



REPUBLIC OF CROATIA - MINISTRY OF FINANCE

# STATISTICAL REVIEW

MINISTRY OF FINANCE MONTHLY STATISTICAL REVIEW - NUMBER **129**

ZAGREB, JULY 2006

**VII/2006**

**COMPILED AND PUBLISHED BY: MINISTRY OF FINANCE, BUREAU FOR MACROECONOMIC ANALYSIS AND PLANNING**

KATANČIĆEVA 5, 10000 ZAGREB, REPUBLIC OF CROATIA  
TEL.: (385) 1 4591392  
FAX: (385) 1 4591393

**Editorial Board**

**Editor-in-chief:** M. Sc. Zdravko Marić  
**Other members of Editorial Board:** B. Sc. Stanko Kršlović  
B. Sc. Ivana Radeljak

**WHEN USING DATA FROM THIS PUBLICATION,  
PLEASE CITE THE SOURCE**

**Available on the Internet: [www.mfin.hr](http://www.mfin.hr)**

**SYMBOLS**

§ preliminary data

Printed in 800 copies.

**ISSN 1334-4013**

## CONTENTS

<b>Table 1: Basic Macroeconomic Indicators for the Croatian Economy</b>	4
Macroeconomic trends	5
<b>CROLEI - Leading indicator of industrial production</b>	5
<b>Consolidated General Government in January - June 2006 period</b>	9
<b>Table 2: Budgetary Central Government Revenue</b>	12
<b>Table 3: Budgetary Central Government Expense</b>	13
<b>Table 4: Transactions in Nonfinancial Assets of Budgetary Central Government</b>	14
<b>Table 5: Transactions in Financial Assets of Budgetary Central Government</b>	15
<b>Table 6: Transactions in Liabilities of Budgetary Central Government</b>	16
<b>Table 7: Transactions in Financial Assets and Liabilities, by sectors</b>	17
<b>Table 8: Statement of Budgetary Central Government Operations</b>	18
<b>Table 8A/8B: Measures of Budgetary Central Government deficit/surplus</b>	19
<b>Table 9: The Croatian Institute for Pension Insurance (HZMO) Transactions</b>	20
<b>Table 10: The Croatian Health Insurance Institute (HZZO) Transactions</b>	21
<b>Table 11: The Croatian Employment Service (HZZ) Transactions</b>	22
<b>Table 12: The Croatian Waters Transactions</b>	23
<b>Table 13: The Environment Protection Fund Transactions</b>	24
<b>Table 14: The Croatian Motorways Ltd. Transactions</b>	25
<b>Table 15: The Croatian Roads Ltd. Transactions</b>	26
<b>Table 16: The State Agency for Deposit Insurance and Banks Rehabilitation Transactions</b>	27
<b>Table 17: The Croatian Privatization Fund Transactions</b>	28
<b>Table 18: Consolidated Central Government by Economic Category</b>	29
<b>Table 19: Consolidated Central Government According to Government Level</b>	30
<b>Table 19A/19B: Measures of Budgetary Consolidated Central Government deficit/surplus</b>	31
<b>Table 20: Local Government Transactions (the largest 53 units)</b>	32
<b>Table 21: Consolidated General Government by Economic Category</b>	33
<b>Table 22: Consolidated General Government According to Government Level</b>	34
<b>Table 23: General Government Debt Stock</b>	35
<b>Public Debt</b>	36
<b>Table 24: Consolidated Central Government Domestic Debt</b>	37
<b>Table 25: Results of the Treasury Bill's Auctions held by the Ministry of Finance</b>	38
<b>Treasury Bills</b>	39
<b>Notes on Methodology</b>	40
<b>Management of the Ministry of Finance</b>	46
<b>Advance Release Calendar</b>	47

TABLE 1: BASIC MACROECONOMIC INDICATORS FOR THE CROATIAN ECONOMY

	2000	2001	2002	2003	2004	2005	2005		2006		2006						
							Q3	Q4	Q1	Q2	I	II	III	IV	V	VI	VII
GDP, current prices (mil. HRK)	152 519	165 639	181 231	198 422	212 826	229 031	63 349	57 783	56 024	-	-	-	-	-	-	-	-
GDP, real growth rates	2,9	4,4	5,6	5,3	3,8	4,3	5,2	4,8	6,0	-	-	-	-	-	-	-	-
Total volume of industrial production, growth rate as %	1,7	6,0	5,4	4,1	3,7	5,1	5,3	5,4	6,4	0,0	5,9	7,3	6,0	-3,2	4,1	-1,1	5,2
Retail sales turnover, real growth rate as %	14,4	9,5	12,6	3,7	2,6	2,8	3,3	1,4	2,7	0,2	3,6	5,3	0,1	1,5	0,2	-0,5	-
Total volume of construction projects, growth rate as %	-9,1	3,6	12,8	22,8	2,0	-0,8	2,3	7,1	15,9	-	13,3	17,1	16,9	3,8	13,7	-	-
Nights spent by tourists, growth rate as %	47,0	11,0	3,0	4,0	2,0	7,6	9,7	8,3	-3,1	8,1	13,2	13,6	-18,3	32,5	-10,3	12,8	-
Producer's prices, period average, %	9,7	3,6	-0,4	1,9	3,5	3,0	2,1	2,4	3,5	3,7	3,2	3,6	3,6	3,4	3,7	3,7	3,0
Consumer prices, period average, %	4,6	3,7	1,7	1,8	2,1	3,3	3,3	3,8	3,5	3,8	3,9	3,6	3,0	3,5	4,0	4,0	3,4
Total persons in employment, end of period	1 321 476	1 340 504	1 351 364	1 387 910	1 397 416	1 417 158	1 436 949	1 417 158	1 406 734	1 444 087	1 406 572	1 403 834	1 406 734	1 416 297	1 429 606	1 444 087	1 455 515
Unemployed persons, end of period	378 544	395 141	366 162	318 684	317 577	307 851	294 310	307 851	311 311	274 471	314 166	313 627	311 311	302 406	287 283	274 471	270 753
Unemployment rate, end of period	22,6	23,1	21,5	19,1	18,5	17,8	17,0	17,8	18,1	16,0	18,3	18,3	18,1	17,6	16,7	16,0	15,7
Unemployment rate - ILO comparable, period average, %	16,1	15,8	14,8	14,3	13,8	12,7	-	12,3	-	-	-	-	-	-	-	-	-
Average monthly gross wages and salaries, growth rate as %	7,0	3,9	6,0	4,8	6,4	4,4	4,1	4,6	6,0	5,9	6,2	6,1	5,9	5,7	6,6	5,3	-
Average monthly gross wages and salaries paid off in HRK	4 869	5 061	5 366	5 623	5 985	6 248	6 236	6 394	6 454	6 641	6 386	6 326	6 650	6 459	6 780	6 684	-
Exchange rate HRK/USD, period average	8,28	8,34	7,86	6,70	6,04	5,95	6,03	6,21	6,11	5,80	6,10	6,13	6,10	5,97	5,70	5,73	5,71
Exchange rate HRK/EUR, period average	7,63	7,47	7,41	7,56	7,50	7,40	7,36	7,38	7,34	7,28	7,38	7,33	7,33	7,31	7,27	7,26	7,25
Trade Balance (mil. USD)	-3 455	-4 481	-5 818	-8 022	-8 565	-9 788	-2 401	-2 468	-2 388	-3 106	-641	-841	-906	-959	-1 026	-1 121	-
Exports (mil. USD)	4 432	4 666	4 904	6 187	8 024	8 773	2 207	2 315	2 369	2 427	733	702	934	715	897	814	-
Imports (mil. USD)	7 887	9 147	10 722	14 209	16 589	18 560	4 609	4 783	4 757	5 533	1 374	1 543	1 840	1 674	1 924	1 935	-
Current Account Balance (mil. USD)	-458	-724	-1 914	-2 142	-1 842	-2 543	2 764	-1 815	-2 395	-	-	-	-	-	-	-	-
Current Account Balance (as % of GDP)	-2,5	-3,7	-8,5	-7,2	-5,0	-6,3	26,34	-19,32	-25,98	-	-	-	-	-	-	-	-
International reserves of CNB, end of period (mil. USD)	3 525	4 704	5 886	8 191	8 759	8 801	8 437	8 801	9 767	10 958	9 214	9 405	9 767	10 301	10 930	10 958	-
Total outstanding external debt, end of period (mil. USD)	11 282	11 870	15 680	24 759	31 002	30 220	29 061	30 220	31 907	-	31 189	31 126	31 907	33 667	34 883	-	-
Internal debt of consolidated central government, eop. (mill. HRK)	14 550	21 944	23 597	26 261	35 789	47 243	46 077	47 243	52 012	52 079	47 716	49 378	52 012	51 894	51 937	52 079	-
Commercial bank's loans, growth rate as %	10,1	23,2	33,6	16,8	13,1	20,3	20,0	20,3	22,2	23,9	19,9	19,8	22,2	23,3	22,8	23,9	-
Interest rates on treasury bills of 91 days maturity, end of period	7,50%	4,00%	2,00%	4,00%	3,80%	3,70%	3,90%	3,70%	2,90%	3,10%	3,30%	3,05%	2,90%	2,80%	3,00%	3,10%	2,84%
ZIBOR (3 m), average	11,10%	7,90%	4,60%	5,50%	7,35%	6,19%	6,77%	5,82%	4,86%	4,10%	5,30%	4,97%	4,35%	3,79%	4,16%	4,35%	4,43%

Source: Central Bureau of Statistics, Croatian National Bank, Ministry of Finance

## MACROECONOMIC TRENDS

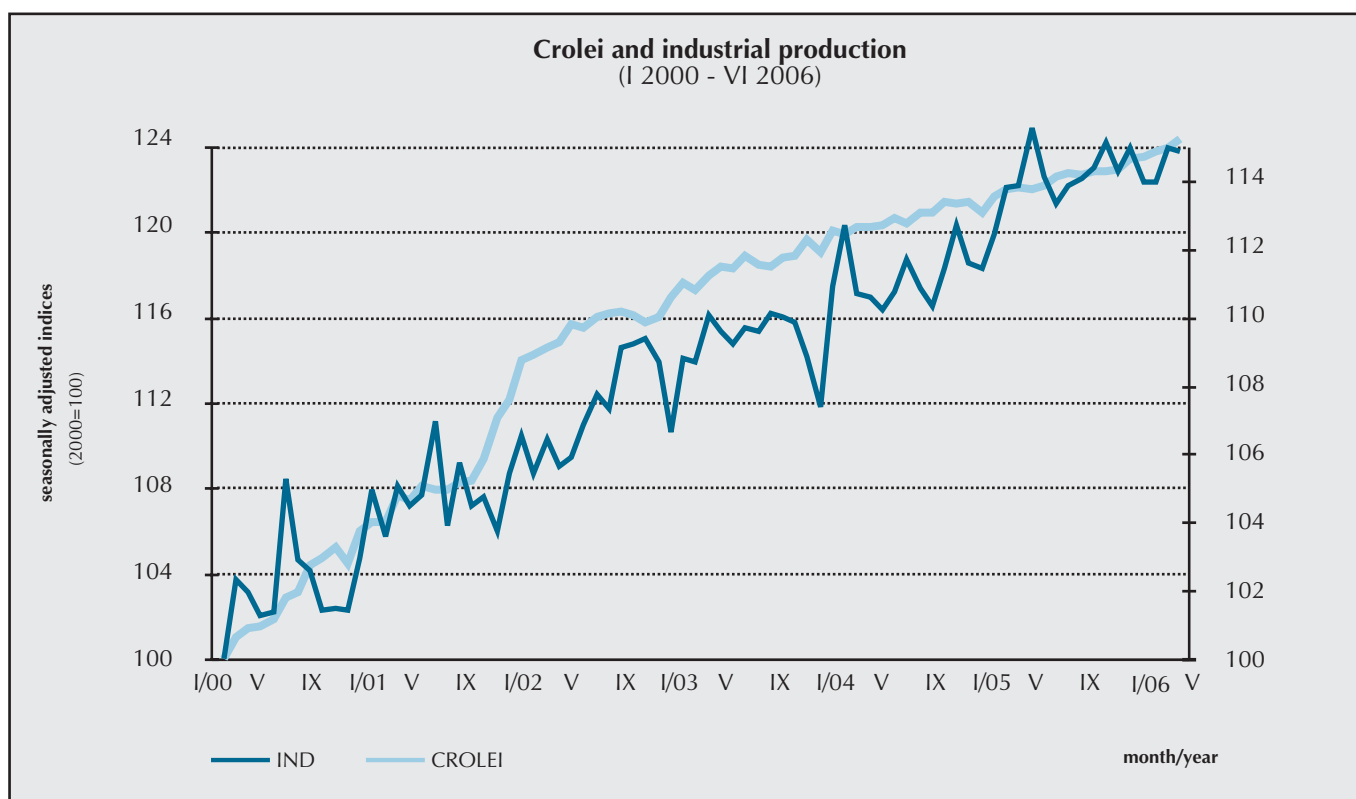
### CROLEI - LEADING INDICATOR OF INDUSTRIAL PRODUCTION

CROLEI - the leading indicator of the Croatian economy recorded an increase of 0.47 points in June 2006 compared to May 2006. Six of eleven components recorded growth (according to symmetrical percentage change) which has resulted in growth of index. Diffusive index as a share increasing components in the overall number of components amounted to 54.5 percent. CROLEI index recorded a sixth consecutive rise which started with January 2006, so moderate rise of economic activity can be expected till the end of 2006.

