity and petroleum products.

Main sources: Italy (16.8 per cent of total in 2012), Germany (12.9 per cent), Russia (7.6 per cent).

Exports

Principal exports are ships, transport equipment, electronic equipment, textiles, chemicals, foodstuffs and energy.

Main destinations: Italy (15.3 per cent of total in 2012), Bosnia and Hercegovina (12.8 per cent), Germany (10.3 per cent).

Agriculture

Almost half of the population lives in rural areas where agriculture continues to be the traditional source of income. The government has prepared a Rural Development Plan 2005–06 with four principal measures: farm investment, processing and marketing of agricultural and fish products, improved rural infrastructure and technical assistance. This programme is intended to align agriculture with conditions necessary for accession to the EU. Of a total of 3.2 million hectares (ha) of arable land, 63 per cent is cultivated and the rest is pastureland. Only 68 per cent of agricultural land is privately owned. Agriculture contributed 8.2 per cent to GDP, and recorded growth of 4.2 per cent in 2004; it employed 16.2 per cent of the workforce.

Family farms with an average holding of 2.8ha per farm, contribute to the overall animal and horticultural production. Crop production is especially well developed, covering the needs for cereals, while cattle breeding accounts for almost 50 per cent of agriculture-generated GDP. The warm weather and mild winters suit grape-growing.

The government is committed to initiating agricultural market reform and promoting private farming. Reform in the agrarian production sector is accompanied by rising food imports, mostly from the EU. Agriculture within the country meets the domestic demand for wine, wheat, corn, eggs and poultry. Croatia's oil and sugar processing facilities are big enough to provide exports. However, with high production costs and a series of free trade agreements farm products cannot compete internationally.

There are rich marine resources concentrated on the Dalmatian Adriatic coast. Of a total of 1.7 million hectares (ha) of forest cover, nearly four-fifths of the forest is owned by the state, and the rest is in private hands. In 1990–2000, forest cover increased by an average of 0.11 per cent per annum, the equivalent of 2,000ha.

Croatia has a well-developed wood processing industry. Although a large amount

of wood is reserved for domestic fuel consumption, the country manages to export industrial roundwood and sawnwood mainly to Slovenia and Italy respectively. Small volumes of wood pulp and panels are also exported, but paper is largely imported.

Industry and manufacturing

The industrial sector contributes around 30 per cent to GDP and typically employs around 30 per cent of the workforce. Manufacturing accounted for around 20 per cent of GDP.

State owned enterprises (SOE) are due to be restructured, in preparation for the expected competition within the EU. Privatisation of SOE has begun, although progress is slow. In 2005 government commitment to fiscal constraints, necessary for staff cuts, is still needed as SOE incur significant losses, particularly in the shipbuilding industry and the railway system.

Private enterprise in retail and wholesale businesses and manufacturing, as a whole typically attracts 24 per cent of FDI.

Tourism

Croatia is a destination for the visitor attracted to beach resorts. Tourism within the country is limited and underdeveloped, with the exception of Zagreb. There are six historic sites included on Unesco's World Heritage List as well as the Plitvice Lakes National Park, which has a record 70 mammal and 126 bird European species (including brown bear, wolf, eagle owl and capercaillie).

Travel and tourism has grown steadily in importance to the economy, as from 16.2 per cent of GDP in 2000 and 26.4 per cent by 2011. Likewise, employment in the industry has grown from 21.2 per cent (219,100 jobs) in 2000 to 28.2 per cent (311,100 jobs) in 2011. However, the sector was affected by the global economic crisis – tourism contributed a record 29.1 per cent in 2008, before dropping to 25.3 per cent in 2009 as visitor numbers slumped, and more importantly foreign receipts fell from US\$11.7 billion to US\$9.3 billion in 2008 and 2009. In 2009 there were 8.7 million visitors, which grew to 9.1 million visitors in 2010.

The government is committed to enhancing the prospects of the sector with travel and tourism accounting for around 11 per cent of total capital investment (2008–11), with an estimated increase to 13.3 per cent of total in 2012.

Agriculture

Proven oil reserves in 2007 were 3.6 billion cubic metres (cum) located in three regions: Slavonia, offshore in the Adriatic, near the Dalmatia coast and the Croatian

region of the Pannonian Basin, where an estimated 1.2 million barrels per day (bpd) remains to be discovered. Consumption of oil was 5.3 million barrels in 2007 but is rising each year, with a forecast of 6 million barrels by 2012.

