

**Business opportunities in Croatia and Balkan Region for Catalan companies**

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**Speaker:**

**Berislav Čižmek, Founder & CEO**



**CBBS Ltd - Management Consulting and EU Lobbying Co.**

## Business opportunities in Croatia and Balkan Region for Catalan companies



CBBS Ltd is management consulting and EU lobbying company specialized in:

- Strategic partnerships, mergers & acquisitions, JV projects,
- Supporting foreign investors entering Croatian/SE European market,
- Lobbying & networking on national/EU level,
- International marketing and internationalization of SMEs,
- New business development, market research,
- EU programmes/EU funding & consortiums/co operation with European associations.

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### CBBS – membership in national and international associations:

- **HDL** (Croatian Society of Lobbyists)



- **SEAP** (Society of European Affairs Professionals, Brussels)



- **UFI** (The Global Association of the Exhibition Industry, Paris)



- **European Parliament** (Accredited Lobbyist)



- **HUP** (Croatian Employer's Association)



## **Business opportunities in Croatia and Balkan Region for Catalan companies**

**Berislav Čižmek, Founder & CEO of CBBS Ltd - management consulting and EU lobbying company, Zagreb, Croatia**



Founder & CEO of management consulting and EU lobbying company CBBS Ltd (Zagreb, Croatia), specialized in strategic partnerships/M&A, internationalization of the business and lobbying at national and EU level. He was successfully working with the partners from 20 countries in the period since the launch of the company (2007 - 2016), with more than 25 years of experience and work in the international business.

Entrepreneur, lobbyist (accredited lobbyist at the European Parliament & member of the Executive Board of HDL/Croatian Society of Lobbyists), matchmaker, coach/teacher of entrepreneurship and lecturer at colleges/universities/EU workshops on the topics: internationalization of SMEs, international marketing, lobbying & networking, trade fair and MICE industry.

# Business opportunities in Croatia and Balkan Region for Catalan companies

## Croatia and neighboring countries:

- **Balkan – Adriatic – Danube Region**
- **EU members:** Croatia, Slovenia
- **EU candidate countries:** Albania, FYR of Macedonia, Montenegro, Serbia
- **Potential candidates:** Bosnia & Herzegovina, Kosovo



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## Croatia – Economic profile

- Gross Domestic Product (2015) 43,9 bn EUR
- GDP per capita (2015) 10.390 EUR
- Average monthly net salary (2015) 750 EUR
- Inflation rate (2015) - 0,5 %
- Unemployment rate (2015) 17,7 %
- Industrial output growth 2,7 %
- Population: 4,284,889
- Doing Business 2016 rank: 40, VAT: 25%, 5 % and 13% reduced VAT rate on some products

**More information:** AIK (Agency for Investment & Competitiveness) <http://www.aik-invest.hr/en>  
Ministry for Foreign and European Affairs/Business Diplomacy: <http://gd.mvep.hr>, Croatian Chamber of Economy: <http://web.hgk.hr/english>, Croatian Exporters: <http://www.hrvatski-izvoznici.hr>



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## Croatia - Commodity Exchange (2015)



EXPORT 2015			IMPORT 2015		
	Mln EUR	%		Mln EUR	%
EU	7.679	66,6	EU	14.417	78,0
Other	3.852	33,4	Other	4.065	22,0
TOTAL	11.531	100,0	TOTAL	18.482	100,0
COUNTRIES			COUNTRIES		
	Mln EUR	%		Mln EUR	%
1. ITALY	1.545	13,4	1. GERMANY	2.865	15,5
2.SLOVENIA	1.417	12,3	2. ITALY	2.441	13,2
3. GERMANY	1.303	11,3	3. SLOVENIA	1.972	10,7
4. BOSNIA AND HERZEGOVINA	1.125	9,8	4. AUSTRIA	1.688	9,1
5. AUSTRIA	752	6,5	5. HUNGARY	1.435	7,8

# **Business opportunities in Croatia and Balkan Region for Catalan companies**

## **CROATIA - Your reliable business partner**

- Unique geostrategic location in Europe
- Stability & safety of business activity
- Stimulating investment climate – opportunities in tourism, renewable energy, food/agriculture, food processing, pharmaceuticals, ICT, real estate & construction, textile & leather, logistics and distribution
- Highly educated, multilingual & competent workforce
- Modern transport infrastructure
- Long tradition in industrial production
- EU member (1 July 2013)
- Possibility of using European Structural and Investment Funds: cca 8,4 bn EUR in the period 2014 – 2020



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### Success story 1: Innovation & new technologies

**Prototype Volar-e** (300 km/h, 1000 HP) developed in 2013 (period of 4 months) by **Croatian start up Rimac automobili i Applus+ Idiada**, 50 % of the project was financed by EU money. The Volar-e was promoted/tested on the Circuit de Catalunya during the F1 Test Days (February 2013).