Components of index which recorded increases in June compared to May 2006 are: total tourist bed-nights, real retail trade turnover, unconsolidated budget revenues, total liquid funds, total cash of participants in the payment system and domestic currency time and savings deposits of commercial banks. The greatest consistences in movement are recorded in

monetary series (except foreign reserves of commercial banks) which grew five consecutive months compared to previous month. Increases of this series and increase of component total tourist bed-nights resulted in rise of CROLEI index in June.

Five components which recorded decrease in its values are: nominal net wage, registered persons employed, imports of machinery and transportation equipment, foreign reserves of commercial banks and cash market interest rate on other loans. Component foreign reserves of commercial banks recorded five declines in first six months. Three of six declines were recorded in greater amount which resulted in lower value of prognostic index. Component cash market interest rate on other loans recorded an increase in its value in reality, but inside prognostic index it's recorded as decrease because it is a negative sign indicator.



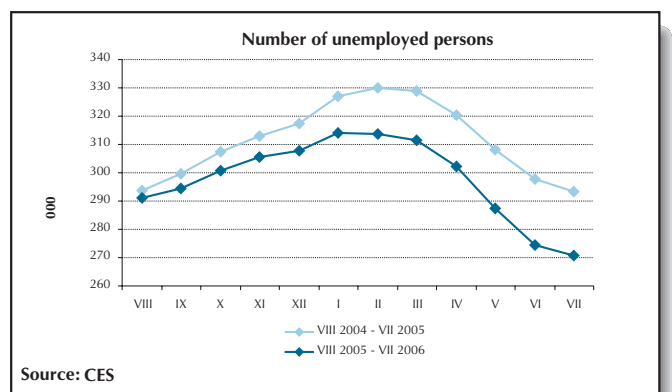
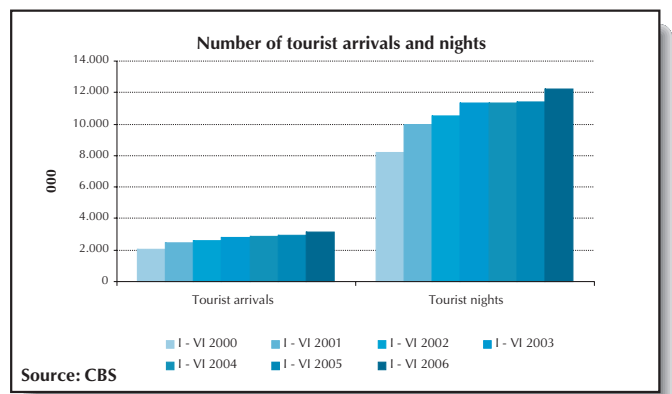
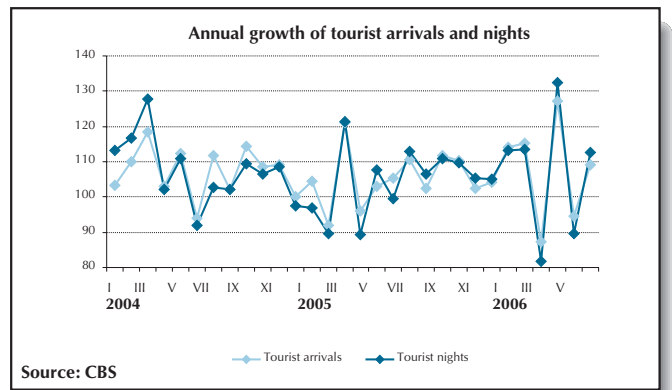
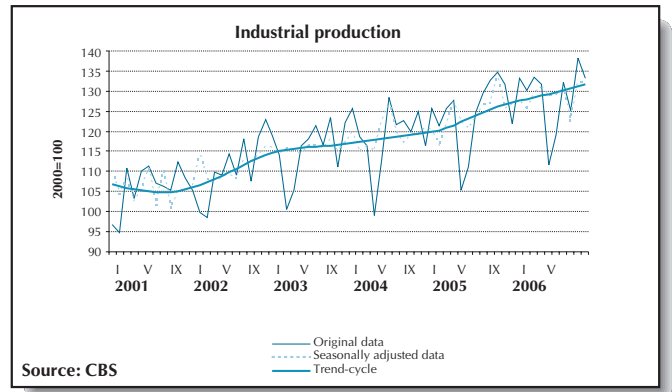
## REAL SECTOR

Industrial production registered a decline of 1.1 percent at annual level in June 2006. This can be explained by base effect because in June of previous year high growth of 12.3 percent was recorded, and by one working day less in this year's June when compared to June of previous year. When observing first six months of 2006, industrial production went up by 2.9 percent when compared to the same period of previous year. Trend-index of total industrial production was 0.3 percent higher in June when compared to May 2006.

When observed by main industrial groupings, the highest growth of industrial production in first half of the year was recorded in capital goods (10.6 percent), which indicate future growth since capital goods aren't intended for consumption but for further production. From other categories, the highest growth was recorded in durable consumer goods (5.6 percent), while production of intermediate goods went up by 2.7 percent, energy by 1.5 percent, and non-durable consumer goods by 1.0 percent. When observed by activities, mining and quarrying recorded growth of 6.7 percent in first half of the year, electricity, gas and water supply 3.7 percent, while manufacturing, which has the largest share in total industrial production (81.8 percent) went up by 2.5 percent. The highest contribution to the manufacturing growth came from manufacture of food products and beverages which increased by 5.3 percent and manufacture of other non-metallic mineral products (10.1 percent). From other categories high growth rates were recorded in manufacture of machinery and equipment (28.8 percent) and manufacture of radio, television and communication equipment and apparatus (27.6 percent).

Total number of tourist arrivals increased in June 2006 by 9.2 percent at annual level, while total number of tourist nights went up by 12.8 percent. Domestic tourist arrivals recorded a growth of 8.4 percent, while foreign tourist arrivals increased by 9.3 percent. The highest contribution to the increase in number of tourist nights in June came from foreign tourist nights which rose by 13.1 percent, while domestic tourist nights went up by 9.3 percent. Concerning the structure of tourist nights, foreign tourists obtained 91.2 percent of total tourist nights in June, while domestic tourist made remaining 8.8 percent. When observing first half of 2006, total number of tourist arrivals increased annually by 6.2 percent, while total number of tourist nights rose by 7.0 percent.

Trend of declining number of unemployed persons at annual level, started in second half of 2005, continued in all months of 2006. Number of registered unemployed persons amounted to 274.471 in June 2006, which represents the lowest level since June 1998. When compared to May, number of unemployed decreased by 12.812, and when compared to June 2005 decrease amounted to 23.131 or 7.8 percent. Official unemployment rate amounted to 16.0 percent in June, which makes annual decline of 1.2 percentage points, and represents the lowest unemployment rate since year 1996. Number of employed persons stood at level of 1.444.087 in June, and it increased by 1.0 percent when compared to May and by 0.7 percent when compared to June of previous year. According to the latest Croatian Employment Service data, at the end of July 2006 there were 270.753 registered unemployed persons, which is the lowest level since August 1997. When compared to June, number of unemployed persons fell by 3.718 or 1.4 percent, while at annual level decrease amounted to 22.423 persons or 7.6 percent.



## MONETARY TRENDS

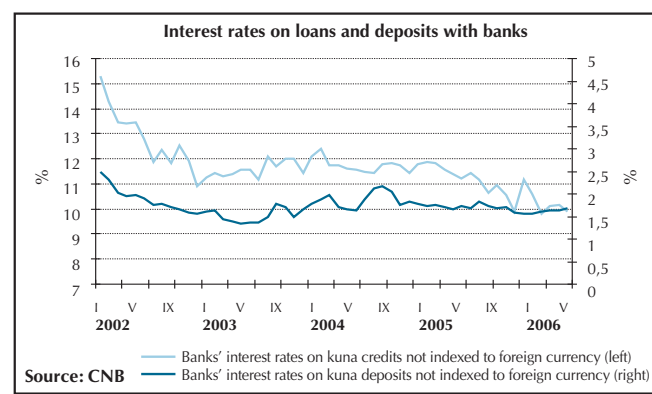
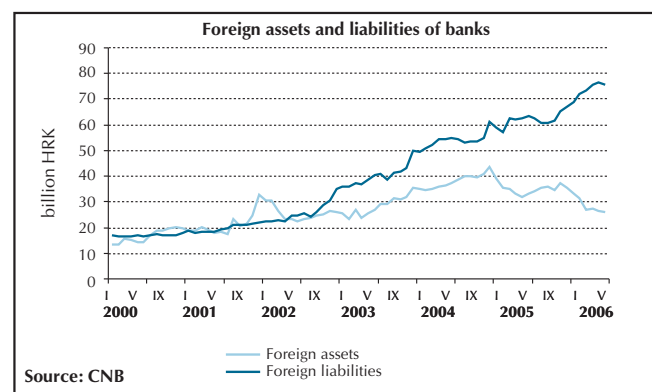
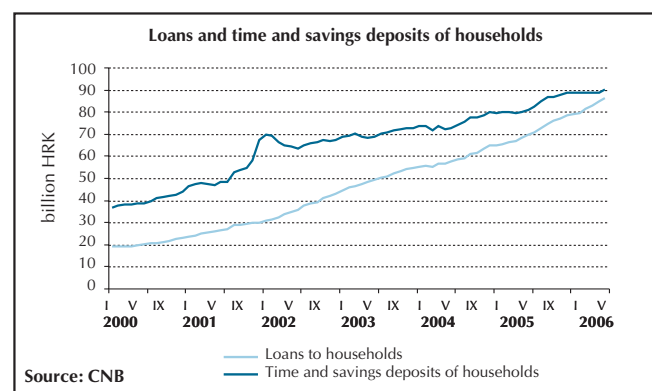
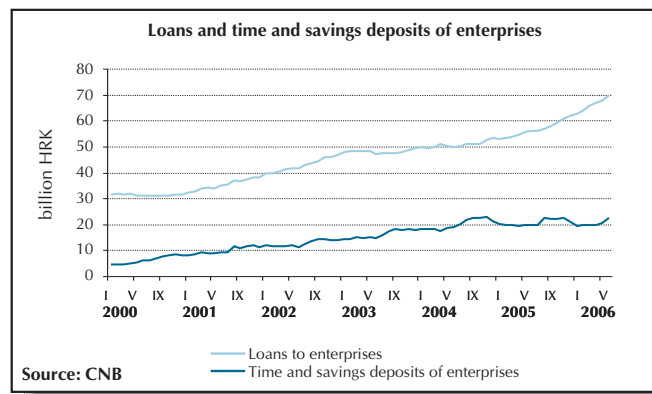
Accelerated credit activity of commercial banks continued in June 2006 when total loans amounted to HRK 175.4 billion. When compared to May, total loans went up by HRK 4.6 billion, while at annual level they rose by 23.9 percent, which is the highest growth rate since July 2003. Same as previous month, the highest share in loan structure had loans to households (49.3 percent), while loans to enterprises made 39.8 percent of total loans. The highest contribution to the loans' growth in June came from sector of enterprises, whose loans went up by HRK 1.8 billion. Annual growth rate of loans to enterprises amounted to 24.5 percent, which is the highest growth rate since June 1998. Loans to households increased in June by HRK 1.4 billion, while their growth rate decelerated to 23.9 percent. Housing loans slightly increased their share in households' loans to 36.9 percent, and they went up by 37.4 percent annually. Commercial banks' loans to central government were in June at 24.7 percent higher level than in June of previous year, which is according to more intensive government borrowing on domestic financial market.

Total deposits with commercial banks amounted to HRK 147.7 billion in June, which makes an annual increase of 14.2 percent. When compared to May, deposits went up by HRK 4.1 billion or 2.9 percent. Demand deposits with banks increased by HRK 447.4 million and amounted to HRK 28.2 billion at the end of June. Both kuna and foreign currency deposits increased in June. Total kuna time and savings deposits went up by HRK 3.5 billion, and reached a level of HRK 38.4 billion. Like previous month, the highest contribution to the kuna deposits' growth in June came from sector of enterprises, whose deposits went up by HRK 1.6 billion, deposits of households went up by HRK 1.3 billion, deposits of non banking financial institutions by HRK 355 million and deposits of other banking institutions by HRK 178 million. Foreign currency time and savings deposits with banks increased in June by HRK 240.4 million, and amounted to HRK 81 billion at the end of the month. This increase was mostly caused by increase of HRK 495.4 million in enterprises' deposits and increase of HRK 28.2 million in deposits of non banking financial institutions. Households' foreign currency deposits went down in June by HRK 257.8 million, while deposits of other banking institutions decreased by HRK 32.9 million. Annual growth rate of foreign currency time and savings deposits amounted to 1.6 percent in June, while kuna deposits increased annually by 54.0 percent.

