



Nordicnews

Publication by the Nordic Chamber of Commerce in Croatia

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Nordic Chamber of Commerce Luncheon with Prof. Dr. Ivo Josipović, President of the Republic of Croatia



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CHAMBER of
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Letter from Executive Director



October 2011, No. 2

Nordicnews

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Dear members of Nordic Chamber of Commerce, Dear readers,

I am pleased to present you the latest edition of Nordic News in which you may read about the recent news from the Nordic Chamber of Commerce, as well as from the Nordic-Croatian community in general.

The summer break is now well behind us, with the usual business routine taking place. However, the autumn has also brought new projects and business activities with, hopefully, new positive dynamics and optimism. Furthermore, having in mind the EU accession negotiations that Croatia successfully closed at the end of June, autumn brings a new incentive for the entire business community, which will certainly closely follow all the news regarding the accession of Croatia to the EU. In the forthcoming accession period, Nordic Chamber of Commerce will, through its means of communication, including organization of educational seminars, continue to inform its members about the latest news and developments important for the business community. In a way this will be a continuation of the business luncheon "What to expect in the first days of Croatia's EU membership?" that Nordic Chamber organized in February, with H.E. Paul Vandoren, Head of EU Delegation to Croatia being the guest speaker. The forthcoming accession period will certainly be a challenge for the overall business community that will aim to make all necessary steps and preparations in order to smoothly adapt to new policies and regulations.

The period from April to October was very dynamic for Nordic Chamber of Commerce and I am pleased to invite you to read more about the events and activities that Nordic Chamber was actively engaged in. In mid May, on the occasion of the state visit to Croatia by King Harald V and Queen Sonja from Norway, Nordic Chamber of Commerce acted as the local partner to Innovation Norway in organizing the "Croatian-Norwegian Forum of Competence". More about the state visit and the Forum can be found on page 8. At the end of May, as a supporting institution, the Chamber participated at the First International Fair of New Technologies –

iFONT that was held in Split.

Traditionally, the beginning of June was marked by the Midsummer Celebration that was organized at Lake Bundek, and that once again, brought a spirit of Scandinavian culture and tradition to Zagreb and Croatia. For more information about the Celebration, please see page 9.

In addition, in this issue we bring you the report on the results of the survey conducted between April and September among the members of the Nordic Chamber of Commerce and American Chamber of Commerce, respectively. Upon the initiative of the two Chambers, the Ipsos Puls agency conducted a survey on the business climate in Croatia. Members of both Chambers were approached and asked to answer questions related to current business conditions with the purpose of identifying barriers that they meet in their daily business. In addition to identifying problems and barriers, the objective of the survey was also to present the results that can be used to make further steps in improving the overall business climate. The results of the survey can be found on page 11.

As regards the events organized by the Chamber, we are pleased to bring you an overview of the Luncheon with Prof. Dr. Ivo Josipović, President of the Republic of Croatia, organized on 19 October. The Luncheon was attended by representatives of member companies and partners of the Nordic Chamber, and the representatives of the diplomatic corps. More about the Luncheon can be read at page 3.

Finally, on page 7 we are pleased to welcome and introduce our new company member – Zračna Luka Zagreb.

I wish you a pleasant reading of the Nordic News and I am looking forward to seeing you at one of our forthcoming events.

Sincerely,

Gordana Fuštar
Executive Director
Nordic Chamber of Commerce



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Luncheon with President Josipović

Zagreb, 19.10.2011

Nordic Chamber of Commerce Luncheon with Prof. Dr. Ivo Josipović, President of the Republic of Croatia



Prof. Dr. Ivo Josipović, President of the Republic of Croatia



Mr. Darko Eisenhuth, President of the Board of Governors, Nordic Chamber of Commerce

Nordic Chamber of Commerce in Croatia organized on 19 October 2011 Luncheon with Prof. Dr. Ivo Josipović, President of the Republic of Croatia. The Luncheon was held at The Regent Esplanade Zagreb from 12:30 to 14:30, and was sponsored by Saab International Gripen, a member company of the Nordic Chamber of Commerce.

On behalf of Nordic Chamber of Commerce, Mr. Darko Eisenhuth, President of the Board of Governors welcomed the participants and gave an overview of projects and activities performed by Nordic Chamber of Commerce in 2011. Mr. Eisenhuth also commented on the potential for enhancing current trade between Croatia and Nordic countries, which in 2010 amounted to EUR 230 million, with a large deficit on the Croatian side.

After the introduction by Mr. Eisenhuth, President Josipović addressed the guests of the Luncheon: representatives of member companies and partners of the Nordic Chamber of Commerce, and the representatives of the diplomatic corps. In his address, President Josipović invited Nordic investors "to come, invest and help Croatia" in its process of creating a more competitive investment climate.

From the President's address:

The Government needs to implement serious reforms to make Croatian economy more competitive, Croatian President Josipović told the representatives of the Nordic Chamber of Commerce and invited them to come, invest and help Croatia in this process.

As the guest speaker at the Nordic Chamber of Commerce luncheon, President Josipović said that he was an optimist in spite of the poor economic indicators and growth forecasts between 0.2 and 1 per cent.

"I am convinced that we have made Croatia a better country by reforms undertaken during its path to the EU, but we need to continue", the President emphasised in his address.

"Bureaucracy, slow process of issuing necessary business permits, overregulation, and insolvency make a discouraging burden for investors", said President Josipović and the participants of the discussion. "We need to continue with the serious reform of the judiciary" in order to improve efficiency, President Josipović said and added that there were a number of meaningless procedures. Cooperation with Nordic countries is important not only for "important social values" that Croatia also aims to promote: democracy, openness, cooperation and "social corporate responsibility", but also for the wish to accept in our region the "Nordic concept of relations toward neighbours", President Josipović said. The President invited partners from the European Union, "to come, invest and help Croatia" become competitive, while it is up to the country to secure "determined fight against corruption".

Sources: Nordic Chamber of Commerce in Croatia, HINA



Mr. Darko Eisenhuth, Mrs. Gordana Fuštar and Prof. Dr. Ivo Josipović

Interview



Interview with Mr. Damir Topić, Senior Partner, Divjak, Topic & Bahtijarevic Law Firm

1. Could you briefly introduce Divjak, Topic & Bahtijarevic Law Firm to the readers of Nordic News?

DTB is widely regarded as one of the leading corporate and commercial firms in Croatia. Offering a full range of services, we advise international and domestic companies, financial institutions, business owners, and investors with their core business needs. The firm has thorough local expertise with international experience and has advised on some of the most complex and major transactions in Croatia.

2. What are the key areas that DTB Law Firm is focused in its daily activities?

Through our experience representing some of the largest multinational companies doing business in Croatia, the firm has developed a specialized understanding of the energy, IT, media, and financial industries and focuses on complex local and multi-jurisdictional transactions. The firm is particularly knowledgeable in mergers and acquisitions, banking and finance (including insurance), project investment, real estate, labor and employment, corporate and IP matters.