The Croatian state oil company INA is 51 per cent government-owned; in 2007 it began investing US\$1.47 billion (to be spent by 2010) in upgrading two antiquated oil refineries so that production of imported Syrian and Egyptian oil could be increased. INA also invested US\$500 million in exploration and drilling in the Middle East and Africa.

The 400,000bpd capacity Croatian Adriatic Oil (Adria) Pipeline, run by Jadranski Naftovod (JANAF) of Croatia, takes oil that arrives by tanker at the Croatian Adriatic port of Omisalj into the interior of Croatia. However there are plans to redirect the flow of oil, picking up Russian oil for delivery to the Adriatic for onward transportation. The negotiations, involving six countries, had not been concluded by January 2009, but when agreement is reached an estimated 100 million barrels of crude oil, rising to 300 million barrels will be exported.

In 2007, natural gas reserves stood at 29.8 billion cubic metres (cum), with an annual production of 1.75 billion cum. An estimate of undiscovered gas in the Pannonian Basin, to be shared with Hungary, is 210 billion cum but is likely to be from hard to reach sites. Imports in 2007 totalled 800 million cum, with consumption rising to over 2.50 billion cum annually. Imported gas comes primarily from Russia and Slovenia via pipeline.

In February 2012, the multinational, South Stream Transport group, announced the expected construction of the South Stream pipeline, to transport Russian natural gas to Western and Central Europe (and bypassing Ukraine) would begin in December 2012.

Croatia has extensive coal reserves but production runs at less than 100,000 tonnes per annum, mostly for consumption by domestic power plants.

Energy

Croatia has 4,049MW of electricity generation capacity, of which almost 2,100MW is produced by hydropower, over 1,400MW by thermal power, 300MW by nuclear power plants and the remainder by alternative sources. Imports of electricity account for around 10 per cent of total energy consumption. Demand for electricity is increasing by around 5 per cent per year, creating an urgent need to increase generating capacity in Croatia. Hydroelectric plants are mainly located along the Adriatic coastline (Obrovac, Senj, Zakućac). Croatia

does not operate a nuclear power plant but has joint ownership and responsibility for the plant in Krsko (Slovenia).

There is a geothermal resource in the north which could provide an estimated 839MW if harnessed, but which is currently used for heating spaces and swimming pools and balneology.

Financial markets

Stock exchange

Zagrebacka Burza (Zagreb Stock Exchange)

Banking and insurance

The central bank has general supervisory powers, endorsed by law, of the banking system. Legislation, since 2001, permits foreign investment in banks and since 2004 foreign banks may open branches in Croatia, although the EU is unimpressed about some of the restrictive stipulation necessary for this. Foreign exchange laws permit individuals opening foreign exchange accounts abroad and local banks offering foreign currency denominated loans.

There will be an amount of merging of supervisory authorities of the insurance, securities, investment funds and pensions into a financial services authority in line with EU requirements, before accession.

Central bank

Hrvatska Narodna Banka (HNB) (Croatian National Bank)

Main financial centre

Zagreb

Time

GMT plus one hour (daylight saving, late March to late October, GMT plus two hours)

Geography

Croatia is bounded by Slovenia to the north-west, Hungary to the north-east and the Serbian province of Vojvodina to the east. Bosnia and Hercegovina (BiH) takes a bite out of Croatia causing a rough horse shoe shape in the middle of the country from the east to the south-west. There is a very short border with Montenegro at the southern tip of the narrowing stretch of Croatia, near Dubrovnik. In the Adriatic Sea, Croatia also has maritime boundaries with Slovenia, Italy and Montenegro. There are 1,185 islands and islets along the 1,778km Croatian coast. At 56,538km square, the country consists of two principal parts: the Slavonian or Danubian plains of the north and east, through which the River Sava flows, and the extended Mediterranean coastal region of the Istrian peninsula and Dalmatia to the south-west and south-east. The hinterlands of this coastal region are the Dinaric Alps, which also extend into BiH. To the south-west of Zagreb, a narrow

neck of territory connects the two elongated parts of the country.