Total foreign assets of commercial banks amounted to HRK 26.2 billion in June, which makes an annual decrease of 21.3 percent. When compared to May, foreign assets went down by HRK 384.8 million or 1.5 percent. Total foreign liabilities recorded a decrease of HRK 830.3 million in June, after nine consecutive months of growth. At the end of June it amounted to HRK 75.6 billion, which is 19.0 percent higher than in the same month of previous year. Net foreign assets amounted to HRK -49.4 billion at the end of June, and it increased by HRK 445.5 million when compared to May.

Average bank interest rates on kuna credits not indexed to foreign currency amounted to 9.88 percent in June 2006. Rates decreased when compared to May when they amounted to 10.17 percent, and they also decreased when compared to June 2005 when they amounted to 11.21 percent. Average bank interest rates on kuna deposits not indexed to foreign currency amounted to 1.68 percent in June. When compared to May,

when they stood at level of 1.64 percent, they increased, while, when compared to June 2005, when they amounted to 1.72 percent, they decreased.



## INTERNATIONAL SECTOR

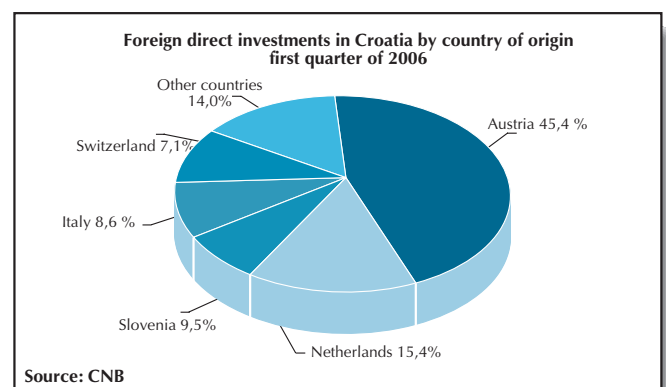
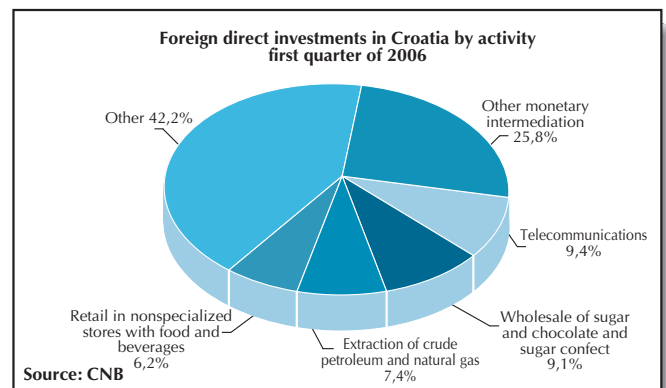
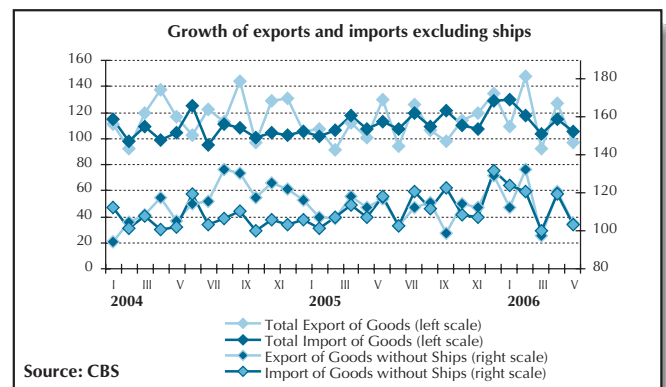
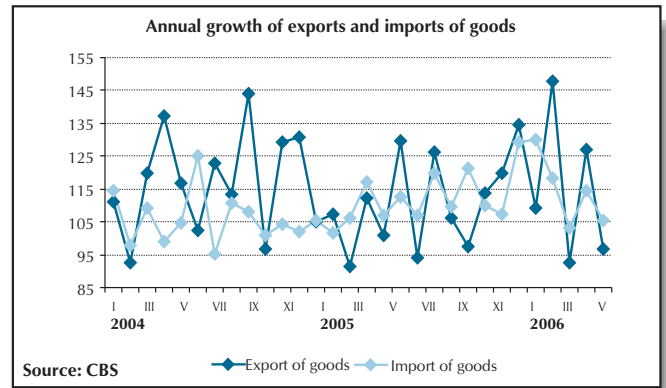
Total exports of goods expressed in HRK registered an annual decline of 3.1 percent in June 2006, while imports of goods increased by 5.6 percent. This trend of merchandise exports in June can be explained by high basis since June of previous year was month with the highest merchandise export growth rate. In first half of the year 2006 total exports of goods expressed in HRK increased at annual level by 16.0 percent, while total imports of goods went up by 15.2 percent. If category of other transport equipment is excluded from exports and imports, export grew by 14.2 percent in first half of the year, while imports increased by 15.1 percent. The coverage of imports of goods by exports of goods amounted to 46.7 percent in first six months, which represents an increase of 0.3 percentage points when compared to the same period of previous year.

When observing the external trade by activities in first six months, the highest contribution to the export growth came from manufacture of other transport equipment which went up by 30.1 percent, manufacture of coke, refined petroleum products and nuclear fuel (28.4 percent) and extraction of crude petroleum and natural gas (85.5 percent). Import growth was mainly contributed by extraction of crude petroleum and natural gas which increased annually by 24.9 percent, manufacture of coke, refined petroleum products and nuclear fuel (44.5 percent), manufacture of basic metals (20.6 percent), manufacture of motor vehicles, trailers and semi-trailers (14.6 percent) and manufacture of machinery and equipment (10.3 percent). External trade trend in 2005 was mainly determined by oil prices growth on imports side, and lower ship export on exports side. If from total merchandise imports increase in oil prices is excluded, annual growth of imports in first half of the year declines from 15.2 to 12.0 percent. These will also be leading determinants of merchandise exports and imports growth in current year, so deceleration of oil prices growth would slow down growth of imports, while higher ship export would give major contribution to the export growth.

The highest share in total merchandise exports in first half of 2006 continued to have export to Italy, which made 24.9 percent of total Croatian merchandise exports. At the same time, export to Bosnia and Herzegovina formed 11.5 percent, Germany 10.8 percent, Slovenia 8.2 percent and Austria 6.5 percent of total merchandise exports. When compared to the first half of 2005, export to Italy was 27.9 percent higher, to Slovenia 16.0 percent, to Germany 14.2 percent, to Bosnia and Herzegovina 3.5 percent, while export to Austria fell by 5.5 percent.

Total foreign direct investments in Croatia stood at level of EUR 11.6 billion at the end of the first quarter of 2006. During first quarter of 2006 total FDI in Republic of Croatia amounted to EUR 256.9 million. In total amount of FDI in first quarter, equity investments amounted to EUR 87.5 million and reinvested earnings EUR 52.6 million. When FDI structure by activities is observed, it can be seen that the highest part in first quarter of 2006 belonged to monetary intermediation (25.8 percent) and to telecommunications (9.4 percent). Wholesale of sugar and chocolate and sugar confection made 9.1 percent, extraction of crude petroleum and natural gas 7.4 percent, retail sale in non-specialized stores with food and beverages 6.2 percent and other categories

42.2 percent. When FDI structure by country of origin is observed, the highest share in first quarter had Austria (45.4 percent) and Netherlands (15.4 percent). Slovenia formed 9.5 percent, Italy 8.6 percent, Switzerland 7.1 percent and other countries 14.0 percent.





## CONSOLIDATED GENERAL GOVERNMENT IN JANUARY - JUNE 2006 PERIOD

### REVENUES

In first half 2006, total revenues of consolidated general government amounted to HRK 53 billion, representing 48.1 percent of annual planned amount. In comparison to same period previous year they grew by 11.4 percent.

Observing consolidated general government according to government level, it can be seen that the largest share in total revenues relates to budgetary central government (85.5 percent) and the rest of the sum (14.5) refers to extrabudgetary funds and agencies and local government revenues. The highest level of revenues was recorded by Croatian Motorways (HRK 517.9 million) followed by Croatian Waters (HRK 494.4 million) and Croatian Health Insurance Institute (HRK 425.9 million).

The tax revenues represent the most important revenue category in budget (59.6 percent of total revenues). They grew by 12.5 percent compared to the same period last year. The largest part of the tax revenues is generated through value added tax which is completely realized on the budgetary central government level. In the observed period, they amounted to HRK 16.2 billion, which represents annual increase of 11.4 percent.

Revenues from excises up to June 2006 amounted to HRK 5.3 billion which represents an annual increase of 7.6 percent. Excises on cars and excises on tobacco products had the strongest influence on the overall development of the excises revenues.

The majority of revenues from excises were realized in the higher amount compared with the same period last year. Revenues from excises on alcohol and excises on nonalcoholic beverages were realized in the lower amount compared to the same period 2005.

Within the structure of excises, the highest annual growth was recorded by excises on personal cars (21.9 percent). Excises on personal cars grew significantly due to greater car sales in the observed period. Revenues from excises on oil derivatives grew less than expected (2.7 percent) compared to same period previous year.

Revenues from excises on tobacco and tobacco products were realized in the amount of HRK 1.2 billion representing an annual increase of significant 11.2 percent. Namely, since August 2005, customs maintain strict checks of production and trade in tobacco products which has resulted in greater excises revenues from tobacco and narrowing of unofficial economy. Excises on luxury products in observed period grew by high 12.5 percent. Excises on beer rose by 0.4 percent. Revenues from excises on coffee amounted to HRK 73.7 million and grew by 4.1 percent. Excises on alcohol and excises on nonalcoholic beverages recorded an annual decrease in the amount of 1.9 and 9.3 percent.

Income tax revenues were realized in the amount of HRK 4 billion. Budgetary central government amounted to HRK 1.5 billion (36.5 percent of total income tax revenues). The rest of the sum which amounted to HRK 2.5 billion (63.5 percent of total income tax revenues) refers to local government.

Revenues collected by profit tax stood at HRK 4.2 billion which represents an annual increase of 30.3 percent.

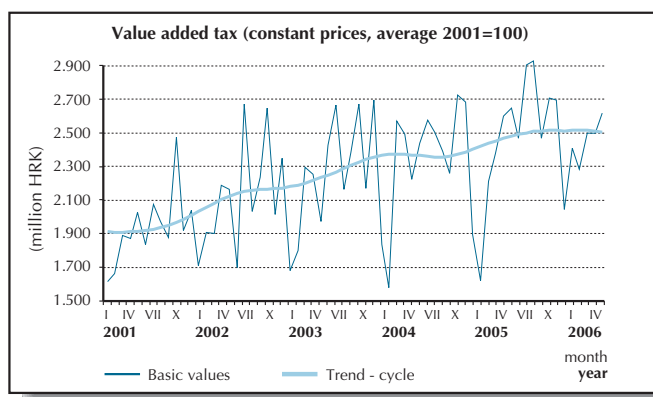
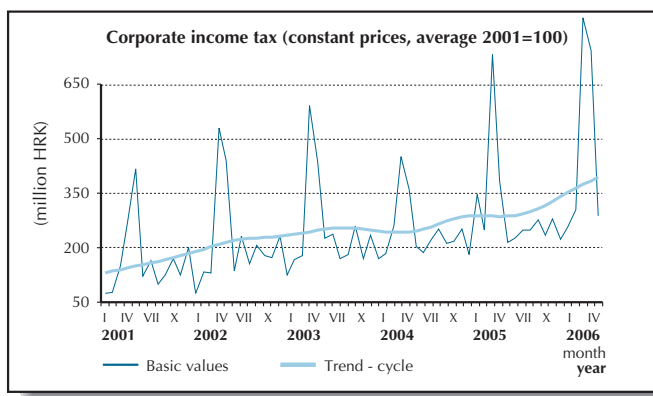
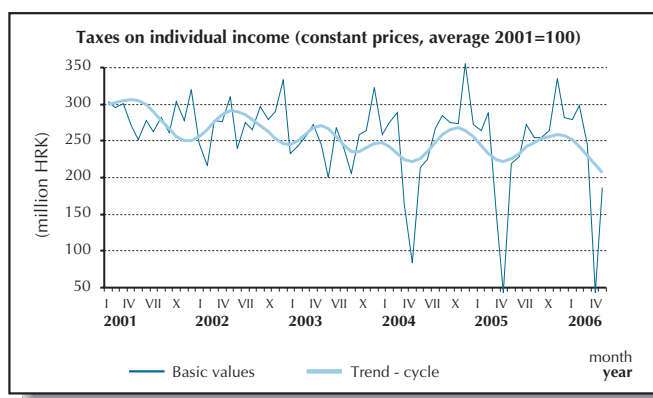
Revenues from taxes on property were collected in the amount of HRK 426.4 million which represents an annual increase of 22.3