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## Success story 2: Co operation in sports



**Ivan Rakitić**



**Ante Tomić**

## **Business opportunities in Croatia and Balkan Region for Catalan companies**

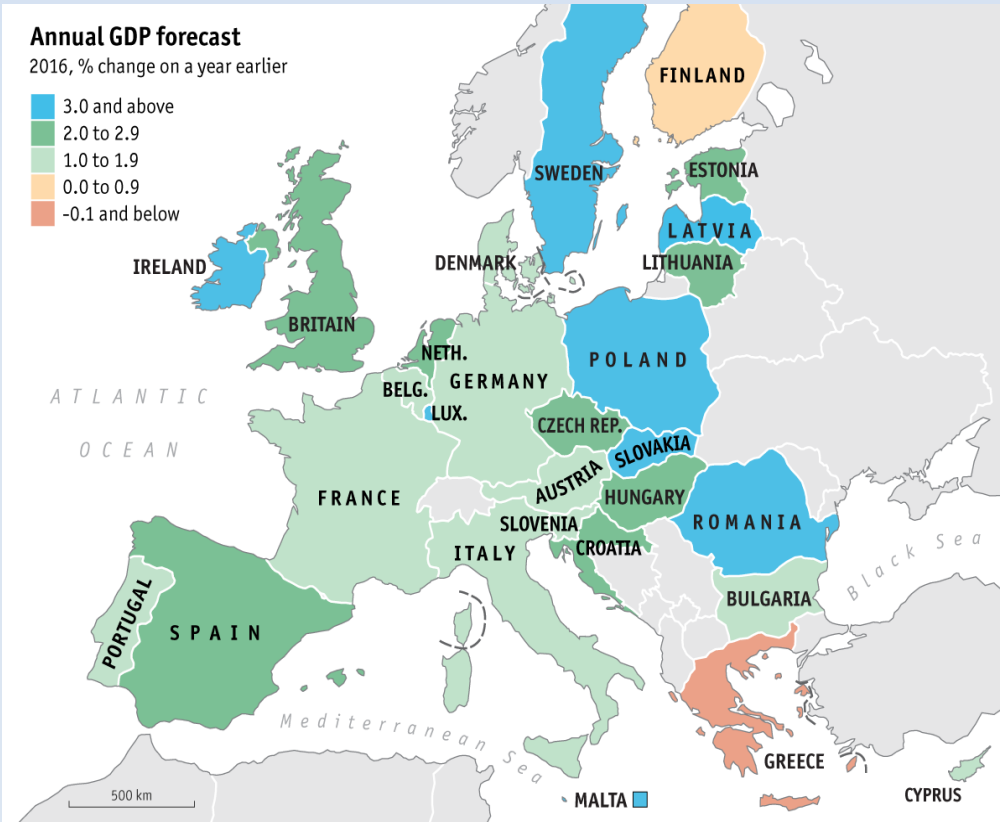
### **Next success story(ies)**

Today's seminar as a good kick off to increase business co operation between Croatian and Catalan companies.