3. What type of changes can Croatian companies expect having in mind Croatian accession to the EU and what type of services can DTB offer its potential clients in this respect?

Croatian companies will see an inflow of competitors from other EU-countries and will have to streamline their business models to be able to compete with more sophisticated competitors than have been present in the market to date. However, there will also be opportunities to compete much more easily and directly in the overall EU-market. Companies

should not forget that sometimes the best way to cope with competition is to be present on the competitors' turf, that is, to be proactive rather than defensive.

Since the legal profession in Croatia has for quite some time already been exposed in the market to strong competition (both with respect to financial and manpower) of foreign law firms, DTB has been exposed to such a challenging business climate and successfully managed to remain a leading Croatian law firm. We can share some of our experiences, offer some of our solutions that we have developed in such a competitive environment and support Croatian companies dealing in domestic or foreign markets in the manner how legal services are provided in other EU-countries.

4. In general, what are the recent trends in commercial and corporate law on the global level? Is Croatia following these trends?

Generally, transactions are much more sophisticated and increasingly demanding for the sell-side of business to provide more and more assurances and warranties to buyers as to the object of sale. Also, financial institutions, which are funding the deals, play a significant role starting to be at least equally important party in the deal as buyers and sellers. Hence, lawyers globally are inventing more and more sophisticated clauses and legal solutions which are reflecting business run in the post-global financial crisis times. Therefore, we noted new sorts of transactional documents and clauses being used on top of what has been used before. In Croatia we have an ambivalent situation when it comes to complex deals and transactions where the latest trends are to be used; on the one hand, the legislation and court practice are rather modest and not sufficiently developed, and on the other hand, the business

deals cannot wait for the "waking up" of the academic community and legislator. Hence, the lawyers (who are in the midst of such business transactions) are applying international standards and experience in a hope that such models will be recognized and upheld before courts (especially once Croatia will become a full member of the EU).

5. DTB has been providing its services to numerous Croatian and international companies starting and/or developing their business in Croatia. What are the most common difficulties that Croatian companies on one hand, and international companies on the other, are facing in the process of establishing/developing their business in Croatia?

I'm sure many of your readers are already familiar with the standard problems of our country so, I would like to emphasize just one problem which makes me the most worried. Namely, we are seeing a deep lack of understanding of business and expert knowledge in the governmental bodies and municipalities. The described situation is a result of having an uncompetitive environment in which the quality and performance of state officers and servants are not evaluated and the position of the officer is almost guaranteed for life. In contacts with sophisticated entrepreneurs and transactions, where time literally means money, state bodies are unfit to follow the tempo of business, and incompetence is then covered up in long-lasting procedures and the way of thinking which is stereotype lacking any intention to use common sense and further public interest. As I see no winds of change in this area, I am genuinely worried about future developments and reaction of business people.

Member profile



TPA Horwath

TPA Horwath is one of the leading Croatian consulting companies that in one place offers its clients highly professional services: tax and regulatory advisory, audit and accounting, management consulting and financial advisory.

TPA Horwath is a member of Crowe Horwath International, a global network which is among ten largest advisory networks in the world, with more than 28.000 employees and 140 member companies. With offices in 10 CEE countries (Croatia, Austria, Bulgaria, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia) and more than 2.500 employees, we provide highly-professional services in almost every bigger city and region in CEE countries.



With our experienced specialists on the spot, we can provide comprehensive advice – in German and English. TPA Horwath experts share significant international experience and also have excellent understanding of local environment. Our clients are our priority. Distinguishing characteristic of our company is unification of professional services in the areas of:

- Tax Advisory
- Audit
- Accounting and Payroll
- Regulatory Services
- Financial Advisory Services
- Management Consulting
- HR Consulting
- Property Management
- EU Funds Advisory
- Secretarial Services

TPA Horwath experts can solve the most complex problems from different areas. This way, our clients save a lot of effort and money.



Our Zagreb office today has approximately sixty employees and five Members of the Board. TPA Horwath is a diverse team of economists, management and finance specialists and lawyers who have been gaining their qualifications in an international environment for a number of years. The company invests in education and development of its employees and encourages them to participate in many internal and external seminars and courses. At the moment, a large number of our employees is currently in the process of completing the ACCA program. Our highly educated, expert and proactive employees are thoroughly up-to-date with current legal, business and market events in both the Croatian and world market. They are the key factor enabling us to provide our clients with services of the highest quality.

We work in partnership with our clients and consider ourselves responsible for delivering quality and success. We develop pragmatic solutions and provide support during their implementation. We collaborate with legislators, major interest groups, and institutions of higher learning to keep ourselves always one step ahead. Our clients are constantly facing up to new challenges. They value the personal attention and continuity of working with their local advisors, and they are careful about whom they choose. As professionals themselves, they expect from their advisors reliable, speedy and professional solutions.

At TPA Horwath, our clients find advisors who understand their needs, whether large or small. Mutual respect, teamwork and openness permeate our corporate culture.

Introducing new members

Zračna luka Zagreb d.o.o.

ZRAČNA LUKA ZAGREB
Zagreb Airport



New European Star Shining brightly,

Zagreb Airport has reached tradition and next year it will proudly celebrate the 50th Anniversary of its establishment. Today it is an international airport and first point of entrance for passengers visiting Zagreb or Croatia for various reasons, business, leisure, VFR, education. In 2010 Zagreb Airport handled over 2.1 million passengers and in 2011 fifteen airlines in scheduled passenger traffic are providing direct air services to more than 32 international destinations. One of our primary goals in route development is to connect Nordic countries to Zagreb with direct scheduled air services.

Recently, the Government instructed the Ministry of Sea, Transport and Infrastructure to initiate the procedure for granting a concession for the construction and management of a new Zagreb Airport passenger terminal and for the management of the existing airport.

Several international consortia, including large European airports, have expressed their interest in Zagreb Airport. The investment project which is initially

estimated at 192 million Euros is expected to increase in value for a further 29 million after the number of passengers reaches five million annually.

So far, The Ministry of the Sea, Transport and Infrastructure has received 10 bids in the first stage of a tender for a Public-Private Partnership for Zagreb Airport. The bids were assessed, and a second round of bidding was called for qualified bidders to submit their financial offers on July 28th, 2011. The final decision on the preferred bidder will be announced after evaluation of the remaining parts of the offer, and will be awarded on the basis of the most economically advantageous tender criterion.