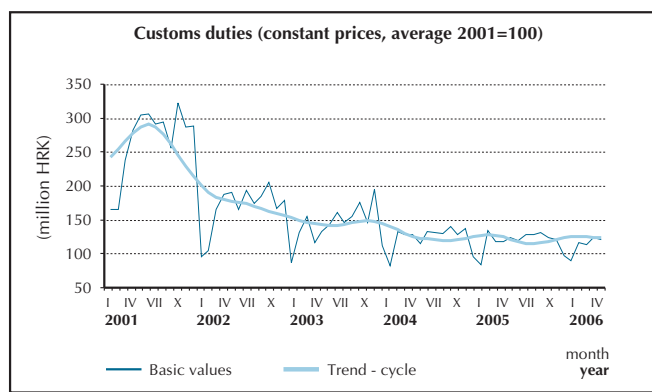
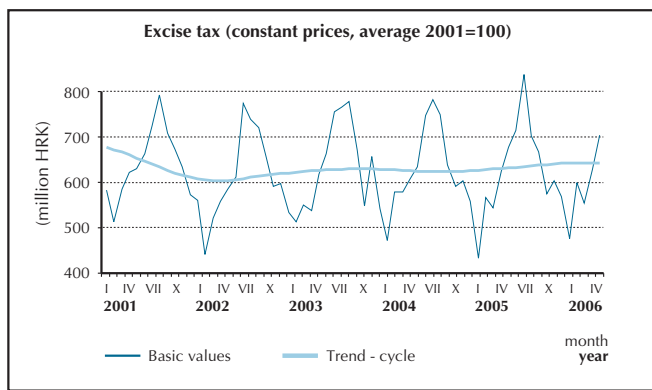
percent. Budgetary central government revenues amounted to HRK 213.2 million while the rest of the sum above mentioned refers to local government.

Revenues from taxes on international trade stood at HRK 749.7 million which represents an annual growth of 1.9 percent.

Revenues from other taxes were realized in the amount of HRK 179.1 million which represent an annual increase of 3 percent.

Social contributions, which make up to 30.8 percent of total revenues, are the second most important revenue category of budgetary central government. They are completely realized on the budgetary central government level. Compared to the same period last year they grew by 7.7 percent. They amounted to HRK 16.3 billion, which represents 48.6 percent of the planned amount. Within the structure of social contributions the largest part refers to employer's contributions which amounted to HRK





8.7 billion and recorded an annual growth of 7.8 percent and contributions of employees which amounted to HRK 6.7 billion and recorded an annual growth of 8.3 percent. The remaining HRK 361.5 million refers to contributions of self-employed and unemployed persons, which recorded annual decrease of 7.1 percent.

Other revenues were realized in the amount of HRK 5 billion with an annual growth of 17.5 percent. Property income stood at HRK 1.1 billion, i.e. 36.6 percent of the planned annual amount. Revenues from rent, which represent the largest part of the property revenues, were realized in the amount of HRK 517.1 million. Observing revenues from rent according to government level, it can be seen that HRK 174.4 million refers to budgetary central government, HRK 13.2 million refers to extrabudgetary funds and agencies and HRK 329.4 million refers to local government. The remaining share of collected revenues from property income refers to withdrawals from income of quasi corporation (HRK 364.2 million), revenues from interest rates (HRK 138.9 million) and revenues from dividends (HRK 78.8 million). Revenues from sales of goods and services stood at HRK 2.4 billion and recorded an annual increase of 16 percent resulting from administrative fees revenues (annual growth of 13.9 percent) and revenues from incidental sales by non-market establishments (annual growth of 28.3 percent). The largest share of administrative fees revenues was realized at the local government level (HRK 1 billion) and by extrabudgetary funds and agencies (HRK 659.2 million). The rest of the sum was realized by budgetary central government (HRK 369.5 million). Fines, penalties and forfeits stood at HRK 190.6 million which represents an annual growth of 8.2 percent. Miscellaneous and unidentified revenue were realized in the amount of HRK 1.3 billion with an annual increase of high 27.8 percent.

## EXPENSE

In first half of 2006, total expense of consolidated general government amounted to HRK 51.8 billion which represents 48.5 percent of the planned amount. Observing consolidated general government expense according to government level, it can be seen that HRK 44.2 billion refers to budgetary central government, followed by HRK 4.9 billion related to local government and HRK 2.8 billion related to extrabudgetary funds and agencies.

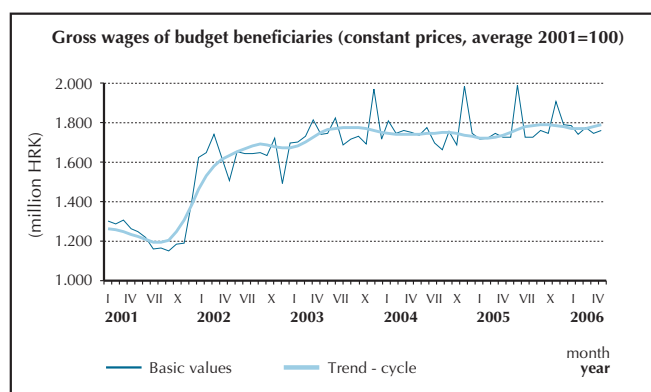
The largest share of total expense (42.6 percent) refers to social benefits. They amounted to HRK 22.1 billion, which represents 49.6 percent of the planned annual amount. Among social benefit, 69.5 percent refers to social security benefits, 30.2 percent refers to social assistance benefits and the rest of the sum (0.3 percent) refers to social benefits to employees. Within their structure, the largest categories refer to expenses for pensions, health care system, maternity leave allowance, expenses for unemployment etc. Expenses for pensions in observed period stood at HRK 13.8 billion. Within the structure of expenses for pensions HRK 6.1 billion refers to expense for old age pensions, HRK 2.2 billion refers to pensions for disabled persons, HRK 1.6 billion refers to family pensions, HRK 1.7 billion refers to veteran pensions and HRK 740.1 million refers to pension supplement of 100+6%.

Expenses for health care system were realized at the level of HRK 7.5 billion (annual growth of 3.7 percent). Expenses for hospital health care were realized in the amount of HRK 3.5 billion, primary health care in the amount of HRK 1.4 billion and expenses for medicaments on prescription in the amount of HRK 1.2 billion. Among other social benefits, important items are also expenses for additional maternity leave and baby equipment (HRK 389.5 million), child allowance (HRK 681.7 million), expenses for unemployment (HRK 445.5 million).

Compensation of employees stood at HRK 13.8 billion which represents 26.7 percent of total expense. Within its structure the largest part refers to wages and salaries which amounted to HRK 11.8 billion and social contributions which amounted to HRK 2 billion. Compared to the same period last year, expenses for wages and salaries grew by 6.7 percent and expenses for social contributions grew by 5.2 percent.

Expense for use of goods and services represent a share of 11.1 percent of total expense. They amounted to HRK 5.8 billion which represents an annual increase of 11.6 percent and 44 percent of the planned amount for 2006.

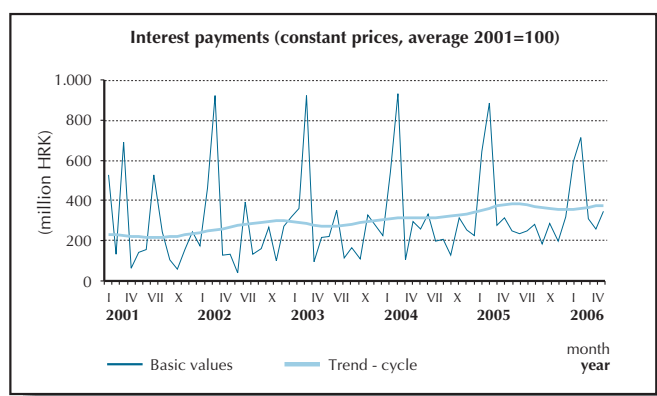
Other expenses, which represent 5.9 of total expense, amounted to HRK 3.1 billion and 36.2 percent of the planned amount for 2006. They recorded an annual increase of 12.7 percent. Capital



expense amounted to HRK 1.4 billion which represents an annual decrease of 16.9 percent. Observing the capital expense according to government level, HRK 914.5 million refers to budgetary central government, HRK 204.3 million refers to extrabudgetary funds and agencies and HRK 250.3 million refers to local government. Current expenses were realized in the amount of HRK 1.9 billion which represents an annual decrease of 9.9 percent. The largest parts of current expenses were realized at the budgetary central government level.

Expense for interest payments represent 6.2 percent of total expense. They amounted to HRK 3.2 billion which represents 58.2 percent of the planned annual amount. Interest to residents other general government amounted to HRK 1.5 billion and interest to nonresidents amounted to HRK 1.7 billion.

Expense for subsidies, amounted to HRK 3.4 billion which represents 6.6 of total expense of consolidated general government. In the same time they recorded an annual increase of 10 percent and 55.9 percent of the planned amount for 2006. Subsidies to public corporations which represent 50.4 percent of total subsidies amounted to HRK 1.7 billion. Within the structure of subsidies to public corporations, the largest parts relates to subsidies to Croatian Railways (HRK 749.3 million). This amount represents an annual decrease of 9.2 percent and is mainly used for maintenance of railroad infrastructure and traffic regulation. Subsidies to private enterprises represent 49.6 percent of total subsidies. They amounted to HRK 1.7 billion.



## TRANSACTIONS IN NON-FINANCIAL ASSETS

Net non-financial assets in observed period amounted to HRK 3.8 billion, which is the result of acquisitions of non-financial assets in the amount of HRK 4.3 billion and disposals non-financial assets in the amount of HRK 478.5 million. Net non-financial assets amounted to 41.5 percent of the planned amount for 2006. The largest contribution of net acquisition of non-financial assets came from net acquisition of fixed assets (95.3 percent), mainly of buildings and structures, machinery and equipment and other fixed assets. According to government level, extrabudgetary funds and agencies participated with 51.1 percent; local government participated with 34.3 percent and budgetary central government with 14.6 percent in total acquisition of non-financial assets. Observing the disposal of non-financial assets; local government participated with 49.9 percent (HRK 238.6 million), budgetary central government with 37.9 percent (HRK 181.3 million) and extrabudgetary funds and agencies with 12.3 percent (HRK 58.7 million).

## TRANSACTIONS IN FINANCIAL ASSETS

Net financial assets of the consolidated general government in the observed period amounted to HRK -459.4 million, which is a result of decrease in domestic financial assets in the amount of HRK 462 million and increase of foreign financial assets in the amount of HRK 3 million.

Currency and deposits amounted to HRK -1 billion. According to government level, currency and deposits of budgetary central government amounted to HRK -1 billion, currency and deposits of extrabudgetary funds and agencies amounted to HRK -141.9 million and local government (HRK 89.1 million). Net loans were recorded at the level of HRK 427.8 million as a result of greater acquisition (HRK 604.9 million) than disposal (HRK 177.1 million). According to government level, net loans of budgetary central government amounted HRK 389.5 million, extrabudgetary funds and agencies amounted to HRK 69.9 million and local government amounted to HRK -31.4 million. Net shares and other equity amounted in observed period to HRK 43.1 million. Disposals of shares and other equity amounted to HRK 129.4 million and refer mostly on extrabudgetary funds and agencies and acquisitions of shares and other equity amounted to HRK 172.4 million and refers mostly on budgetary central government.

Foreign net acquisition of financial assets amounted to HRK 2.7 million and was completely realized through acquisition of shares and other equity.

## TRANSACTIONS IN LIABILITIES

Total net incurrence of liabilities of consolidated central government amounted to HRK 2.2 billion. Net domestic liabilities amounted to HRK 5.2 billion as a result of an increase in net incurrence of loans and net incurrence of securities other than shares. Incurrence of liabilities on the basis of loans on the level of budgetary central government amounted to HRK 3.4 billion and on the level of extrabudgetary funds and agencies to HRK 1 billion. Repayments of liabilities on the basis of loans refer to budgetary central government (HRK 865.7 million) and extrabudgetary funds and agencies (HRK 144.5 million). Incurrence of liabilities on the basis of securities other than shares amounted to HRK 2.2 billion and repayments on the same basis which amounted to HRK 275.1 million.

Foreign liabilities were realized at the level of HRK -3 billion as a result of greater repayments (HRK 4.8 billion) than incurrence (HRK 1.8 billion). Repayments of securities other than shares were recorded in the amount of HRK 3.5 billion completely by budgetary central government. Net foreign loans amounted to HRK 431.9 million. Incurrence of foreign loans amounted to HRK 1.8 billion and repayments amounted to HRK 1.4 billion.