# Business opportunities in Croatia and Balkan Region for Catalan companies

## GDP growth in Croatia/Slovenia for 2016 (Source: European Commission)



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## Slovenia – Economic profile

- Population 2,063,077
- Currency: € (EUR)
- GDP per capita 2014 (USA): 24,019 VAT: 22%, 9,5% reduced VAT rate on some products
- Doing Business 2016 rank: 29

**Key industries/sectors:** Automotive, Chemicals & Pharmaceuticals, Electrical & Electronics, ICT, Logistics & Distribution, Machining & Metalworking, Wood-processing

Trade between **Slovenia** and other **EU member states** is based on **free movement of goods**. Trade is carried out without customs control, customs duties, quantitative restrictions or any other measures. When trading with **non-EU member states** Slovenia follows EU's foreign trade policy

**More information:** InvestSlovenia Team operates within **SPIRIT Slovenija** (Slovenian Public Agency for Entrepreneurship, Internationalisation, Foreign Investment and Technology):

<http://www.investslovenia.org>

## **Business opportunities in Croatia and Balkan Region for Catalan companies**

### **Other countries in Balkan Region**

**Albania – Bosnia and Herzegovina - FYROM – Kosovo – Montenegro - Serbia**

#### **EU enlargement for Western Balkan countries**

The current enlargement agenda covers the countries of the Western Balkans and Turkey. Accession negotiations have been open with Turkey since 2005 but are moving forward rather slowly. Accession negotiations have been underway with Montenegro since 2012 and with Serbia since 2014. The EU accession process with the former Yugoslav Republic of Macedonia – a candidate country since 2005 – remains at an impasse. Albania was granted candidate status in 2014 and is addressing a number of key priorities before the Commission can recommend the opening of accession negotiations. A Stabilisation and Association Agreement (SAA) with Bosnia and Herzegovina entered into force in June. An SAA with Kosovo was signed in October 2015.

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### **IPA II - New Instrument for Pre-Accession Assistance**

Through IPA II, **the EU will provide €11.7 billion for the period 2014-2020** to support the enlargement countries in their preparation for accession as well as regional and cross-border cooperation. IPA II increases focus on priorities for EU accession **in the areas of democracy and rule of law as well as competitiveness and growth.**



# Business opportunities in Croatia and Balkan Region for Catalan companies

## Former Yugoslav Republic of Macedonia – Economic profile

- Population: 2, 076,000
- Currency: Macedonian Denar pegged to the DM/€ for the last 20 years. Exchange Rate: €1= MKD 61.6
- GDP per capita 2014 (USA\$): 4,787 VAT: 18%
- Doing Business 2016 rank: 12

**Key advantages:** economic potential, cost effectiveness, geostrategical location, educated workforce (41.5% of population under the age of 30/ 5% of GDP spent on education).

**Key industries/sectors:** Machine and Automotive components, ICT, Medical Devices and Pharmaceuticals, Agribusiness and Food Processing, Energy sector, Real Estate & Construction, Textile, Filming

### **More information:**

Ministry of Foreign Affairs <http://www.mfa.gov.mk/index.php/en/invest-in-macedonia>



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## Serbia – Economic profile

- Population: 7,129,428
- Currency: Dinar (RSD), Exchange Rate: 1 € =123,3 RS
- GDP per capita 2014 (USA): 6,123 VAT: 20%, 10% reduced VAT rate on some products
- Doing Business 2016 rank: 59 (change from 69/2015)

**Key advantages:** economic potential, cost effectiveness, human resources, IT and telecommunications, transport, quality of life and FDI promotion.

**Key industries/sectors:** food/beverages/agriculture, automotive, machinery/metal, wood and furniture, ICT, textile & clothing, electrical & electronics, aerospace

Serbia can serve as a manufacturing hub for duty-free exports to a market of more than 1 billion people that includes the European Union, the Russian Federation, USA, Kazakhstan, Turkey, South East Europe, the European Free Trade Agreement members, and Belarus

**More information:** Serbian Development Agency (RAS) <http://ras.gov.rs/about-us/our-services>

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### **Other countries in the Balkan Region**

More information about Albania, Bosnia and Herzegovina, Kosovo, Montenegro:

**Doing Business 2016** at: <http://www.doingbusiness.org>

**European Commission on Enlargement/country reports 2015:**

[http://ec.europa.eu/enlargement/countries/package/index\\_en.htm](http://ec.europa.eu/enlargement/countries/package/index_en.htm)

# **Business opportunities in Croatia and Balkan Region for Catalan companies**

## **Key reasons to invest/to make business in Croatia and Balkan Region**

The countries are facing formidable challenges but also offering untapped potential, exciting growth prospects and promising opportunities.

### **1. Prospective EU membership**

Besides Croatia and Slovenia (EU members) all the countries have applied for EU membership. While the process is at different stages, the past year has seen further progress in most countries in the EU enlargement process.