In addition, Zagreb Airport Passenger Traffic for period January – October 2011 grew by more than 13% when compared to the same period last year. Among latest newcomers to Zagreb – Iberia, Spanair, easyJet and Norwegian continued their successful introduction (of new services) to this market in 2011 while Croatia Airlines reintroduced

routes to Athens and Istanbul. Aeroflot announced that they will continue the same frequency of their services to Zagreb in Winter Time Table 2011/2012 at the same level to that of Summer 2011. Cargo traffic, as well, is experiencing positive growth when compared to the same period last year. In cooperation with UK Company Hermes Logistics Zagreb Airport Cargo Information System has been updated to a top European level and is currently the best Cargo Information System in the Region. Passenger facilities are in our permanent focus, and our efforts are concentrated towards making passenger and visitors experience a better one each time they choose Zagreb Airport. In that sense, recently we have introduced new web check in facilities, internet corner, open air visitors terrace with spectacular view on airplanes and city of Zagreb, new upgraded business lounge, new passenger information signage and many more smaller details within the passenger terminal.

We like to call ourselves the Gateway to Southeast Europe.



Events in Brief by Nordic Chamber of Commerce

Zagreb/Šibenik, 12.-13.05.2011

State visit from Norway to Croatia



Author Krunoslav Mikić, Burza Nautike

At the invitation of Prof. Dr. Ivo Josipović, President of the Republic of Croatia, Their Majesties King Harald V and Queen Sonja of Norway visited the Republic of Croatia on 12 and 13 May 2011.

On the first day of the state visit, His Majesty King Harald V met Croatian President Ivo Josipović, Prime Minister Jadranka Kosor and President of the Croatian Parliament Luka Bebić for bilateral talks and discussions.

The highlight of the first day of the state visit, in terms of economic cooperation between Croatia and Norway was the „Croatian Norwegian Forum of Competence“ organized as a part of the Norwegian business delegation visit to Croatia. The Forum gathered

representatives of the Croatian and Norwegian business sectors and was an opportunity for both sides to exchange knowledge and experience in the four selected areas of interest: renewable energy, tunnelling technology, defence industry and geographic information for development.

King Harald V and President Josipović joined the Forum in the afternoon, and in their addresses, they both emphasized that Croatia and Norway have excellent bilateral cooperation which can be further strengthened through more intensive business relations.

The four areas identified to be of common interest for Croatia and Norway are expected to develop further through academic

cooperation, scientific and technological research, and business projects. Halvard Ingebrigtsen, Norwegian Deputy Minister of Trade and Industry, pointed out that the 65 million EUR exchange of goods between Norway and Croatia in 2010 shows that the two countries are not fully exploiting their potentials for cooperation.

The Forum, organized by Innovation Norway, Nordic Chamber of Commerce in Croatia and Croatian Chamber of Economy, was attended by over 200 participants, representatives of distinguished Norwegian and Croatian companies. The overall conclusion of the Forum was that the potential for cooperation between the two countries exists in different areas, among which the four highlighted areas have the highest potential.



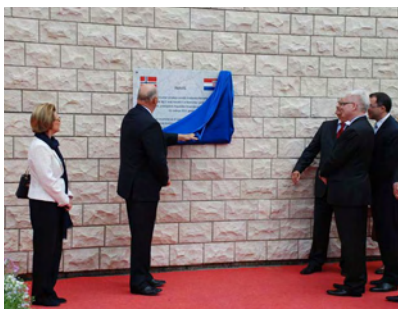
Source: Nordic Chamber of Commerce

On 13 May, the second day of the state visit, Their Majesties King Harald V and Queen Sonja visited Šibenik where His Majesty King Harald opened iNAVIS maritime innovation centre emphasising that maritime sector, especially shipping and marine-based activities, is another area with huge potential for cooperation between Norway and Croatia. An example of cooperation was demonstrated later in the Nautical Centre Prgin, where Queen Sonja christened boats „Hedda“ and „Hælg“ built for a Norwegian company.

In the afternoon, as part of the „Maritime Day“ program, the roundtable conference on Competitiveness of Croatian maritime industry took place. The first part of the round table reflected bilateral cooperation and presented several examples of successful joint projects. The round table was attended by over 80 representatives of Croatian and Norwegian companies and institutions.



Author Krunoslav Mikić, Burza Nautike



Author Krunoslav Mikić, Burza Nautike



Events in Brief by Nordic Chamber of Commerce

Split, 26.-29.05.2011

International Fair of New Technologies iFONT 2011

Nordic Chamber of Commerce in Croatia, as a supporting organization and partner, participated at the International Fair of New Technologies (iFONT) held in Split from 26 to 29 May 2011. Split's Spaladium Arena hosted the First International Fair of New Technologies with the main objective to present and popularize the use of modern technologies and indicate new business opportunities through various exhibitions and presentations. Among other, the Fair's themes included: renewable energy, energy efficient building, nanotechnology, process technology, communication and connection, computer and accessories, innovation, cars, motorcycle and equipment, tourism and other.



Nordic Chamber's support to the event outlined its policy toward similar initiatives, especially from the perspective that Nordic countries are among the most prominent countries in the sectors targeted by the Fair. ABB, Rockwool and Ruder inovacije, member companies of the Chamber, presented their companies and latest achievements in energy efficiency and innovation technology sector, respectively.

iFONT 2011 was held under the auspices of the President of the Republic of Croatia and supported by the Government of the Republic of Croatia, Ministry of Economy, Labour and Entrepreneurship; Nordic Chamber of Commerce in Croatia, Economic and Commercial Office of the Embassy of Belgium; Polish Agency for Enterprise Development, Trade and Investment Promotion Section of the Embassy of Poland.



Zagreb, 16.06.2011

Midsummer Celebration 2011

Nordic Chamber of Commerce organized on 16 June the 4th Midsummer Celebration welcoming the arrival of summer in an authentic Nordic way. The Celebration took place at Lake Bunder in Zagreb and gathered around 200 guests, representatives of Nordic-Croatian business community, diplomatic corps, members, partners and friends of Nordic Chamber. As in previous years, Nordic Chamber continued with the humanitarian cause of the Celebration. This year, in cooperation with UNHCR, part of the proceeds from the organization of the Celebration will be donated to the Astronomical Association of Korenica in aid of children from disadvantaged backgrounds in the return area of Lika-Senj County, town of Korenica.





Events in Brief by Nordic Chamber of Commerce

The official program started at 5 pm with barbeque and beverages offered to the guests. At the same time, children were invited to join the creative workshop "FLOWER POWER" organized by Udruga Vilibald. Children enjoyed making their own decorations for the central symbol of Midsummer-maypole.

The opening ceremony started at 6 pm and the guests were addressed by Mrs. Gordana Fuštar, Executive Director of Nordic Chamber of Commerce and Mr. Dorijan Klasnić, UNHCR. The welcome addresses were followed by the performance of students of Scandinavian languages from the Faculty of Philosophy who sang several traditional Swedish Midsummer songs. And then, the central part of the Celebration took place: the decoration of Maypole. Children, with help of their parents, decorated maypole with colourful flowers and decorations which they made themselves.