Hemisphere

Northern

Climate

In northern Croatia, the climate is continental, on the Adriatic it is Mediterranean, while in the mountainous regions, it is alpine. The coastal hinterlands have a colder climate with heavy snow in winter, but they can be very hot in summer. Temperatures inland average around 10 degrees Celsius (C), while average temperatures on the coastal areas are around 15 degrees C. During the summer months, temperatures along the coast are often in excess of 30 degrees C. Precipitation is fairly constant country-wide throughout the year. The summer is the wettest season in the north, where the average annual rainfall in Zagreb is 890 millimetres. During the winter months, violent wind storms, known locally as the *Bora*, are common along the coast. A subsidiary sea of the Mediterranean, the Adriatic exercises a major influence on Croatia's climate, moderating the excesses of the continental climates of the north and east.

Dress codes

Business dress is formal, particularly in Zagreb.

Entry requirements

Passports

Required by all, except citizens of the EU, Switzerland, Norway and BiH who only need valid, official photographic identification.

Visa

Required by all, except nationals travelling as tourists from North America, Europe, Australasia, and some Asian countries, for stays of up to 90 days. Visitors are issued border passes on arrival, these must be kept until departure. For further details and exemptions see www.mfa.hr – visa requirements overview.

Nationals who do not require a tourist visa may visit for business purposes without a visa. All other business persons must apply for a business visa. Business visas require an official letter of invitation from a registered Croatian company or entity, on a formal declaration form that can be downloaded from www.hgk.hr. For further information contact the Croatian Chamber of Commerce e-mail: hgk@hgk.hr.

Currency advice/regulations

The import and export of local currency is limited to K15,000 in total, of which K500 is the maximum in banknotes. The import and export of foreign currency is unlimited. Amounts over K40,000 equivalent should be declared. Foreign currency

can be exchanged in banks, by authorised dealers and post offices. Automated teller machines (ATMs) are common. Travellers cheques in US dollars, pounds sterling or euros avoid extra exchange fees.

Customs

Goods for personal use up to the value of K300 can be imported free of duty. Export of objects historic, cultural or scientific value must have a licence from the appropriate authorities.

A foreign national can be exempt from paying customs duties on equipment imported on the basis of a foreign investment contract. Appeals for exemption from duty should be submitted to the Ministry of Finance.

Prohibited imports

Illegal drugs. Firearms and ammunition must have the relevant Croatian permits.

Health (for visitors)

Nationals of the European Economic Area (EEA) countries and Switzerland can access reduced cost and sometimes free medical treatment using a European Health Insurance Card (EHIC) while visiting the EEA. Exceptions include nationals of the 10 countries which joined the EU in 2005 whose EHIC is not valid in Switzerland. Applications for the EHIC should be made before travelling.

Mandatory precautions

None

Credit cards

American Express, Diners' Club, Mastercard and Visa are accepted.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 6 Jan (Epiphany), 1 May (Labour Day), 22 Jun (Anti-Fascism Day), *25 Jun (National Day), 5 Aug (Thanksgiving Day), 15 Aug (Assumption Day), *2 Oct (Independence Day), 1 Nov (All Saints' Day), 25–26 Dec (Christmas).

* Some companies allow an informal one-day holiday before or after a Sunday holiday.

Variable dates

Mar/Apr Easter Monday, Jun Corpus Cristi

Working hours

Banking

Mon–Fri: 0700–1900; Sat: 0700–1300.

Business

Mon–Fri: 0800–1600.

Government

Mon–Fri: 0830–1630.

Shops

Food shops: Mon–Fri: 0700–2000, Sat: 0700–1500.

Non-food shops: Mon–Fri: 0800–1200, 1700–2000; Sat: 0800–1500.

Telecommunications

Mobile/cell phones

There are GSM roaming facilities available in the 900 band width, the 1800 is planned. Coverage is virtually throughout the country.

Electricity supply

220V AC, 50 Hz

Weights and measures

Metric system

Social customs/useful tips

Although Croats are a rather gregarious people, there is a growing tendency to reserved formality in business contexts. The formality extends to the exchange of business cards that state professional and academic status.

On balance, foreigners should avoid informality with their business and other hosts and should observe western business standards. Foreigners are advised to avoid discussions of a political nature in Croatia.

Trade fairs are part of the regular business life in Croatia and are a useful way to meet potential partners and gain entry to the market. The principal venue is Zagreb, although Rijeka, Split and Osijek also host fairs.