### **2. Macroeconomic stability**

All the countries enjoy a high degree of macroeconomic stability with fixed or tightly controlled exchange rates and very low inflation.

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## **Key reasons to invest/to make business in Croatia and Balkan Region (2)**

### **3. Strategic location**

The region is the bridge between Northern and Southern Europe with a growing network of transport links.

### **4. Favourable taxes and cost**

Most countries have made significant progress in reforming their tax systems. Most of the Balkans countries have lower unit labour costs compared to the EU average.

### **5. Diverse economies**

A diverse economy is also one that allows human capital development to expand in many different directions.

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## **Key reasons to invest/to make business in Croatia and Balkan Region (3)**

### **6. Well-educated population**

Basic education levels and literacy rates are high by international standards.

### **7. Growth drivers**

Several factors are in place in the region which should boost growth:

- ↗ Foreign Direct Investment (FDI)
- ↗ Trade integration within the region and the global economy
- ↗ Rich energy resources
- ↗ Improvement of the transport infrastructure
- ↗ Innovation towards the technology frontier

## Business opportunities in Croatia and Balkan Region for Catalan companies

### Tips to be successful in doing business in Croatia/Balkan Region

- **Explore business and investment opportunities** – online & offline. Visit/meet potential partners (road shows, trade fairs and B2B matchmaking events).
- **Find reliable local partner or/support** and identify representative agent/distributor or start JV project/acquire local company. In Croatia the total value of **the top ten M&A transactions in 2015 exceeded EUR 1bn**. Prominent deals included the takeover by British American Tobacco of the leading regional tobacco player TDR for EUR 550 MEUR; and the largest privately owned agricultural company Agrokor acquiring close to 70% of Vupik.
- **Use business supporting public and private infrastructure to support your activities in the region** (chambers and industry associations, governmental and local/regional development agencies or consulting/lobbying/brokerage companies).

## Business opportunities in Croatia and Balkan Region for Catalan companies

### Tips to be successful in doing business in Croatia/Balkan Region (2)

- European and global competition already present (traditional partners like **Germany, Italy, Austria, USA** are present through investments/trade/acquisitions since 1990).
- Recently companies from other countries are entering Croatian and regional market, especially companies from: **PR of China (Initiative 16 + 1:** PR of China and 16 CE/SE European countries from Greece to the Baltic Sea), **Turkey** (100 leading Turkish companies with President Erdogan visited on April 27, 2016 Croatia to take part in Croatian – Turkish Business Forum), **Russia** (investments in energy, oil, gas, tourism), **Azerbaijan** (tourism, agriculture, energy), **Poland** (logistics, distribution, food, furniture, ICT), **UAE** (real estate development, tourism).

## **Business opportunities in Croatia and Balkan Region for Catalan companies**

### **Croatia as a Hub for Balkan Region and Central Europe**

Consider starting your business in **Croatia as your hub for Balkan Region and Central Europe**, by using: EU legislation and EU programmes open for Croatia/other countries in Balkan Region, its excellent geostrategical position, top transportation/digital infrastructure, professional and educated workforce, regulated and safe business/financial environment (top financial services are offered/provided by the leading European banks that are already in Croatia and are holding cca 90 % of financing sector. EBRD and EIB are present with the offices in Croatia).



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## Welcome to Croatia

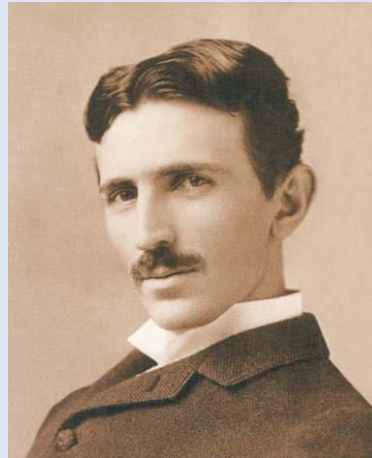
Country of beautiful landscape



**Business opportunities in Croatia and Balkan Region for Catalan companies**

## **Welcome to Croatia**

**Home of many successful and prominent people**



## Business opportunities in Croatia and Balkan Region for Catalan companies

Thank you for your attention.

Information/contact :



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