Another attraction for children, but also adults, was clown Balonko who showed his skills in making various balloon figures.

Traditionally, Midsummer was also an opportunity for the well-known Nordic companies to promote their brands and present themselves to the guests. This year the stands were exhibited by Saab International, Volvo Trucks, Moto-Ris Volvo and Oriflame.

The finale of the evening was the drawing of raffle tickets and the luckiest guests won exciting prizes, such as mobile phone, return airplane ticket, numerous surprise packages and numerous other prizes.

The program ended around 10 pm.

Finally, the Nordic Chamber would like to thank sponsors and partners for their kind support and contribution to this year's successful Midsummer Celebration:

Saab International
ABB
Rockwool
Moto-Ris Volvo
Volvo Trucks
Dalekovod
Verdispar International
Cargotec Croatia
Oriflame
ISS

Sponsors in-kind:

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Basic Produktion
SAS Scandinavian Airlines
Egmont
Mesna industrija Braća Pivac
Nestle
Atlantic Grupa
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Events in Brief by Nordic Chamber of Commerce

Business Climate Survey - report

Source: Ipsos Puls Public Affairs

NORDIC CHAMBER OF COMMERCE IN CROATIA and American Chamber of Commerce in Croatia, in cooperation with Ipsos Puls research agency, have conducted a business climate survey among their membership. The objective of this study was to understand the problems Chambers' members are facing in their business, so Chambers could take appropriate advocacy activities to authorities and other relevant bodies. Additionally, Chambers got feedback on members' satisfaction with their overall work and activities and identified areas for improvement.

It is important to note that due small number of participants one should be cautious in interpretation (total of 26 Nordic Chamber members and 61 AmCham members participated). Also it is important to emphasize that survey was done in two waves so the respondents are referring to different time frame.

Majority of participants (51%) have seen neither improvement nor deterioration in their business situation in the past three months. But, more of them have seen improvement (34%) than deterioration (15%).

When we look at the past change of demand for goods and services, and future expectations regarding demand – we can see similar levels of optimism. About 39% have seen improvement in demand, and 40% expect further improvements in demand.

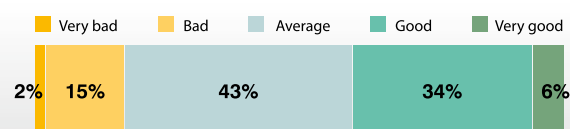
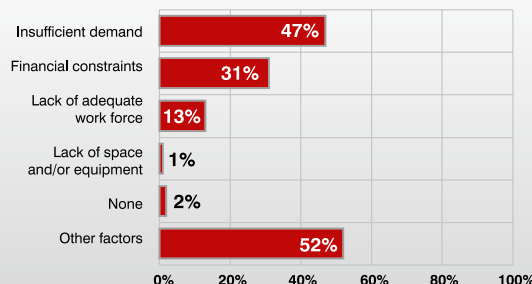
With three above mentioned indicators (general business situation in past three months, change of demand in past three months, and expectations regarding demand in next three months) index of optimism was constructed for 87 companies in our sample. When we compare it with the same index for 440 companies in Croatian service sector, we can see that there is no significant difference.

More than half of participants said that there hasn't been change in number of employees in the past three months. More of them reported growth (21%) than decline (16%) in the number of employees. Also, more of them expect further increase of workforce than decline (21% vs. 9%). Most of them (76%) expect no change in their prices in the next three months.

Insufficient demand and financial constraints are two main limiting factors in business.

About 2/5 of respondents rate their overall business experience in

What are currently the main limiting factors of your business?
You can choose multiple answers



How would you rate overall experience with your company's business in Croatia?

Croatia as good or very good, 2/5 of them rate it as average, and less than 1/5 rate it as bad or very bad.

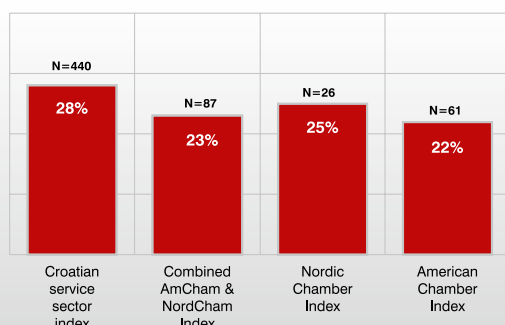
Three biggest problems that faced participants' companies in the last three years have been illiquidity (33%), legislation and bureaucracy (26%).

Compared to the other countries in the region, biggest shortcomings are slow administration (54%), insolvency (53%), small market (37%) and corruption (33%).

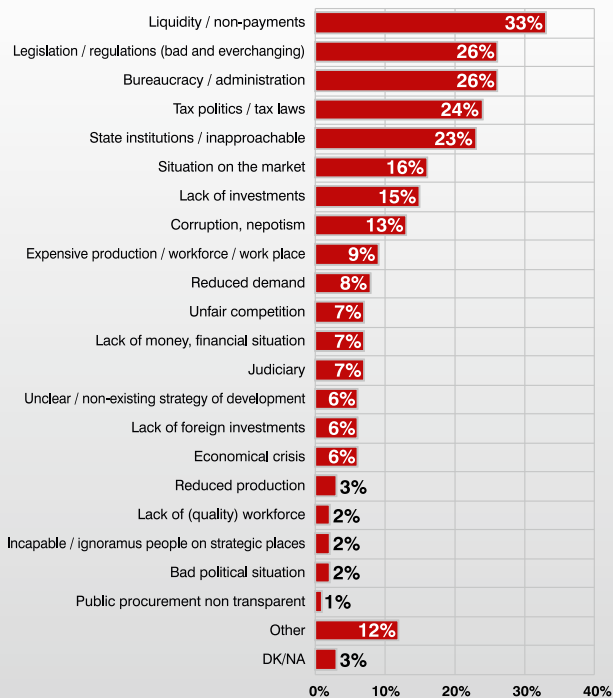
Tourism is seen as biggest advantage (62%), followed by geo-strategic position (61%) and infrastructure (40%). Natural resources (38%) and quality of workforce (31%) were also seen as advantage.

Last three years of crisis have been hard for Chambers' members – 64% of them claim that business conditions in Croatia deteriorated during that time. Less than third claim that conditions remained the same, and only 8% think that there was improvement in business conditions in the last three years.