## NET LENDING/BORROWING

Net operating balance of the consolidated general government, defined as the difference between total revenue and total expense, recorded the amount of HRK 1.1 billion in the observed period. By subtracting the net acquisition of nonfinancial assets (HRK 3.8 billion) from the net operating balance, a category net lending/borrowing is obtained, amounting to HRK -2.7 billion. This amount is financed by the already described transactions in liabilities and financial assets, i.e. by the difference between the net liabilities (HRK 2.2 billion) and net acquisition of financial assets (HRK -459.4 million).



TABLE 3: BUDGETARY CENTRAL GOVERNMENT EXPENSE

(000 HRK)	2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>77 075 487</b>	<b>83 131 114</b>	<b>87 857 465</b>	<b>20 787 111</b>	<b>23 100 131</b>	<b>95 368 326</b>	<b>23 260 320</b>	<b>23 203 454</b>	<b>46 463 774</b>	<b>7 463 219</b>	<b>48,72</b>
<b>21 Compensation of employees (211+212)</b>	<b>21 225 816</b>	<b>22 268 287</b>	<b>23 182 586</b>	<b>5 921 396</b>	<b>5 978 031</b>	<b>24 164 073</b>	<b>5 965 427</b>	<b>5 979 166</b>	<b>11 944 593</b>	<b>1 993 561</b>	<b>49,43</b>
211 Wages and salaries	18 037 101	18 888 605	19 699 216	5 034 502	5 106 946	20 544 719	5 066 818	5 078 226	10 145 044	1 691 963	49,38
212 Social contributions	3 188 715	3 379 682	3 483 370	886 894	871 085	3 619 354	898 609	900 940	1 799 548	301 598	49,72
<b>22 Use of goods and services</b>	<b>4 170 611</b>	<b>4 358 721</b>	<b>4 951 917</b>	<b>1 100 945</b>	<b>1 351 772</b>	<b>6 270 043</b>	<b>1 297 332</b>	<b>1 269 577</b>	<b>2 566 909</b>	<b>390 867</b>	<b>40,94</b>
<b>24 Interest (241+242+243)</b>	<b>3 587 329</b>	<b>3 972 466</b>	<b>4 387 010</b>	<b>826 752</b>	<b>731 212</b>	<b>4 566 988</b>	<b>1 824 142</b>	<b>998 768</b>	<b>2 822 910</b>	<b>361 062</b>	<b>61,81</b>
241 To nonresidents	1 879 420	1 976 502	2 053 588	189 556	143 234	1 808 822	1 146 959	364 017	1 510 976	109 269	83,53
242 To residents other than general government	1 707 909	1 995 964	2 333 422	637 195	587 978	2 758 167	677 183	634 751	1 311 934	251 793	47,57
<b>25 Subsidies (251+252)</b>	<b>4 292 712</b>	<b>4 968 069</b>	<b>5 248 744</b>	<b>969 624</b>	<b>1 520 132</b>	<b>5 297 470</b>	<b>1 633 507</b>	<b>1 378 666</b>	<b>3 012 173</b>	<b>334 088</b>	<b>56,86</b>
251 To public corporations	1 942 932	2 783 462	2 784 825	585 987	764 314	2 608 697	758 313	652 762	1 411 075	168 696	54,09
252 To private enterprises	2 349 781	2 184 606	2 463 919	383 637	755 818	2 688 773	875 194	725 904	1 601 098	165 391	59,55
<b>26 Grants (261+262+263)</b>	<b>3 746 958</b>	<b>3 420 327</b>	<b>3 796 847</b>	<b>773 114</b>	<b>1 325 113</b>	<b>6 498 097</b>	<b>1 241 337</b>	<b>1 443 196</b>	<b>2 684 533</b>	<b>434 969</b>	<b>41,31</b>
261 To foreign governments (2611+2612)	43 918	76 464	73 639	22 569	48 070	78 550	0	9 989	9 989	0	12,72
2611 Current	43 918	46 500	49 174	13 500	32 674	48 550	0	0	0	0	
2612 Capital	0	29 964	24 465	9 069	15 396	30 000	0	9 989	9 989	0	33,30
262 To international organizations (2621+2622)	41 239	83 434	93 832	14 497	17 923	103 566	20 257	38 708	58 965	25 197	56,93
2621 Current	41 239	83 434	93 832	14 497	17 923	103 566	20 257	38 708	58 965	25 197	56,93
2622 Capital	0	0	0	0	0	0	0	0	0	0	
263 To other general government units (2631+2632)	3 661 801	3 260 429	3 629 376	736 048	1 259 120	6 315 982	1 221 080	1 394 499	2 615 579	409 772	41,41
2631 Current	3 198 505	2 498 598	2 623 246	483 918	761 790	2 348 923	576 758	617 652	1 194 410	155 645	50,85
2632 Capital	463 297	761 831	1 006 130	252 131	497 331	3 967 059	644 322	776 847	1 421 169	254 126	35,82
<b>27 Social benefits (271+272+273)</b>	<b>36 204 270</b>	<b>39 730 887</b>	<b>41 358 455</b>	<b>10 305 813</b>	<b>10 340 928</b>	<b>43 206 284</b>	<b>10 445 596</b>	<b>10 979 868</b>	<b>21 425 464</b>	<b>3 545 274</b>	<b>49,59</b>
271 Social security benefits	28 917 772	28 189 472	29 308 716	7 323 188	7 237 264	30 103 957	7 353 022	7 695 110	15 048 132	2 503 735	49,99
272 Social assistance benefits	6 731 910	11 177 315	11 792 075	2 945 800	2 998 524	12 962 327	3 069 424	3 246 569	6 315 993	1 030 099	48,73
273 Employer social benefits	554 589	364 100	257 663	36 825	105 141	140 000	23 150	38 189	61 339	11 440	43,81
<b>28 Other expense (281+282)</b>	<b>3 847 791</b>	<b>4 412 359</b>	<b>4 931 907</b>	<b>889 467</b>	<b>1 852 942</b>	<b>5 365 371</b>	<b>852 978</b>	<b>1 154 214</b>	<b>2 007 191</b>	<b>403 399</b>	<b>37,41</b>
281 Property expense other than interest	6 767	3 955	4 920	1 026	1 928	0	709	1 320	2 029	283	
282 Miscellaneous other expense (2821+2822)	3 841 024	4 408 404	4 926 987	888 441	1 851 014	5 365 371	852 268	1 152 894	2 005 163	403 116	37,37
2821 Current	2 325 646	1 842 516	2 154 806	487 636	604 019	2 173 287	473 958	616 747	1 090 704	181 822	50,19
2822 Capital	1 515 378	2 565 888	2 772 181	400 805	1 246 996	3 192 083	378 310	536 148	914 458	221 294	28,65

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 4: TRANSACTIONS IN NONFINANCIAL ASSETS OF BUDGETARY CENTRAL GOVERNMENT

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>31</b>	<b>NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 812 404</b>	<b>1 419 467</b>	<b>1 553 668</b>	<b>385 310</b>	<b>687 898</b>	<b>1 989 197</b>	<b>166 254</b>	<b>238 506</b>	<b>404 760</b>	<b>60 378</b>	<b>20,35</b>
<b>31,1</b>	<b>Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)</b>	<b>2 054 989</b>	<b>1 663 868</b>	<b>1 828 818</b>	<b>439 188</b>	<b>758 291</b>	<b>2 233 472</b>	<b>223 725</b>	<b>312 688</b>	<b>536 413</b>	<b>86 768</b>	<b>24,02</b>
<b>31,2</b>	<b>Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)</b>	<b>242 586</b>	<b>244 401</b>	<b>275 149</b>	<b>53 877</b>	<b>70 393</b>	<b>244 275</b>	<b>57 471</b>	<b>74 182</b>	<b>131 653</b>	<b>26 390</b>	<b>53,90</b>
<b>311</b>	<b>Fixed assets (3111+3112+3113)</b>	<b>1 795 345</b>	<b>1 384 609</b>	<b>1 516 968</b>	<b>377 389</b>	<b>670 569</b>	<b>2 208 991</b>	<b>173 842</b>	<b>271 334</b>	<b>445 176</b>	<b>70 749</b>	<b>20,15</b>
311,1	Acquisitions: fixed assets (3111,1+3112,1+3113,1)	2 019 172	1 624 051	1 781 347	428 782	737 880	2 433 866	229 888	337 010	566 898	95 270	23,29
311,2	Disposals: fixed assets (3111,2+3112,2+3113,2)	223 827	239 442	264 379	51 393	67 311	224 875	56 046	65 676	121 722	24 521	54,13
<b>3111</b>	<b>Buildings and structures (3111,1-3111,2)</b>	<b>1 199 770</b>	<b>811 477</b>	<b>867 663</b>	<b>207 846</b>	<b>395 922</b>	<b>1 151 650</b>	<b>63 089</b>	<b>166 564</b>	<b>229 653</b>	<b>36 261</b>	<b>19,94</b>
3111,1	Acquisitions: buildings and structures	1 423 367	1 050 315	1 131 302	259 209	463 166	1 376 288	118 935	231 784	350 718	60 588	25,48
3111,2	Disposals: buildings and structures	223 597	238 838	263 639	51 362	67 243	224 637	55 846	65 220	121 065	24 327	53,89
<b>3112</b>	<b>Machinery and equipment (3112,1-3112,2)</b>	<b>516 598</b>	<b>518 941</b>	<b>557 320</b>	<b>154 880</b>	<b>222 649</b>	<b>839 745</b>	<b>100 114</b>	<b>80 450</b>	<b>180 564</b>	<b>21 349</b>	<b>21,50</b>
3112,1	Acquisitions: machinery and equipment	516 828	519 545	558 060	154 911	222 717	839 983	100 314	80 907	181 221	21 543	21,57
3112,2	Disposals: machinery and equipment	230	604	740	31	68	238	200	457	657	194	276,16
<b>3113</b>	<b>Other fixed assets (3113,1-3113,2)</b>	<b>78 977</b>	<b>54 191</b>	<b>91 986</b>	<b>14 663</b>	<b>51 998</b>	<b>217 596</b>	<b>10 639</b>	<b>24 320</b>	<b>34 959</b>	<b>13 139</b>	<b>16,07</b>
3113,1	Acquisitions: other fixed assets	78 977	54 191	91 986	14 663	51 998	217 596	10 639	24 320	34 959	13 139	16,07
3113,2	Disposals: other fixed assets	0	0	0	0	0	0	0	0	0	0	
<b>312</b>	<b>Inventories</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-273 609</b>	<b>-11 785</b>	<b>-37 430</b>	<b>-49 216</b>	<b>-11 106</b>	<b>17,99</b>
312,1	Acquisitions: inventories	0	0	0	0	0	34 898	0	437	437	0	1,25
312,2	Disposals: inventories	0	0	0	0	0	308 507	11 785	37 868	49 653	11 106	16,09
<b>313</b>	<b>Valuables (313,1-313,2)</b>	<b>5 303</b>	<b>7 518</b>	<b>7 220</b>	<b>804</b>	<b>1 757</b>	<b>7 018</b>	<b>1 600</b>	<b>1 468</b>	<b>3 068</b>	<b>260</b>	<b>43,71</b>
313,1	Acquisitions: valuables	5 303	7 518	7 220	804	1 757	7 018	1 600	1 468	3 068	260	43,71
313,2	Disposals: valuables	0	0	0	0	0	0	0	0	0	0	
<b>314</b>	<b>Nonproduced assets (314,1-314,2-314,3-314,4)</b>	<b>11 755</b>	<b>27 340</b>	<b>29 480</b>	<b>7 118</b>	<b>15 572</b>	<b>46 797</b>	<b>2 597</b>	<b>3 135</b>	<b>5 732</b>	<b>475</b>	<b>12,25</b>
314,1	Acquisitions: nonproduced assets (3141,1+3142,1+3143,1+3144,1)	30 514	32 299	40 251	9 602	18 654	66 197	4 023	11 640	15 663	2 343	23,66
314,2	Disposals: nonproduced assets (3141,2+3142,2+3143,2+3144,2)	18 759	4 959	10 771	2 484	3 082	19 400	1 426	8 506	9 931	1 869	51,19
<b>3141</b>	<b>Land (3141,1-3141,2)</b>	<b>-18 361</b>	<b>7 062</b>	<b>-10 282</b>	<b>-2 463</b>	<b>-2 982</b>	<b>-12 250</b>	<b>-1 394</b>	<b>-8 506</b>	<b>-9 899</b>	<b>-1 869</b>	<b>80,81</b>
3141,1	Acquisitions: land	398	12 021	489	21	100	7 150	10	0	10	0	0,14
3141,2	Disposals: land	18 759	4 959	10 771	2 484	3 082	19 400	1 403	8 506	9 909	1 869	51,08
<b>3142</b>	<b>Subsoil assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-22</b>	<b>0</b>	<b>-22</b>	<b>0</b>	
3142,1	Acquisitions: subsoil assets	0	0	0	0	0	0	0	0	0	0	
3142,2	Disposals: subsoil assets	0	0	0	0	0	0	22	0	22	0	
<b>3143</b>	<b>Other naturally occurring assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>3144</b>	<b>Intangible nonproduced assets (3144,1-3144,2)</b>	<b>30 116</b>	<b>20 278</b>	<b>39 762</b>	<b>9 581</b>	<b>18 554</b>	<b>59 047</b>	<b>4 013</b>	<b>11 640</b>	<b>15 653</b>	<b>2 343</b>	<b>26,51</b>
3144,1	Acquisitions: intangible nonproduced assets	30 116	20 278	39 762	9 581	18 554	59 047	4 013	11 640	15 653	2 343	26,51
3144,2	Disposals: intangible nonproduced assets	0	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 5: TRANSACTIONS IN FINANCIAL ASSETS OF BUDGETARY CENTRAL GOVERNMENT