Security

There is some street crime in Zagreb and other major cities.

Getting there

Air

National airline: Croatia Airlines
International airport/s: Zagreb-Pleso International Airport (ZAG), 17km from the capital; business centre, bank, post office, restaurants, bars, duty-free shopping and car hire. Buses to the city run between 0700–2000. Taxis are available; travelling time 25 minutes.

Other airport/s: Dubrovnik International (DBV), 18km south-east of the city. Flights are inter-European only. Facilities include money-changing offices, duty-free shopping, post office and car hire.

Airport tax: None

Surface

Croatia is included in the Pan-European Corridor 5 scheme. The project has some 3,270km of railways, linking Kiev in the Ukraine with western Europe via Italy, and 2,850 of new and upgraded roads.

Road: International buses connect Croatia with Austria, Italy, Hungary, France, Germany, Slovak Republic, Bosnia and Hercegovina.

Rail: There are international rail routes to Zagreb from Munich, Vienna, Venice, Budapest and Graz.

Water: Ferry services connect Rijeka and Pula with Durres and Vlora (Albania).

Getting about**National transport**

Air: There are regular routes from Zagreb-Rijeka, Zagreb-Split and Zagreb-Ljubljana (Slovenia).

The main domestic airports are Rijeka (RJK), 25km from Rijeka and Split (SPU), 24km from Split.

Road: The government plans construction of 700km of new roads by 2011, making a total of 1,220km of highways and superhighways. The last 33km of the 380km Dalmatian Motorway, joining Zagreb and Split was opened on 26 June 2005.

Buses: Intercity bus services are available across the country.

Rail: Major rail links run from Zagreb to Rijeka and Varazdin.

Water: Split and Rijeka are connected by a daily sea-ferry service, but domestic sea connections with Dubrovnik are less frequent.

City transport

Taxis: Good taxi services operate in all main cities. All taxis are metered with a basic charge. A 10 per cent tip is usual.

Buses, trams & metro: Trams in Zagreb and Osijek only; buses in other cities and towns. Services are generally cheap and regular.

Car hire

A national driving licence is usually acceptable, although there have been instances where hire companies also requested an international driver's licence.

Traffic drives on the right. Speed limits are 130kph (81mph) on motorways, 100kph (62mph) on dual carriageways, 50kph (31mph) in built-up areas and 80kph (50mph) outside built-up areas. Right turns on red lights are strictly forbidden unless an additional green light (in the shape of an arrow) allows it. Right of way is always to the vehicle entering from the right.

Drink-driving is banned and subject to heavy penalties. The police also crack down on speeding and other road traffic offences. Croatia has a poor road safety record.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Croatia is +385, followed by area code and subscriber's number:

Zagreb	1	Split	21
Dubrovnik	20	Rijeka	51

Useful telephone numbers

Emergency road help and information (Croatian Automobile Association (HAK), English speakers): 987

Police: 92

Ambulance: 94

Chambers of Commerce

American Chamber of Commerce in Croatia, 1 Krsnjavoga, 10000 Zagreb (tel: 483-6777; fax: 483-6776; e-mail: info@amcham.hr).

Croatian Chamber of Economy, 2 Rooseveltov trg, PO Box 630, 10000 Zagreb (tel: 456-1555; fax: 482-8380; e-mail: hgk@hgk.hr).

Dubrovnik County Chamber, 6 Pera Cingrije, 20000 Dubrovnik (tel: 411-376; fax: 412-044; e-mail: hgkdu@hgk.hr).

Rijeka County Chamber, 23 Bulevar Oslobođenja, 51000 Rijeka (tel: 209-111; fax: 216-033; e-mail: hgkri@hgk.hr).

Split County Chamber, 4 Obala A Trumbica, 21000 Split (tel: 321-100; fax: 346-956; e-mail: hgkst@hgk.hr).

Zagreb County Chamber, 45 Draskoviceva, 10000 Zagreb (tel: 460-6777; fax: 460-6803; e-mail: hgkzg@hgk.hr).

Banking

Croatian Bank for Reconstruction and Development, Trg J J Strossmayera 9, 10000 Zagreb (tel: 459-1620; fax: 459-1721).

Privredna Banka Zagreb, Corporate Finance Division, Capital Markets, Rackoga 6, Zagreb (tel: 472-3124; e-mail: capital.markets@pbz.hr; internet site: http://www.pbz.hr).