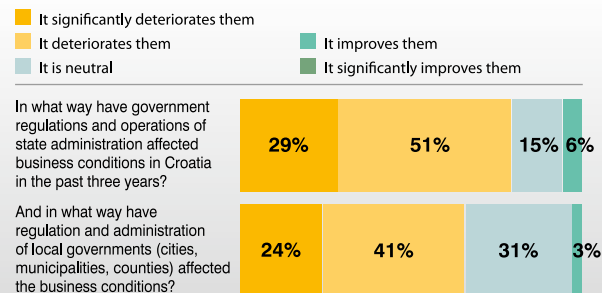
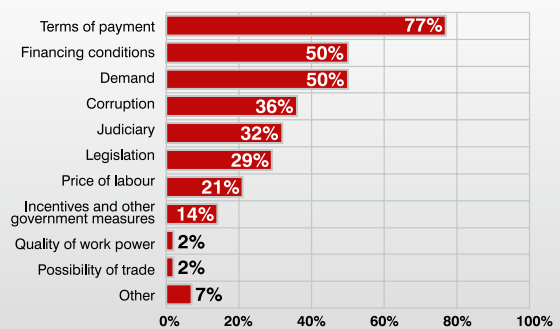
Of total 56 participants in the survey, which have seen deterioration in business conditions, 77% think that one of the biggest deteriorations have been in the field of payment terms. Financing conditions and small demand have been problem for half of them. Despite anticorruption campaign, 36% of respondents have seen deterioration in that field. About the same percent of them have seen deterioration in judicial sector. Only seven participants stated that there have been improvements in business conditions.



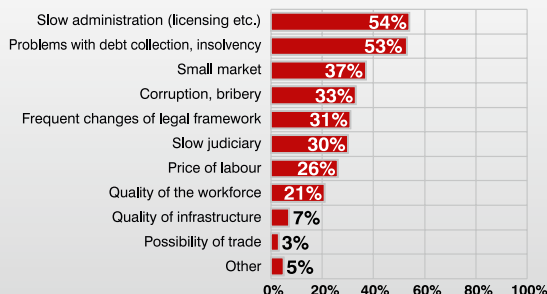
Specify three biggest problems your company has faced in Croatia in the past 3 years



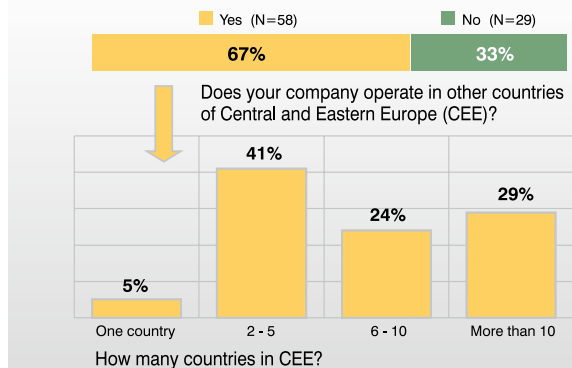
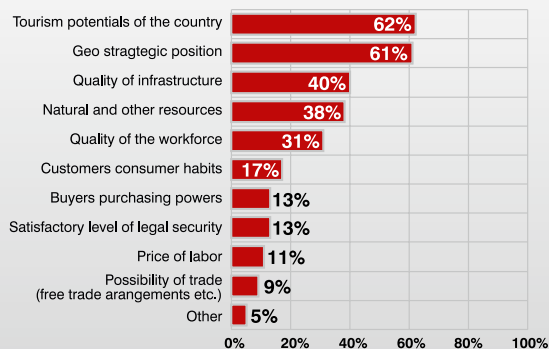
In which areas have you noticed biggest deteriorations in the past 3 years? Multiple answers



Which of the three following problems would you say are the biggest shortcomings when it comes to business conditions in Croatia compared to the countries in the region?



Which are three things you see as an advantage when it comes to business conditions in Croatia compared to the countries in the region?



Only small minority of participants think that state or local administration improves business conditions (6 and 3 percent respectively). State administration is somewhat lower rated than local administration. About 80% of respondents think that state administration deteriorate or significantly deteriorate business conditions, while in the case of local administration, proportion is 65%.

About 2/3 of participating companies operate in other CEE countries. About 40% of them rate overall business conditions in Croatia as among the worst, when compared to those CEE countries in which their company operates. About 41% rate them as average, while 16% think that overall business conditions in Croatia are among the better.³ Only 3% think that Croatia has the best business conditions.

About 2/3 of participants rate Nordic Chamber in Croatia and AmCham as very good or excellent in overall. Areas of informing members, and public events relevance and organization have been graded similarly high, while in the area of advocacy, grade is lower but still a good one. Most participants recommended more advocacy, lobbying, and more networking events.



Events in Brief by Nordic Chamber of Commerce

Koprivnica, 09.10.2011

Visit to Nordic Chamber company members - Carlsberg Croatia and Hartmann



Nordic Chamber of Commerce in Croatia, in cooperation with member companies Carlsberg Croatia and Hartmann, organized on 6 October 2011 a field trip to Koprivnica. Around 30 representatives of Nordic Chamber member companies, partners, as well as economic attachés from different Embassies in Croatia, had the opportunity to visit the premises of Carlsberg Croatia and Hartmann and hear about the successful business models these two Danish companies implemented in Koprivnica.

Mr. Thomas Kure Jakobsen, CEO Carlsberg Croatia welcomed the guests on behalf of Carlsberg. In his presentation, Mr. Jakobsen spoke about the Company's beginnings, strategy, as well as plans for future developments. Carlsberg Croatia, as the newest brewery in the region of Koprivnica, has become the leading innovator in brewery industry with continuous increase of beer quality and investment into it employees. Currently, the Company has 340 employees. After the welcome introduction, the visitors were taken to a guided tour through the Carlsberg factory, where they were introduced to the procedure of beer making and offered to taste non pasteurized, non canned beer.

The second part of the program was the visit to Hartmann, where the guests were welcomed by Mr. Boris Garaj, President of the Board, and Mrs. Melita Bači, Managing Director of Hartmann Croatia. In Europe, Hartmann has become the leader in the technology production of egg packaging, having four ISO certificates, and its production is nearly 90% export oriented. In 2010, nearly 250 million products were produced, primarily for the foreign market, but also for the Croatian market. The guests were then invited to a guided tour of the Hartmann factory.



Archive: Carlsberg Croatia



Source: Hartmann d.o.o.

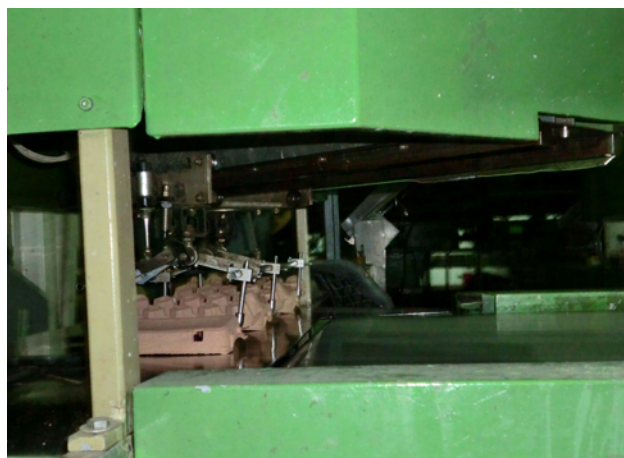
From left to right: Mr. Boris Garaj, Mrs. Melita Bači, Mr. Zvonimir Mršić



Events in Brief by Nordic Chamber of Commerce



Source: Nordic Chamber of Commerce



Source: Nordic Chamber of Commerce



Source: Hartmann d.o.o.