(000 HRK)	2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>-1 320 129</b>	<b>221 977</b>	<b>1 752 825</b>	<b>837 525</b>	<b>191 300</b>	<b>-3 359 057</b>	<b>-517 178</b>	<b>15 260</b>	<b>-501 918</b>	<b>-122 414</b>
<b>32,1 Acquisition of financial assets (321,1+322,1)</b>	<b>2 071 124</b>	<b>1 787 080</b>	<b>1 264 131</b>	<b>371 470</b>	<b>437 351</b>	<b>1 214 200</b>	<b>364 785</b>	<b>230 911</b>	<b>595 696</b>	<b>120 232</b>
<b>32,2 Disposals of financial assets (321,2+322,2)</b>	<b>4 537 782</b>	<b>450 839</b>	<b>199 491</b>	<b>41 335</b>	<b>54 942</b>	<b>4 573 256</b>	<b>45 090</b>	<b>48 142</b>	<b>93 232</b>	<b>19 700</b>
<b>Currency and deposits (3212+3222)</b>	<b>1 146 530</b>	<b>-1 114 264</b>	<b>688 185</b>	<b>507 390</b>	<b>-191 109</b>	<b>0</b>	<b>-836 872</b>	<b>-167 510</b>	<b>-1 004 382</b>	<b>-222 945</b>
<b>321 Domestic (3212+3213+3214+3215+3216+3217+3218)</b>	<b>-1 330 055</b>	<b>212 192</b>	<b>1 757 681</b>	<b>837 525</b>	<b>191 300</b>	<b>-3 375 824</b>	<b>-517 178</b>	<b>12 579</b>	<b>-504 599</b>	<b>-125 094</b>
<b>321,1 Acquisition of domestic financial assets (3213,1+...+3218,1)</b>	<b>2 061 197</b>	<b>1 777 294</b>	<b>1 261 432</b>	<b>371 470</b>	<b>437 351</b>	<b>1 197 432</b>	<b>364 785</b>	<b>228 230</b>	<b>593 015</b>	<b>117 551</b>
<b>321,2 Disposals of domestic financial assets (3213,2+...+3218,2)</b>	<b>4 537 782</b>	<b>450 839</b>	<b>191 935</b>	<b>41 335</b>	<b>54 942</b>	<b>4 573 256</b>	<b>45 090</b>	<b>48 142</b>	<b>93 232</b>	<b>19 700</b>
3212 Currency and deposits	1 146 530	-1 114 264	688 185	507 390	-191 109	0	-836 872	-167 510	-1 004 382	-222 945
3213 Securities other than shares (3213,1-3213,2)	0	0	0	0	0	0	0	0	0	0
3213,1 Acquisition: Securities other than shares	0	0	0	0	0	0	0	0	0	0
3213,2 Disposals: Securities other than shares	0	0	0	0	0	0	0	0	0	0
3214 Loans (3214,1-3214,2)	393 363	1 002 955	847 590	298 653	284 964	642 476	279 493	109 980	389 473	63 742
3214,1 Acquisition: Loans	1 576 177	1 328 794	1 026 367	339 988	334 033	965 732	319 785	158 093	477 878	83 414
3214,2 Disposals: Loans	1 182 815	325 839	178 776	41 335	49 069	323 256	40 292	48 113	88 405	19 671
3215 Shares and other equity (3215,1-3215,2)	-2 869 948	323 500	221 906	31 482	97 445	-4 018 300	40 201	70 109	110 310	34 109
3215,1 Acquisition: Shares and other equity	485 020	448 500	235 065	31 482	103 318	231 700	45 000	70 137	115 137	34 137
3215,2 Disposals: Shares and other equity	3 354 968	125 000	13 159	0	5 873	4 250 000	4 799	29	4 827	29
<b>322 Foreign (3222+3223+3224+3225+3226+3227+3228)</b>	<b>9 926</b>	<b>9 786</b>	<b>-4 857</b>	<b>0</b>	<b>0</b>	<b>16 768</b>	<b>0</b>	<b>2 681</b>	<b>2 681</b>	<b>2 681</b>
<b>322,1 Acquisition of foreign financial assets (3223,1+...+3228,1)</b>	<b>9 926</b>	<b>9 786</b>	<b>2 699</b>	<b>0</b>	<b>0</b>	<b>16 768</b>	<b>0</b>	<b>2 681</b>	<b>2 681</b>	<b>2 681</b>
<b>322,2 Disposals of foreign financial assets (3223,2+...+3228,2)</b>	<b>0</b>	<b>0</b>	<b>7 556</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
3222 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3225 Shares and other equity (3225,1-3225,2)	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	2 681
3225,1 Acquisition: Shares and other equity	9 926	9 786	2 699	0	0	16 768	0	2 681	2 681	2 681
3225,2 Disposals: Shares and other equity	0	0	7 556	0	0	0	0	0	0	0
<b>323 Monetary gold and SDRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

**TABLE 6: TRANSACTIONS IN LIABILITIES OF BUDGETARY CENTRAL GOVERNMENT**

(000 HRK)	2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>2 890 289</b>	<b>4 309 040</b>	<b>5 510 948</b>	<b>-376 434</b>	<b>319 546</b>	<b>2 919</b>	<b>1 753 743</b>	<b>-669 435</b>	<b>1 084 308</b>	<b>-463 405</b>
<b>33,1 Repayments (331,1+332,1)</b>	<b>6 520 771</b>	<b>13 717 082</b>	<b>10 253 489</b>	<b>1 143 959</b>	<b>3 005 398</b>	<b>10 562 684</b>	<b>4 594 625</b>	<b>1 264 307</b>	<b>5 858 932</b>	<b>739 713</b>
<b>33,2 Incurrences (331,2+332,2)</b>	<b>9 411 059</b>	<b>18 026 122</b>	<b>15 764 437</b>	<b>767 526</b>	<b>3 324 944</b>	<b>10 565 603</b>	<b>6 348 368</b>	<b>594 872</b>	<b>6 943 240</b>	<b>276 308</b>
<b>Currency and deposits (3312+3322)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>331 Domestic (3312+3313+3314+3316+3317+3318)</b>	<b>-159 690</b>	<b>4 038 705</b>	<b>10 591 560</b>	<b>-47 645</b>	<b>575 035</b>	<b>3 813 392</b>	<b>4 883 826</b>	<b>-456 347</b>	<b>4 427 478</b>	<b>-335 516</b>
<b>331,1 Domestic repayments (3313,1+3314,1+3315,1+3316,1+3317,1+3318,1)</b>	<b>4 146 435</b>	<b>9 009 705</b>	<b>4 389 323</b>	<b>422 125</b>	<b>2 663 054</b>	<b>4 526 332</b>	<b>192 732</b>	<b>943 819</b>	<b>1 136 551</b>	<b>504 425</b>
<b>331,2 Domestic incurrences (3313,2+3314,2+3315,2+3316,2+3317,2+3318,2)</b>	<b>3 986 745</b>	<b>13 048 410</b>	<b>14 980 882</b>	<b>374 480</b>	<b>3 238 089</b>	<b>8 339 723</b>	<b>5 076 557</b>	<b>487 472</b>	<b>5 564 030</b>	<b>168 909</b>
3312 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3313 Securities other than shares (3313,2-3313,1)	635 811	6 357 476	9 636 343	1 786 744	1 279 802	6 773 888	1 934 059	-31 194	1 902 865	14 337
3313,1 Repayments: Securities other than shares	2 305 093	5 025 194	2 844 601	106 414	1 963 281	565 835	110 365	160 485	270 850	0
3313,2 Incurrences: Securities other than shares	2 940 904	11 382 670	12 480 944	1 893 158	3 243 083	7 339 723	2 044 424	129 291	2 173 715	14 337
3314 Loans (3314,2-3314,1)	-795 501	-2 318 771	955 217	-1 834 389	-704 767	-2 960 496	2 949 767	-425 154	2 524 613	-349 853
3314,1 Repayments: Loans	1 841 342	3 984 511	1 544 722	315 711	699 773	3 960 496	82 367	783 335	865 702	504 425
3314,2 Incurrences: Loans	1 045 841	1 665 740	2 499 938	-1 518 678	-4 994	1 000 000	3 032 134	358 181	3 390 315	154 572
<b>332 Foreign (3322+3323+3324+3326+3327+3328)</b>	<b>3 049 979</b>	<b>270 335</b>	<b>-5 080 612</b>	<b>-328 789</b>	<b>-255 489</b>	<b>-3 810 473</b>	<b>-3 130 083</b>	<b>-213 088</b>	<b>-3 343 170</b>	<b>-127 889</b>
<b>332,1 Foreign repayments (3323,1+3324,1+3325,1+3326,1+3327,1+3328,1)</b>	<b>2 374 335</b>	<b>4 707 377</b>	<b>5 864 167</b>	<b>721 834</b>	<b>342 345</b>	<b>6 036 352</b>	<b>4 401 894</b>	<b>320 487</b>	<b>4 722 381</b>	<b>235 288</b>
<b>332,2 Foreign incurrences (3323,2+3324,2+3325,2+3326,2+3327,2+3328,2)</b>	<b>5 424 314</b>	<b>4 977 712</b>	<b>783 554</b>	<b>393 046</b>	<b>86 855</b>	<b>2 225 880</b>	<b>1 271 811</b>	<b>107 400</b>	<b>1 379 211</b>	<b>107 399</b>
3322 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3323 Securities other than shares (3323,2-3323,1)	4 051 109	1 215 439	-3 713 935	0	0	-3 650 000	-3 480 781	0	-3 480 781	-1
3323,1 Repayments: Securities other than shares	0	2 526 876	3 713 935	0	0	3 650 000	3 480 781	0	3 480 781	0
3323,2 Incurrences: Securities other than shares	4 051 109	3 742 315	0	0	0	0	0	0	0	-1
3324 Loans (3324,2-3324,1)	-1 001 130	-945 104	-1 366 677	-328 789	-255 489	-160 473	350 698	-213 088	137 610	-127 888
3324,1 Repayments: Loans	2 374 335	2 180 501	2 150 232	721 834	342 345	2 386 352	921 113	320 487	1 241 600	235 288
3324,2 Incurrences: Loans	1 373 205	1 235 397	783 554	393 046	86 855	2 225 880	1 271 811	107 400	1 379 211	107 400

