



Your advisors at the Chamber of Commerce



Edith Stein
+352423939482

Contact us: europa@cc.lu

Key Indicators

Area	56,594 km ²
Population	4,292,095 (July 2017 est.)
Government type	presidential/parliamentary democracy
Languages	Croatian (official) 95.6%, Serbian 1.2%, other 3% (including Hungarian, Czech, Slovak, and Albanian), unspecified 0.2% (2011 est.)
GDP	\$100.2 billion (2017 est.)
Growth rate	2.9% (2017 est.)
HDI	46
Capital	Zagreb



Introduction

The lands that today comprise Croatia were part of the Austro-Hungarian Empire until the close of World War I. In 1918, the Croats, Serbs, and Slovenes formed a kingdom known after 1929 as Yugoslavia. Following World War II, Yugoslavia became a federal independent communist state under the strong hand of Marshal Josip Broz, aka TITO. Although Croatia declared its independence from Yugoslavia in 1991, it took four years of sporadic, but often bitter, fighting before occupying Serb armies were mostly cleared from Croatian lands, along with a majority of Croatia's ethnic Serb population. Under UN supervision, the last Serb-held enclave in eastern Slavonia was returned to Croatia in 1998. The country joined NATO in April 2009 and the EU in July 2013.

Source: *The CIA World Factbook - Croatia*

Macroeconomic indicators

Though still one of the wealthiest of the former Yugoslav republics, Croatia's economy suffered badly during the 1991-95 war. The country's output during that time collapsed, and Croatia missed the early waves of investment in Central and Eastern Europe that followed the fall of the Berlin Wall. Between 2000 and 2007, however, Croatia's economic fortunes began to improve with moderate but steady GDP growth between 4% and 6%, led by a rebound in tourism and credit-driven consumer spending. Inflation over the same period remained tame and the currency, the kuna, stable.

Croatia experienced an abrupt slowdown in the economy in 2008 and is slowly recovering; economic growth was stagnant or negative in each year between 2009 and 2014, but has picked up since 2015.

Difficult problems still remain including a stubbornly high unemployment rate, uneven regional development, and a challenging investment climate. Its stubbornly high unemployment rate is slowly coming down. In 2016 Croatia demonstrated a commitment to improving the business climate, simplifying its tax code to stimulate growth from domestic consumption and foreign investment. Even before 2016, Croatia has worked to become a regional energy player and plans to import liquefied natural gas through a prospective import terminal and re-export it to European consumers.

On 1 July 2013, Croatia joined the EU, following a decade-long application process. Croatia will be a member of the European Exchange Rate Mechanism, with its currency effectively pegged to the euro, until it meets the criteria for joining the Economic and Monetary Union and adopts the euro as its currency. EU accession has increased pressure on the government to reduce Croatia's relatively high public debt and as a result Zagreb has cut spending and has raised additional revenues through more stringent tax collection and by raising the value-added tax. The government has also sought to accelerate privatization of non-strategic assets, with mixed success. Croatia's economic recovery is still somewhat fragile, though, as one of the country's largest companies almost collapsed in 2017.

Source: *The CIA World Factbook*

IMF Statistics:

Subject descriptor	2014	2015	2016	2017	2018
Gross domestic product, constant prices <i>Percent change</i>	-0.360	1.645	1.900	2.100	2.200
Gross domestic product, current prices <i>U.S. dollars (Billions)</i>	57.171	48.850	49.855	51.473	53.525
Gross domestic product per capita, current prices <i>U.S. dollars (Units)</i>	13,490.017	11,572.894	11,858.473	12,292.607	12,833.913
Inflation, average consumer prices <i>Percent change</i>	-0.207	-0.465	-0.986	0.771	1.701
Volume of imports of goods and services <i>Percent change</i>	4.296	6.200	6.500	6.800	7.000
Volume of exports of goods and services <i>Percent change</i>	7.316	8.000	7.500	7.000	6.500
Unemployment rate <i>Percent of total labor force</i>	17.100	16.900	16.393	15.901	15.424
Current account balance <i>U.S. dollars (Billions)</i>	0.489	2.551	1.514	1.118	0.783
Current account balance <i>Percent of GDP</i>	0.855	5.222	3.037	2.172	1.463

Colored cells are estimates

Source: *IMF Statistics - Croatia*

Luxembourg and the country

Existing conventions and agreements

Non double taxation agreement

In order to promote international economic and financial relations in the interest of the Grand Duchy of Luxembourg, the Luxembourg government negotiates bilateral agreements for the avoidance of double taxation and prevent fiscal evasion with respect to Taxes on Income and on fortune with third countries.