Source: Nordic Chamber of Commerce

In her address, Mrs. Gordana Fuštar, Executive Director of Nordic Chamber of Commerce explained that, when initiating this visit, the Nordic Chamber had two objectives. First, to present two successful Nordic business models implemented in Koprivnica and second, to give its members and partners an opportunity to establish new relations and exchange business ideas and experience.

This initiative was also recognized by the Mayor of the City of Koprivnica, Mr. Mršić who welcomed the visitors at both companies' premises. Mr. Mršić spoke from the perspective of the City of Koprivnica outlining the potentials that the City and the entire County offer to potential investors.

Mr. Bo Eric Weber, Ambassador of Denmark to Croatia was pleased to join this visit and see the interest for the two Danish companies, examples of successful business performance.

This visit was an excellent opportunity to see the way in which Nordic companies can help developing favourable investment climate in Croatia, and to see the pursuit of the business excellence and innovation. The business policy of both companies, Carlsberg Croatia and Hartmann is based on quality, use of modern technologies and equipment, continuous success, true willingness to provide top quality products and investment into employees. The two companies should be role models for many other businesses in Croatia.



Varaždin 2011

Gripen at Croatia International Air Show

On 18 and 19 June 2011, Saab and Sweden had the opportunity to showcase the Gripen fighter at the Croatia International Air Show in Varaždin. This year's air show, which had the support of the Croatian Air Force, received a visit of the Hungarian Air Force which made a highly appreciated flying display with the Gripen. Both the Swedish defence attaché and a representative from the Swedish Defence and Security Export Agency (FXM) participated in the show and along with Saab's Campaign Director for Gripen to Croatia, Pierre Gauffin, they met with the Croatian Air Force Chief Brigadier General Drazen Scuri when he visited the Saab display.

In addition to the Air Show in Varaždin, Gripen also Saab participated at the XI Zagreb Aero meeting that was held on 3 September 2011 at Lučko sport airport under the auspices of the Mayor of the City of Zagreb.

Source (text and photos): Saab International



Gripen at Croatia International Air Show – Varaždin 2011

World Luxury Hotel Awards 2011

Regent Esplanade Hotel Zagreb - the best Luxury City Hotel

THE
Regent

ESPLANADE ZAGREB

The Regent Esplanade Hotel Zagreb hosted this year's gala ceremony of the World Luxury Hotel Awards 2011. This is the first time the WHLA has been hosted in Europe. The award ceremony was held on 16 September in the hotel's grand Emerald Ballroom, with numerous hoteliers from across the globe in attendance.

At this year's ceremony Regent Esplanade Hotel has been proclaimed again the best luxury city hotel.

"It was quite an evening" said General Manager, Philip Mahoney, "It's always scary doing an event for one's peers but we appeared to pull it off. And we won something in the best city hotel category, so that was nice and a deserved recognition for the guys here."

The World Luxury Hotel Awards 2011 is the highest industry recognition, and it is a mark of true quality. Apart from the hotel offer, the award values an array of other elements ranging from staff hospitality to dedication to excellence, and it is regarded as the pinnacle in the world of global hotel business. This recognition is awarded to luxury hotels that have added a personal mark to the hotel business, which distinguishes it from other high-category hotels across the world.

The Esplanade Hotel was opened in 1925 in order to provide luxury accommodation to passengers of the famous Orient Express. Since the very beginning it has been the place for social and political events so

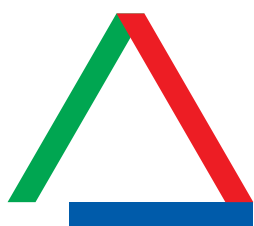
numerous people from political and public domains from all across the globe have frequented the hotel over the eighty years of its existence. Aside from exceptional quality, which it has nurtured since day one, the Esplanade Hotel has long been the centre of social activity in Zagreb. Throughout its history, the hotel has been renovated several times, most recently in 2004, when it also got a new name – Regent Esplanade Zagreb. That year, the hotel also became part of the Regent International group, which made it the first Regent hotel in Europe.



Marinique Truter, Executive Director WLHA and Philip Mahoney, General Manager Regent Esplanade Zagreb



Dalekovod awarded 81 million € contract in Norway



DALEKOVOD

Dalekovod d.d. has received a notice of contract award for construction of the 164 km long section of the new 420 kV Ålfoten – Moskog – Højanger – Sogndal transmission line, that constitutes the southern section of the 420 kV Ørskog – Fardal transmission line. The scope of works at the said facility includes: delivery and erection of steel-lattice towers, supply of equipment (ACSR conductors, OPGW, glass composite insulators, line hardware) and electrical fitting works, as well as civil engineering works, e.g. foundation works on towers on two sections: 420 kV Moskog - Sogndal transmission line (80 km long) and 420 kV Ålfoten - Moskog transmission line (84 km long). Besides the above mentioned, dismantling of the old transmission line, that is running in the direction of the future transmission line, is anticipated. The transmission line to be dismantled is the 132 kV Fardal - Høyanger Verk transmission line running between the East Fjaerlandsfjorden fiord and the New Høyanger Area (29 km).

The value of insured works and supply of the steel structure and equipment totals 638,919,778.58 NOK (Norwegian Krona), exclusive of VAT, or 81.0 million €. It should be noted that this has been one of the biggest investments in the Norwegian

transmission lines so far. Statnett shall set up a 285 km long energy link between the Sogndal substation in the southern part of the Central Norway and the Ørskog substation in the northern part. It is also worth noting that this has been the fifth project realized independently by Dalekovod d.d. since 2007. Taking into account the value and importance of this project for the entire electric power industry of the Kingdom of Norway, we can conclude that it exceeds the value of all four previous projects (totalling 62.8 million €). Realization of two projects totalling 35.5 million € is coming to an end just now. Therefore, award of this project can be seen as a result, or a reward, for high quality works executed during erection of power transmission and distribution projects in the Kingdom of Norway so far and for abidance and respect of all rules of the profession, quality, deadlines, investors' requests, Norwegian laws, rules and regulations, and the very strict Norwegian environmental protection and operational safety procedures and criteria.