Central bank

Hrvatska Narodna Banka (Croatian National Bank), PO Box 603, Trg hrvatskih velikana 3, Zagreb 10002 (tel: 456-4555; fax: 461-0551; e-mail: info@hnb.hr).

Stock exchange

Zagrebacka Burza (Zagreb Stock Exchange), www.zse.hr

Travel information

Croatian Chamber of the Economy, Director of Tourism, Rosseveltov Trg 2, 10000 Zagreb (tel: 456-1570; fax: 448-618).

Croatia Airlines, Savska 4A, 41000 Zagreb (tel: 616-0066; fax: 530-475).

Croatian Railways (HZ-Hrvatske Zeljeznice), Mihanoviceva 12, Zagreb (fax: 457-7597).

Tourist Community of Zagreb, Kaptol 5, 41000 Zagreb (tel: 426-411; fax: 272-628).

Tourist Information Centre, Trg bana Jelacicá 11, 41000 Zagreb (tel: 278-855; fax: 274-083).

Ministry of tourism

Ministry of Tourism, International Relations Department, Ulica grada Vukovara 78, 10000 Zagreb (tel: 610-6300; fax: 610-9300).

National tourist organisation offices

Hrvatska Turisticka Zajednica (Croatian Tourist Board), Gunduliceva 3, 41000 Zagreb (tel: 424-637, 431-015; fax: 428-674).

Ministries

Government of the Republic of Croatia, Trg Svetog Marka 2, 10000 Zagreb (tel: 456-9222; fax: 630-3023).

Ministry of Administration, Republike Austrije 16, Zagreb 10000 (tel: 378-2111; fax: 378-2192).

Ministry of Agriculture and Forestry, Ulica grada Vukovara 78, 10000 Zagreb (tel: 610-6111; fax: 610-9200).

Ministry of Culture, Trg Burze 6, 10000 Zagreb (tel: 461-0477, 456-9022; fax: 461-0489).

Ministry of Defence, Trg Kralja Petra Kresimira 4 br 1, 10000 Zagreb (tel: 456-7111; fax: 455-1105).

Ministry of Development and Reconstruction, Nazorova 61, 10000 Zagreb (tel: 378-4500; fax: 378-4551).

Ministry of Economic Affairs, Ulica grada Vukovara 78, 10000 Zagreb (tel: 610-6111; fax: 610-9120).

Ministry of Education and Sports, Trg Burze 6, 10000 Zagreb (tel: 456-9000; fax: 456-9087).

Ministry of Environmental Protection and Zoning, Ul Republike Austrije 20, 10000 Zagreb (tel: 378-2444; fax: 377-2822).

Ministry of European Integration, Ul grada Vukovara 62, 10000 Zagreb (tel: 456-9335, 456-9336; fax: 469-8310).

Ministry of Finance, Kataneiaeva 5, 10000 Zagreb (tel: 459-1333; fax: 492-2583).

Ministry of Foreign Affairs, Trg Nikole Subica Zrinskog 7-8, 10000 Zagreb (tel: 456-9964; fax: 456-9988, 455-1795; internet: www.mfa.hr).

Ministry of Health, Ulica baruna Trenka 6, 10000 Zagreb (tel: 459-1333, 460-7555; fax: 467-7076).

Ministry of Homeland War Veterans, Park Stara Tresnjevka 4, 10000 Zagreb (tel: 365-7888; fax: 365-7852).

Ministry of Immigration, Savska cesta 41/12, 10000 Zagreb (tel: 617-6011; fax: 617-6161).

Nations of the World: A Political, Economic and Business Handbook

Ministry of Internal Affairs, Savska 39, 10000 Zagreb (tel: 612-2111; fax: 612-2036, 612-2452).

Ministry of Justice, Administration and Local Self-Government, Ul Republike Austrije 14, 10000 Zagreb (tel: 371-0666; fax: 371-0772).

Ministry of Labour and Social Care, Prislavlje 14, 10000 Zagreb (tel: 616-9111; fax: 616-9200).

Ministry of Maritime Affairs, Transportation and Communication, Prislavlje 14, 10000 Zagreb (tel: 616-9111; fax: 615-6292, 619-6473).

Ministry of Physical Planning, Building Construction and Housing, Ulica Republike Austrije 20, Zagreb (tel: 378-2444; fax: 377-2555).