- Convention from 20.06.2014 (Memorial 2015, A No.232, p.5050)
- Effective as of 01.01.2017 (Memorial 2015, A No.232, p.5050)

Air Services agreement

- Agreement from 24.7.1996 (Memorial 1999, A, p. 1538)
- Effective Jas of 24.06.1999 (Memorial 1999, A, p. 280)

Source: *Administration des Contributions Directes*

Further information

Foreign Trade

The Statec Foreign Trade statistics provide information on the trade of goods - by product and by

country. This information is collected respectively through the INTRASTAT declaration and on the basis of customs documents.

You can see the statistics on the website of the [Statec](#).

Contact point in Croatia

Embassy of the Grand Duchy of Luxembourg in Croatia

Ambassador with residence in Rome: **Mr Paul DÜHR**

Via Santa Croce in Gerusalemme, 90

00185 Rome

Italy

Tel.: (+39-06) 772 01 177

Fax: (+39-06) 772 01 055

E-mail: [zagreb.amb\(at\)mae.etat.lu](mailto:zagreb.amb(at)mae.etat.lu)

Website: croatia.mae.lu

Source: *Ministry of Foreign Affairs of Luxembourg*

Economic and Commercial Attaché (BE)

Mr Antonio GARCIA

Pantovcak, 125 d

HR-10000 ZAGREB

Tel: (+385) 1 457 74 44

Fax: (+385) 1 457 74 45

E-mail: [zagreb\(at\)hub.brussels](mailto:zagreb(at)hub.brussels)

Source: *Invest-export.brussels*

Country risk as defined by Office du Ducreire for Croatia

Ducreire is the only credit insurer covering open account deals in over 200 countries. A rating on a scale from 1 to 7 shows the intensity of the political risk. Category 1 comprises countries with the lowest political risk and category 7 countries with the highest. Macroeconomics experts also assess the repayment climate for all buyers in a country.

Link: [Ducreire Office - Country Risk for Croatia](#)

Other Useful Links:

- [CIA World factbook on Croatia](#)
- [Croatian Chamber of Commerce](#)
- [Croatian weekly magazin on business and finance](#)
- Invest-export.brussels
- [Doing Business in Croatia](#)
- [Das ist Kroatien](#)
- [Economic Freedom Index - Croatia](#)

The Chamber of Commerce and the country

Past events

- **15.11.2019**

Journée d'Opportunités d'Affaires : Croatie (Zagreb)

Participer à ces Journées, qui se déroulent sous forme d'entretiens individuels avec les attachés économiques et commerciaux luxembourgeois et belges,...

- **20.09.2018**

Journée d'Opportunités d'Affaires : Croatie

Participer à ces Journées, qui se déroulent sous forme d'entretiens individuels avec les attachés économiques et commerciaux luxembourgeois et belges,...

- **15.11.2017**

Journée d'Opportunités d'Affaires : Serbie, Monténégro et Croatie

Participer à ces Journées, qui se déroulent sous forme d'entretiens individuels avec les attachés économiques et commerciaux luxembourgeois et belges,...

- **08.09.2016**

Journée d'Opportunités d'Affaires: Croatie, Serbie et Monténégro

Participer à ces Journées, qui se déroulent sous forme d'entretiens individuels avec les attachés économiques et commerciaux luxembourgeois et belges,...

- **18.04.2016 - 21.04.2016**

Trade Mission to Croatia and Serbia

The Chamber of Commerce of the Grand Duchy of Luxembourg, in close cooperation with Bruxelles Export & Invest, the Croatian Chamber of Economy and...