Besides being the financially most significant project, the above can be regarded as the most demanding transmission line construction project from

the organizational point of view in the recent history of the company Dalekovod d.d. (long period of time for performance of works, severe weather conditions, short season for performance of civil engineering works and thus decreased possibility of performing works during the year, engagement of helicopters during performance of works, crossing over 3 km long fiords, etc.).

It is also worth mentioning that in addition to the projects in Norway, the company has also executed projects on other markets of the North Europe since 2005, e.g. works totalling 12.3 million € in Iceland and 1.6 million € worth works in Sweden, while realization of 6.3 million € worth projects in Greenland is underway, as well as the supply of equipment to Finland.

The award of this project and the realistic expectation of the new ones - both on this and other markets, on which Dalekovod has been present in the previous years, has been a new incentive for our company; the above also strengthens our belief that we are on a right track of restructuring the company and re-orientating it towards the energy sector and the international markets.

Source: Dalekovod d.d.



Rockwool Partner on the Project of the 1st Certified Passive House in Croatia

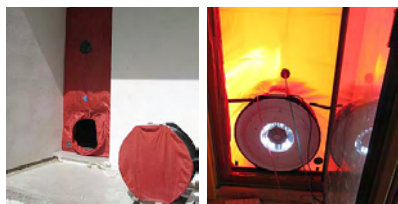
Nensi Runko, Rockwool Adriatic d.o.o.

200EUR yearly for heating, cooling and ventilation costs of a 140m² family house

"The expected annual costs for heating, cooling, ventilation and hot water will be approximately 1500 kuna," said Mladen Vilić, an investor from Buzet, Croatia. For comparison, the same size standard built house in Croatia approximately consumes up to 10 times more in just one year. And because it uses so little energy, this house belongs into the passive house category. It is also expected to be the first certified passive house in Croatia.

Such low energy consumption is also achieved because of the stone wool insulation, among other things. That is why Rockwool is a partner on this project. For example, as much as 35% of thermal energy is lost through the non insulated roof. For this reason, there is 31 cm of stone wool in the roof and 39 cm in facade of this house.

Mladen Vilić investor and home owner from Buzet: "The criteria that must be followed when building a passive construction is very strict. The only option was the non-combustible material such as stone wool. I knew that Rockwool had a factory in Pićan, and so we began our collaboration." The family moved in this summer, and the construction lasted all together more than a year. The most important step was testing air-tightness, the so-called blower door test, which was done in April this year by the Institute IGH. House has passed this test successfully, and that document is crucial for the German Passive House Institute from Darmstadt to certify this house. That means that this house will be the first certified passive house in Croatia.



One of the necessary conditions for obtaining certification is passing the air-tightness test, the so-called blower door test. It was done in April this year by the authorized Institute IGH, and the house passed successfully.



DECIDUOUS TREES have an important role because the leaves serve as a natural shade in the summer, while the branches let the sunlight through during winter time. This prevents unnecessary overheating during summer, and gives free energy in the winter.

FAÇADE of the house is insulated with 39 cm of stone wool. Using a special dual density product even better insulating properties and lower U values of the external wall are achieved. Additionally, such products provide excellent soundproofing so that the noise from the environment will not penetrate inside, and vice versa.

House ORIENTATION is north-south. Large openings are positioned in the south side, while minimal ones are made in the north.

There is 31 cm of stone wool in the roof because as much as 35% of thermal energy is lost through the non insulated ROOF.

FLOORS of the house are made with 31 cm of stone wool which is placed on the reinforced cement screed. Besides the thermal properties, stone wool insulation has also the function of protection from the impact noise, the so-called clatter, by stopping the transmission of vibrations from the floor to the rest of the structure.

VENTILATION, HEATING AND COOLING 70 m of pipes were laid around the house at a depth of 4.5 m, as an addition to the ventilation system. At this depth the soil is of a constant temperature of about 12 °C. In this way, geothermal energy is used for preheating and cooling the air before the system blows it into the house. The air in the passive house is of the optimal temperature, humidity and cleanliness.

Novelty

Member to Member Program

Through its Member to Member Program, the Nordic Chamber of Commerce offers its members a number of different benefits. Member to Member Program is a novelty in the concept of the Nordic Chamber of Commerce, an extended tool aimed to additionally link company members among themselves and stimulate their active mutual cooperation.

Henceforth, we are pleased to present you the Nordic Chamber company members offering special benefits within their business activity to other members of the Chamber.

CMS Reich-Rohrwig Hainz, branch office Zagreb

Legal services at privileged rates

C/M/S/ Zagreb

ISS Facility Services

50% discount on deep carpet cleaning



Marit Holten, BKS Komunikator

Translating services at privileged rates

Media net

Individual presentation of company and 30% discount on a particular service within the company's media intelligence service program



Moto-Ris Volvo

15% discount on car service and spare parts



Posao.hr

Privileged rates for **posao.hr** services including job and educational announcements, company advertising, sponsorship packages and registration fees within **posao.hr** projects. These terms apply only to member companies that do not already have contract with **posao.hr**

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Radisson Blu Resort, Split

Radisson Blu Resort, Split is offering exclusive discounted room rates to all members of the Nordic Chamber of Commerce in Croatia. The rates are seasonal and are subject to availability.



Notice for members:

For more information about the terms for using special membership benefits or for joining the membership discount program, please contact the Executive office at: Tel: +385 1 5393 751, Email: office@nordicchamber.hr



Poslovni dnevnik

PRVE DNEVNE POSLOVNE NOVINE U HRVATSKOJ

Cooperation with Poslovni dnevnik:

Special subscription rates and advertising possibilities in Poslovni dnevnik for members of Nordic Chamber

Dear members,

As a part of the ongoing strategic cooperation between the Nordic Chamber of Commerce and Poslovni dnevnik members of Nordic Chamber are offered special subscription rates and advertising possibilities in Poslovni dnevnik. We hope that this cooperation will contribute to the creation of ideal environment for communicating values and achievements of Nordic Chamber members.

Our long term objective is to establish strong platform for introducing you, our members, to the wider business public community and inform them about your needs and important issues. In order to help us achieve this objective, Poslovni dnevnik and Nordic Chamber have prepared for

you special subscription rates and advertising possibilities in Poslovni dnevnik, the leading daily business newspaper in Croatia.

Poslovni dnevnik is Croatia's leading daily business newspaper. Its high quality and reliable information, expert analysis and attitudes brought on daily basis are intended for all manager levels, wide area of small and medium sized entrepreneurs as well as for public policy makers. That Poslovni dnevnik is the most influential newspaper in this media segment is confirmed by the fact that every Monday you can read articles from New York Times translated into Croatian. Daily cited texts from top experts and journalists are now available to you!