Ministry of Privatisation and Property Management, Gajeva 30a, 10 000 Zagreb (tel: 456-9103; fax: 456-9133).

Ministry of Public Works, Reconstruction and Construction, Ul Vladimira Nazora 61, 10000 Zagreb (tel: 378-4500; fax: 378-4598).

Ministry of Science and Technology, Trg J J Strossmayera 4, 10000 Zagreb (tel: 459-4444; fax: 459-4469; e-mail: office@science.hr; internet site: www.mzt.hr).

Ministry of Trades and Small and Medium Businesses, Ksaver 200, 10000 Zagreb (tel: 469-8300; fax: 469-8310).

Parliament of the Republic of Croatia, Trg Sv Marka 6 i 7, 10000 Zagreb (tel: 456-9222; fax: 492-0384).

Other useful addresses

Association of Croatian Hoteliers, Hotel Kvarner, Park 1 maja 4, 51410 Opatija (tel: 711-415; fax: 711-415).

British Embassy, Commercial Section, Vlaska 121 (3rd Floor), PO Box 454, 10000 Zagreb (tel: 455-5310; fax: 455-1685; email: commercial.section@zg.htnet.hr).

Croatian Parliament, Trg SV, Marka 6, 10000 Zagreb (tel: 456-9222, 630-3222; fax: 630-3018; email: sabor@sabor.hr).

Croatian Embassy (USA), 2343 Massachusetts Avenue, NW, Washington DC 20008 (tel: (+1-202) 588-5899; fax: (+1-202) 588-8936; e-mail: webmaster@croatiaemb.org).

Croatian Guarantee Agency, Ilica 49, 10000 Zagreb (tel: 484-6622; fax: 484-6612).

Croatian Investment Promotion agency, World Trade Centre Building, Avenija Dubrovnik 15, 10000 Zagreb (tel: 655-4558; fax: 655-4563).

Croatian Privatisation Fund, Lueiaeva 6, 10000 Zagreb (tel: 456-9119, 459-6377; fax: 456-9140, 611-5568; e-mail: croatia.eoi@hfp.hr; internet site: www.hfp.hr).

Croatian Securities Exchange Commission, Bogovieva 3, 10000 Zagreb (tel: 481-1407; fax: 481-1507).

Croatian Shipbuilding Co Ltd (Hrvatska brodogradnja-Jadranbrod), Av V Holjevca 20, 10020 Zagreb (fax: 652-8420).

Economic Development Corporations – see Ministry of Development and Reconstruction.

Information Department, Ilica 1a, 10000 Zagreb (tel: 455-6455; fax: 455-7827; internet site: www.hic.hr/english/index.htm).

Luka Ploce (second largest Croatian Port), Trg Kralja Tomislava 21, 20340 Ploce (tel: 067-9601; fax: 067-9836; email: luka-ploce@du.tel.hr).

State Agency for Deposit Insurance and Bank Rehabilitation, Jurisiceva 1, 10000 Zagreb (fax: 481-3222; fax: 481-1907; e-mail: dragbank@zg.tel.hr).

State Bureau of Standards and Measures, Ul grada Vukovara 78, 10000 Zagreb (tel: 610-6111; 610-9324; e-mail: pisarnica@dznm.hr).

State Bureau of Statistics, Ilica 3, 10000 Zagreb (tel: 480-6111; fax: 481-7666; e-mail: ured@agram.dzs.hr).

Zagrebacki Velesajem (Zagreb fairs, exhibitions and conferences), Dubrovacka Avenija 2, Zagreb (fax: 520-6430).

Zagreb Stock Exchange, Ksaver 208, 41000 Zagreb (tel: 455-1866; fax: 455-1118; internet site: www.zse.hr).

Other news agencies: HIC (Croatian Information Centre): www.hic.hr

Hina (Croatian News Agency): http://websrv2.hina.hr

Internet sites

Croatia homepage: www.hr/english

Croatian Business Pages: www.hrvatska.com

Croatian Government: www.vlada.hr/english/contents.html

HINA, Croatian News Agency: www.hina.hr/nws-bin/ehot.cgi

Croatian Heritage Foundation: www.matis.hr/english/index.php

Hrvatska Radio Televizija: www.hrt.hr

Hrvatski Telekom: www.ht.hr