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance



**TABLE 7: TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES, BY SECTORS**

(000 HRK)		I - VI 2006				
		Budgetary Central Government	Extrabudgetary funds	Consolidated Central Government	Local government	Consolidated General Government
<b>82 (=32)</b>	<b>NET ACQUISITION OF FINANCIAL ASSETS</b>	<b>-501 918</b>	<b>-27 975</b>	<b>-529 893</b>	<b>70 703</b>	<b>-459 365</b>
	Acquisition of financial assets	91 085	164 101	255 186	302 601	557 612
	Disposals of financial assets	593 003	192 076	785 079	231 898	1 016 977
<b>821 (=321)</b>	<b>Domestic</b>	<b>-504 599</b>	<b>-27 975</b>	<b>-532 574</b>	<b>70 703</b>	<b>-462 046</b>
	Acquisition of domestic financial assets	88 404	164 101	252 505	302 601	554 931
	Disposals of domestic financial assets	593 003	192 076	785 079	231 898	1 016 977
8211	General government	0	175	175	1 000	1 000
	Acquisitions: General Government	0	175	175	1 000	1 000
	Disposals: General Government	0	0	0	0	0
8212	Central bank	-405 330	0	-405 330	0	-405 330
	Acquisitions: Central bank	77 860	0	77 860	0	77 860
	Disposals: Central bank	483 190	0	483 190	0	483 190
8213	Other depository corporations	-491 076	-23 462	-514 538	65 019	-449 519
	Acquisitions: Other depository corporations	-474 471	6 315	-468 156	280 474	-187 682
	Disposals: Other depository corporations	16 605	29 777	46 382	215 455	261 837
8215	Nonfinancial corporations	344 296	-4 688	339 608	2 329	341 937
	Acquisitions: Nonfinancial corporations	433 101	157 611	590 712	16 834	607 546
	Disposals: Nonfinancial corporations	88 806	162 299	251 105	14 505	265 610
8216	Households and nonprofit institutions serving households	47 512	0	47 512	2 355	49 866
	Acquisitions: Hholds and nonprofit institutions serving hholds	51 914	0	51 914	4 293	56 207
	Disposals: Hholds and nonprofit institutions serving hholds	4 402	0	4 402	1 938	6 340
<b>822 (=322)</b>	<b>Foreign</b>	<b>2 681</b>	<b>0</b>	<b>2 681</b>	<b>0</b>	<b>2 681</b>
	Acquisition of foreign financial assets	2 681	0	2 681	0	2 681
	Disposals of foreign financial assets	0	0	0	0	0
8227	International organizations	2 681	0	2 681	0	2 681
	Acquisitions: International organizations	2 681	0	2 681	0	2 681
	Disposals: International organizations	0	0	0	0	0
8229	Other nonresidents	0	0	0	0	0
	Acquisitions: Other nonresidents	0	0	0	0	0
	Disposals: Other nonresidents	0	0	0	0	0
<b>83 (=33)</b>	<b>NET INCURRENCE OF LIABILITIES</b>	<b>1 084 308</b>	<b>1 214 759</b>	<b>2 299 067</b>	<b>-101 471</b>	<b>2 197 421</b>
	Repayments: liabilities	5 858 932	221 508	6 080 440	190 323	6 270 763
	Incurrences: liabilities	6 943 240	1 436 267	8 379 507	88 852	8 468 184
<b>831 (=331)</b>	<b>Domestic</b>	<b>4 427 478</b>	<b>876 700</b>	<b>5 304 178</b>	<b>-57 673</b>	<b>5 246 331</b>
	Repayments: domestic liabilities	1 136 551	144 507	1 281 058	146 525	1 427 583
	Incurrences: domestic liabilities	5 564 030	1 021 207	6 585 237	88 852	6 673 914
8311	General government	0	0	0	175	0
	Repayments: General Government	0	0	0	0	0
	Incurrences: General Government	0	0	0	175	0
8313	Other depository corporations	4 417 059	876 700	5 293 759	-55 294	5 238 465
	Repayments: Other depository corporations	1 136 397	144 507	1 280 904	143 971	1 424 875
	Incurrences: Other depository corporations	5 553 456	1 021 207	6 574 663	88 677	6 663 340
8314	Financial corporations not elsewhere classified	10 574	0	10 574	0	10 574
	Repayments: Financial corporations not elsewhere classified	0	0	0	0	0
	Incurrences: Financial corporations not elsewhere classified	10 574	0	10 574	0	10 574
8315	Nonfinancial corporations	-154	0	-154	-2 554	-2 709
	Repayments: Nonfinancial corporations	154	0	154	2 554	2 709
	Incurrences: Nonfinancial corporations	0	0	0	0	0
<b>832 (=332)</b>	<b>Foreign</b>	<b>-3 343 170</b>	<b>338 059</b>	<b>-3 005 111</b>	<b>-43 798</b>	<b>-3 048 909</b>
	Repayments: foreign liabilities	4 722 381	77 001	4 799 382	43 798	4 843 180
	Incurrences: foreign liabilities	1 379 211	415 060	1 794 271	0	1 794 271
8321	General government	-287 917	0	-287 917	0	-287 917
	Repayments: General Government	287 917	0	287 917	0	287 917
	Incurrences: General Government	0	0	0	0	0
8327	International organizations	991 226	0	991 226	0	991 226
	Repayments: International organizations	302 506	0	302 506	0	302 506
	Incurrences: International organizations	1 293 731	0	1 293 731	0	1 293 731
8328	Financial corporations other than international organizations	-4 038 799	338 059	-3 700 740	-43 798	-3 744 538
	Repayments: Financial corporations other than international organizations	4 124 279	77 001	4 201 280	43 798	4 245 078
	Incurrences: Financial corporations other than international organizations	85 480	415 060	500 540	0	500 540
8329	Other nonresidents	-7 680	0	-7 680	0	-7 680
	Repayments: Other nonresidents	7 680	0	7 680	0	7 680
	Incurrences: Other nonresidents	0	0	0	0	0

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 8: STATEMENT OF BUDGETARY CENTRAL GOVERNMENT OPERATIONS

(000 HRK)	2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006
<b>TRANSACTIONS AFFECTING NET WORTH</b>										
<b>1 REVENUE (11+12+13+14)</b>	<b>74 677 474</b>	<b>80 463 518</b>	<b>85 653 010</b>	<b>22 386 379</b>	<b>23 659 783</b>	<b>93 995 548</b>	<b>21 155 653</b>	<b>24 126 654</b>	<b>45 282 307</b>	<b>7 864 588</b>
11 Taxes	45 281 076	47 149 862	50 687 564	13 917 627	13 443 703	56 537 027	12 578 899	14 916 276	27 495 175	4 826 379
12 Social contributions	27 416 931	29 477 597	31 301 340	7 945 580	8 186 879	33 627 039	7 954 297	8 376 921	16 331 218	2 843 804
13 Grants	10 407	10 122	27 505	6 524	6 897	577 373	3 544	11 036	14 580	8 544
14 Other revenue	1 969 060	3 825 938	3 636 601	516 648	2 022 304	3 254 109	618 913	822 421	1 441 334	185 862
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>77 075 487</b>	<b>83 131 114</b>	<b>87 857 465</b>	<b>20 787 111</b>	<b>23 100 131</b>	<b>95 368 326</b>	<b>23 260 320</b>	<b>23 203 454</b>	<b>46 463 774</b>	<b>7 463 219</b>
21 Compensation of employees	21 225 816	22 268 287	23 182 586	5 921 396	5 978 031	24 164 073	5 965 427	5 979 166	11 944 593	1 993 561
22 Use of goods and services	4 170 611	4 358 721	4 951 917	1 100 945	1 351 772	6 270 043	1 297 332	1 269 577	2 566 909	390 867
24 Interest	3 587 329	3 972 466	4 387 010	826 752	731 212	4 566 988	1 824 142	998 768	2 822 910	361 062
25 Subsidies	4 292 712	4 968 069	5 248 744	969 624	1 520 132	5 297 470	1 633 507	1 378 666	3 012 173	334 088
26 Grants	3 746 958	3 420 327	3 796 847	773 114	1 325 113	6 498 097	1 241 337	1 443 196	2 684 533	434 969
27 Social benefits	36 204 270	39 730 887	41 358 455	10 305 813	10 340 928	43 206 284	10 445 596	10 979 868	21 425 464	3 545 274
28 Other expense	3 847 791	4 412 359	4 931 907	889 467	1 852 942	5 365 371	852 978	1 154 214	2 007 191	403 399
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>-2 398 014</b>	<b>-2 667 596</b>	<b>-2 204 455</b>	<b>1 599 269</b>	<b>559 652</b>	<b>-1 372 779</b>	<b>-2 104 667</b>	<b>923 201</b>	<b>-1 181 466</b>	<b>401 370</b>
<b>CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>-2 398 014</b>	<b>-2 667 596</b>	<b>-2 204 455</b>	<b>1 599 269</b>	<b>559 652</b>	<b>-1 372 779</b>	<b>-2 104 667</b>	<b>923 201</b>	<b>-1 181 466</b>	<b>401 370</b>
<b>TRANSACTIONS IN NONFINANCIAL ASSETS</b>										
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 812 404</b>	<b>1 419 467</b>	<b>1 553 668</b>	<b>385 310</b>	<b>687 898</b>	<b>1 989 197</b>	<b>166 254</b>	<b>238 506</b>	<b>404 760</b>	<b>60 378</b>
311 Fixed assets	1 795 345	1 384 609	1 516 968	377 389	670 569	2 208 991	173 842	271 334	445 176	70 749
312 Change in inventories	0	0	0	0	0	-273 609	-11 785	-37 430	-49 216	-11 106
313 Valuables	5 303	7 518	7 220	804	1 757	7 018	1 600	1 468	3 068	260
314 Nonproduced assets	11 755	27 340	29 480	7 118	15 572	46 797	2 597	3 135	5 732	475
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-4 210 417</b>	<b>-4 087 063</b>	<b>-3 758 123</b>	<b>1 213 959</b>	<b>-128 246</b>	<b>-3 361 975</b>	<b>-2 270 921</b>	<b>684 695</b>	<b>-1 586 226</b>	<b>340 991</b>
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>										
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322)</b>	<b>-1 320 129</b>	<b>221 977</b>	<b>1 752 825</b>	<b>837 525</b>	<b>191 300</b>	<b>-3 359 057</b>	<b>-517 178</b>	<b>15 260</b>	<b>-501 918</b>	<b>-122 414</b>
321 Domestic	-1 330 055	212 192	1 757 681	837 525	191 300	-3 375 824	-517 178	12 579	-504 599	-125 094
322 Foreign	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	2 681
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>2 890 289</b>	<b>4 309 040</b>	<b>5 510 948</b>	<b>-376 434</b>	<b>319 546</b>	<b>2 919</b>	<b>1 753 743</b>	<b>-669 435</b>	<b>1 084 308</b>	<b>-463 405</b>
331 Domestic	-159 690	4 038 705	10 591 560	-47 645	575 035	3 813 392	4 883 826	-456 347	4 427 478	-335 516
332 Foreign	3 049 979	270 335	-5 080 612	-328 789	-255 489	-3 810 473	-3 130 083	-213 088	-3 343 170	-127 889

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

## MEASURES OF BUDGETARY CENTRAL GOVERNMENT DEFICIT/SURPLUS

TABLE 8A: OPERATING BALANCE AND PRIMARY OPERATING BALANCE (000 HRK)

	Revenues (1)	Expenditures (2)	Operating balance	Interest payments	Primary operating balance
	(1)	(2)	(3) 1-2	(4)	(5) 3+4
VI 2004	6 574 244	6 970 456	-396 211	272 648	-123 563
VII	6 912 122	7 349 181	-437 059	350 599	-86 461
VIII	6 854 176	6 577 731	276 445	205 417	481 862
IX	6 860 619	6 842 840	17 780	217 206	234 986
X	6 411 577	6 860 475	-448 898	134 321	-314 577
XI	6 964 856	6 971 348	-6 492	331 483	324 991
XII	9 515 229	7 558 775	1 956 454	256 274	2 212 728
I-XII 2004	80 463 518	83 131 114	-2 667 596	3 972 466	1 304 870
I 2005	5 928 076	7 289 353	-1 361 277	241 661	-1 119 616
II	5 884 336	7 429 670	-1 545 335	700 927	-844 407
III	6 623 448	8 622 704	-1 999 257	971 335	-1 027 922
IV	7 027 636	6 777 307	250 329	300 347	550 676
V	6 975 739	6 971 534	4 205	342 889	347 094
VI	7 167 614	6 879 655	287 958	271 888	559 847
VII	7 101 783	7 379 944	-278 162	252 083	-26 078
VIII	7 660 215	6 619 639	1 040 576	271 014	1 311 590
IX	7 624 381	6 787 527	836 854	303 654	1 140 508
X	7 113 642	7 783 913	-670 270	198 538	-471 733
XI	7 197 178	7 099 184	97 994	315 124	413 118
XII	9 348 962	8 217 033	1 131 929	217 550	1 349 479
I-XII 2005	85 653 010	87 857 465	-2 204 455	4 387 010	2 182 555
I 2006	6 732 436	7 378 544	-646 109	352 306	-293 803
II	7 066 393	7 834 015	-767 622	668 364	-99 258
III	7 356 824	8 047 760	-690 936	803 473	112 537
IV	8 303 060	8 100 571	202 490	347 470	549 960
V	7 959 006	7 639 665	319 341	290 237	609 578
VI	7 864 588	7 463 219	401 370	361 062	762 431
I-VI 2006	45 282 307	46 463 774	-1 181 466	2 822 910	1 641 444

Note: See notes on methodology

### MEASURES OF BUDGETARY CENTRAL GOVERNMENT DEFICIT/SURPLUS

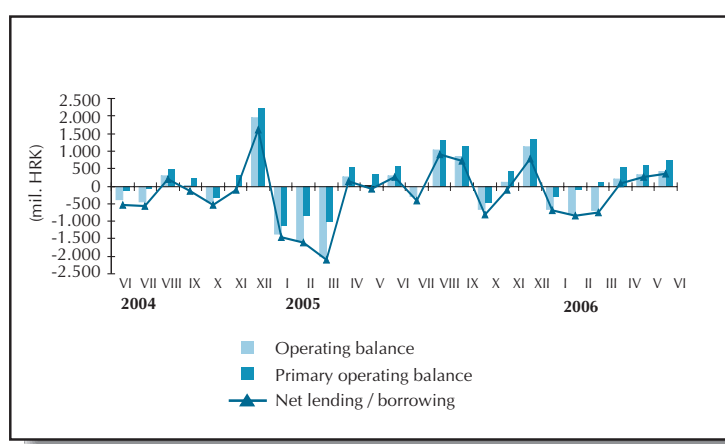


TABLE 8B: NET LENDING / BORROWING (000 HRK)