Membership information

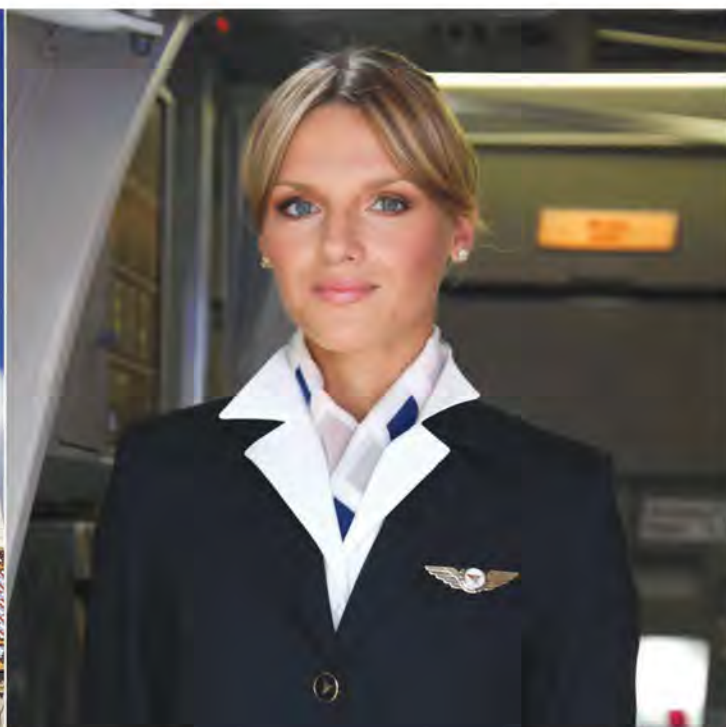
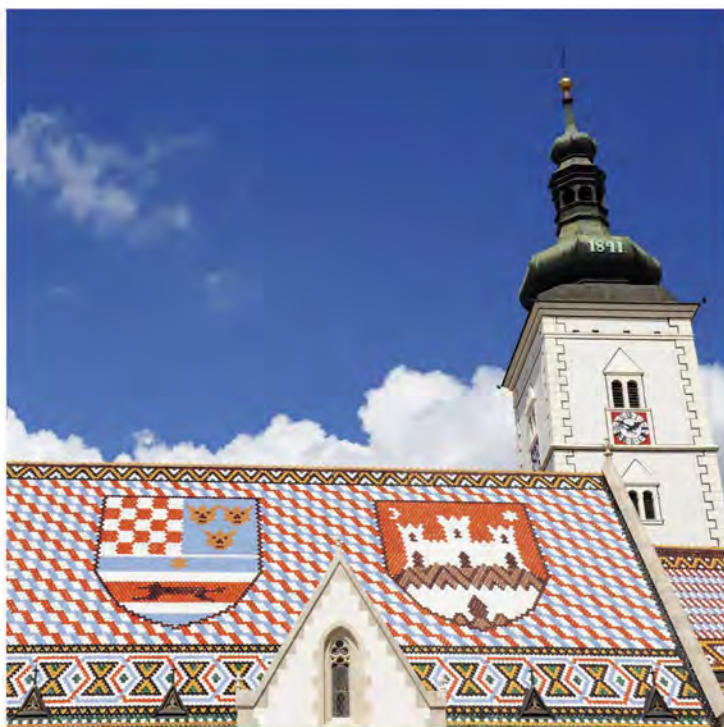
Members of Nordic Chamber of Commerce

- ABB d.o.o.
- Branimir Vlajo
- Brunata d.o.o.
- Cargotec d.o.o.
- Carlsberg Croatia d.o.o.
- Croatia Airlines d.d.
- CroNoMar d.o.o.
- Dalekovod d.d.
- Det Norske Veritas Adriatica d.o.o.
- Divjak, Topić, Bahtijarević Law Firm
- Dragan Popovic
- Eco Consult d.o.o.
- Elkem d.o.o.
- Embassy of Finland
- Embassy of Sweden
- Enell i partneri d.o.o.
- Energy Institute Hrvoje Požar
- Ericsson Nikola Tesla d.d.
- Hartmann d.o.o.
- Inter IKEA Centre Hrvatska d.o.o. za nekretnine
- Internet Posao - Posao.hr
- ISS uslužne djelatnosti d.o.o.
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- Josip Vuko
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- Law company CMS Reich-Rohrwig Hainz, branch office Zagreb
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- Marit Holten
- Media Net d.o.o.
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- Podravka d.d.
- Radisson Blu Resort, Split
- Rockwool Adriatic d.o.o.
- Royal Danish Embassy
- Royal Norwegian Embassy
- Ruđer Inovacije d.o.o.
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- SAS Scandinavian Airlines
- TELE2 d.o.o.
- Tetra Pak d.o.o.
- The Regent Esplanade Zagreb Hotel
- Tibor Jerger
- TPA Horwath d.o.o.
- United Nations Development Program - UNDP
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New members

- Zagreb Airport d.o.o.

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The Nordic Chamber of Commerce

The Nordic Chamber of Commerce is a non-profit organization established in November 2005. It is the only Chamber in the region gathering established Nordic companies. The Nordic Chamber of Commerce in Croatia has been founded with the purpose of establishing a platform for the exchange of ideas and experiences within the Nordic business community in Croatia, to promote and strengthen the network cooperation

between Nordic companies and the Republic of Croatia and to contribute to the development of business relations and activities between Nordic countries and the Republic of Croatia.

The activities in fulfilling the purpose of the Nordic Chamber of Commerce in Croatia are various : Supporting a constant improvement of the investment environment in Croatia, promoting Nordic companies in Croatia through

events, supporting and promoting activities which benefit the interest of the members of the Nordic Chamber of Commerce in Croatia, promoting economic, cultural and social relations between the Nordic countries and the Republic of Croatia, Striving for constructive solutions for trade between Nordic countries and the Republic of Croatia and organizing regular member meetings.

Benefits of becoming a member:

Network

- * Taking part in the experience groups
- * Contact to Nordic and Croatian companies on management level
- * Joining sector groups
- * Attending/ socializing at dinners, breakfast meetings, presentations and social events
- * Cooperation with Nordic embassies in Croatia

Business services

- * Access to the contacts of members and associates
- * Special offer to/from members and associates via Chamber publications
- * Using Chamber services for conferences, round tables and m2m meetings
- * Partner searches, opening new possibilities in Croatia and the Nordic markets

Marketing

- * Sponsorship of business and social/networking events
- * Advertisements to other members and associates
- * Direct mailing by the Chamber to members and associates
- * Promotion in our publications and on the web page

Membership categories:

Nordic member (patron, corporate, business, individual),
Associated member (institutional, business)



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Zagrebtower, Radnička 80
HR-10000 Zagreb
Croatia

Tel: +385 1 5393 751
+ 385 1 5393 752
Fax: +385 1 5393 754
E-mail: office@nordicchamber.hr
Web: www.nordicchamber.hr