	Operating balance	Net nonfinancial assets (31)	Net lending/borrowing*	Financing (33-32)	Net financial assets (32)	Net incurrence of liabilities (33)
	(1)	(2)	(3) 1-2	(4) 6-5	(5)	(6)
VI 2004	-396 211	128 562	-524 773	524 773	-254 844	269 929
VII	-437 059	144 161	-581 220	581 220	-1 808 495	-1 227 275
VIII	276 445	70 488	205 957	-205 957	1 370 257	1 164 300
IX	17 780	143 221	-125 441	125 441	-121 085	4 357
X	-448 898	80 681	-529 579	529 579	290 378	819 957
XI	-6 492	92 739	-99 231	99 231	8 933	108 164
XII	1 956 454	340 107	1 616 347	-1 616 347	-331 979	-1 948 326
I-XII 2004	-2 667 596	1 419 467	-4 087 063	4 087 063	221 977	4 309 040
I 2005	-1 361 277	110 229	-1 471 505	1 471 505	1 013 620	2 485 125
II	-1 545 335	53 972	-1 599 307	1 599 307	-333 146	1 266 161
III	-1 999 257	116 616	-2 115 872	2 115 872	-358 000	1 757 873
IV	250 329	97 994	152 335	-152 335	232 644	80 309
V	4 205	70 241	-66 035	66 035	135 006	201 042
VI	287 958	31 409	256 549	-256 549	33 876	-222 674
VII	-278 162	136 993	-415 154	415 154	415 418	830 572
VIII	1 040 576	136 267	904 310	-904 310	-128 314	-1 032 623
IX	836 854	112 051	724 803	-724 803	550 421	-174 382
X	-670 270	150 999	-821 269	821 269	-293 738	527 531
XI	97 994	200 307	-102 313	102 313	-108 834	-6 521
XII	1 131 929	336 593	795 336	-795 336	593 872	-201 464
I-XII 2005	-2 204 455	1 553 668	-3 758 123	3 758 123	1 752 825	5 510 948
I 2006	-646 109	38 735	-684 844	684 844	242 594	927 438
II	-767 622	66 960	-834 582	834 582	-451 110	383 472
III	-690 936	60 559	-751 495	751 495	-308 662	442 833
IV	202 490	111 293	91 197	-91 197	-52 317	-143 513
V	319 341	66 835	252 507	-252 507	189 990	-62 516
VI	401 370	60 378	340 991	-340 991	-122 414	-463 405
I-VI 2006	-1 181 466	404 760	-1 586 226	1 586 226	-501 918	1 084 308

\*GFS 2001

Note: See notes on methodology

TABLE 9: THE CROATIAN INSTITUTE FOR PENSION INSURANCE (HZMO) TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 845 366</b>	<b>670 814</b>	<b>398 337</b>	<b>96 115</b>	<b>109 714</b>	<b>511 000</b>	<b>94 382</b>	<b>99 099</b>	<b>193 481</b>	<b>39 654</b>	<b>37,86</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>772</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>1 741 865</b>	<b>540 922</b>	<b>360 327</b>	<b>87 034</b>	<b>100 793</b>	<b>386 000</b>	<b>54 647</b>	<b>85 219</b>	<b>139 866</b>	<b>31 297</b>	<b>36,23</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	1 741 865	540 922	360 327	87 034	100 793	386 000	54 647	85 219	139 866	31 297	36,23
1331	Current	1 714 878	521 361	334 155	82 891	88 296	351 000	52 794	82 746	135 540	30 195	38,62
1332	Capital	26 987	19 561	26 172	4 143	12 497	35 000	1 853	2 473	4 326	1 102	12,36
<b>14</b>	<b>Other revenue</b>	<b>102 729</b>	<b>129 892</b>	<b>38 010</b>	<b>9 081</b>	<b>8 921</b>	<b>125 000</b>	<b>39 735</b>	<b>13 880</b>	<b>53 615</b>	<b>8 357</b>	<b>42,89</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 844 077</b>	<b>587 420</b>	<b>382 162</b>	<b>91 870</b>	<b>110 407</b>	<b>466 000</b>	<b>94 813</b>	<b>104 689</b>	<b>199 502</b>	<b>39 899</b>	<b>42,81</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>241 408</b>	<b>290 789</b>	<b>286 515</b>	<b>70 468</b>	<b>80 355</b>	<b>340 000</b>	<b>74 084</b>	<b>80 516</b>	<b>154 600</b>	<b>28 780</b>	<b>45,47</b>
211	Wages and salaries	207 538	252 989	248 410	61 212	69 481	295 000	63 623	69 561	133 184	24 749	45,15
212	Social contributions	33 870	37 800	38 105	9 256	10 874	45 000	10 461	10 955	21 416	4 031	47,59
<b>22</b>	<b>Use of goods and services</b>	<b>127 140</b>	<b>90 721</b>	<b>89 854</b>	<b>20 645</b>	<b>28 948</b>	<b>125 300</b>	<b>19 667</b>	<b>24 938</b>	<b>44 605</b>	<b>11 119</b>	<b>35,60</b>
<b>24</b>	<b>Interest</b>	<b>0</b>	<b>896</b>	<b>721</b>	<b>207</b>	<b>287</b>	<b>700</b>	<b>273</b>	<b>24</b>	<b>297</b>	<b>0</b>	<b>42,43</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>27</b>	<b>Social benefits</b>	<b>1 472 945</b>	<b>205 014</b>	<b>5 072</b>	<b>550</b>	<b>817</b>	<b>0</b>	<b>789</b>	<b>-789</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>2 584</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net-gross operating balance (1-2)</b>		<b>1 289</b>	<b>83 394</b>	<b>16 175</b>	<b>4 245</b>	<b>-693</b>	<b>45 000</b>	<b>-431</b>	<b>-5 590</b>	<b>-6 021</b>	<b>-245</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>21 937</b>	<b>18 022</b>	<b>19 251</b>	<b>1 684</b>	<b>12 543</b>	<b>55 000</b>	<b>1 207</b>	<b>-1 300</b>	<b>-93</b>	<b>-2 479</b>	
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	27 173	21 154	22 545	2 582	13 187	57 000	2 092	1 463	3 555	272	6,24
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	5 236	3 132	3 294	898	644	2 000	885	2 763	3 648	2 751	182,40
311	Fixed assets (311,1-311,2-311,3)	0	18 022	11 367	1 684	5 431	45 200	710	-683	27	-1 695	0,06
311,1	Acquisitions: fixed assets	0	21 154	14 661	2 582	6 075	47 200	1 595	1 272	2 867	248	6,07
311,2	Disposals: fixed assets	0	3 132	3 294	898	644	2 000	885	1 955	2 840	1 943	142,00
<b>Net lending - borrowing (1-2-31)</b>		<b>-20 648</b>	<b>65 372</b>	<b>-3 076</b>	<b>2 561</b>	<b>-13 236</b>	<b>-10 000</b>	<b>-1 638</b>	<b>-4 290</b>	<b>-5 928</b>	<b>2 234</b>	
<b>Financing (33-32)</b>		<b>20 648</b>	<b>-65 372</b>	<b>3 076</b>	<b>-2 561</b>	<b>13 236</b>	<b>10 000</b>	<b>1 638</b>	<b>4 290</b>	<b>5 928</b>	<b>-2 234</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-20 570</b>	<b>65 372</b>	<b>-3 067</b>	<b>2 561</b>	<b>-13 236</b>	<b>-10 000</b>	<b>-1 638</b>	<b>-4 290</b>	<b>-5 928</b>	<b>2 234</b>	
321	Domestic	-20 570	65 372	-3 067	2 561	-13 236	-10 000	-1 638	-4 290	-5 928	2 234	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>78</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	78	0	9	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 10: THE CROATIAN HEALTH INSURANCE INSTITUTE (HZZO) TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 109 974</b>	<b>865 013</b>	<b>1 065 103</b>	<b>261 328</b>	<b>337 464</b>	<b>1 071 031</b>	<b>251 468</b>	<b>259 931</b>	<b>511 399</b>	<b>105 775</b>	<b>47,75</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>6 905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>287 791</b>	<b>201 874</b>	<b>201 235</b>	<b>35 571</b>	<b>51 370</b>	<b>223 709</b>	<b>50 971</b>	<b>34 485</b>	<b>85 456</b>	<b>0</b>	<b>38,20</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	287 791	201 874	201 235	35 571	51 370	223 709	50 971	34 485	85 456	0	38,20
1331	Current	287 791	201 874	201 235	35 571	51 370	223 709	50 971	34 485	85 456	0	38,20
1332	Capital	0	0	0	0	0	0	0	0	0	0	
<b>14</b>	<b>Other revenue</b>	<b>815 278</b>	<b>663 139</b>	<b>863 868</b>	<b>225 757</b>	<b>286 094</b>	<b>847 322</b>	<b>200 497</b>	<b>225 446</b>	<b>425 943</b>	<b>105 775</b>	<b>50,27</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>888 105</b>	<b>831 295</b>	<b>914 345</b>	<b>222 319</b>	<b>268 776</b>	<b>1 037 881</b>	<b>220 561</b>	<b>241 176</b>	<b>461 737</b>	<b>87 834</b>	<b>44,49</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>180 743</b>	<b>185 992</b>	<b>227 721</b>	<b>64 149</b>	<b>60 716</b>	<b>227 214</b>	<b>53 631</b>	<b>54 112</b>	<b>107 743</b>	<b>18 182</b>	<b>47,42</b>
211	Wages and salaries	155 722	160 298	197 486	56 845	51 683	196 398	46 274	46 699	92 973	15 689	47,34
212	Social contributions	25 021	25 694	30 235	7 304	9 033	30 816	7 357	7 413	14 770	2 493	47,93
<b>22</b>	<b>Use of goods and services</b>	<b>113 659</b>	<b>100 979</b>	<b>122 100</b>	<b>31 362</b>	<b>38 170</b>	<b>118 819</b>	<b>28 605</b>	<b>27 029</b>	<b>55 634</b>	<b>8 779</b>	<b>46,82</b>
<b>24</b>	<b>Interest</b>	<b>20 554</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6 250</b>	<b>564</b>	<b>735</b>	<b>1 299</b>	<b>52</b>	<b>20,78</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>27</b>	<b>Social benefits</b>	<b>490 368</b>	<b>544 324</b>	<b>564 524</b>	<b>126 808</b>	<b>169 890</b>	<b>607 398</b>	<b>135 502</b>	<b>159 237</b>	<b>294 739</b>	<b>60 800</b>	<b>48,52</b>
<b>28</b>	<b>Other expense</b>	<b>82 781</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>78 200</b>	<b>2 259</b>	<b>63</b>	<b>2 322</b>	<b>21</b>	<b>2,97</b>
<b>Net-gross operating balance (1-2)</b>		<b>221 869</b>	<b>33 718</b>	<b>150 758</b>	<b>39 009</b>	<b>68 688</b>	<b>33 150</b>	<b>30 907</b>	<b>18 755</b>	<b>49 662</b>	<b>17 941</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>27 272</b>	<b>30 291</b>	<b>38 636</b>	<b>10 158</b>	<b>16 195</b>	<b>33 150</b>	<b>3 971</b>	<b>7 249</b>	<b>11 220</b>	<b>3 151</b>	<b>33,85</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	31 236	30 913	38 971	10 204	16 276	33 500	4 015	7 289	11 304	3 164	33,74
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	3 964	622	335	46	81	350	44	40	84	13	24,00
311	Fixed assets (311,1-311,2-311,3)	0	28 308	38 714	10 155	16 215	31 133	3 912	6 489	10 401	2 391	33,41
311,1	Acquisitions: fixed assets	0	28 802	38 948	10 181	16 276	31 483	3 956	6 529	10 485	2 404	33,30
311,2	Disposals: fixed assets	0	494	234	26	61	350	44	40	84	13	24,00
314	Nonproduced assets (3141+3142+3143+3144)	0	1 983	-78	3	-20	2 017	59	760	819	760	40,60
314,1	Acquisitions: nonproduced assets	0	2 111	23	23	0	2 017	59	760	819	760	40,60
314,2	Disposals: nonproduced assets	0	128	101	20	20	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>194 597</b>	<b>3 427</b>	<b>112 122</b>	<b>28 851</b>	<b>52 493</b>	<b>0</b>	<b>26 936</b>	<b>11 506</b>	<b>38 442</b>	<b>14 790</b>	
<b>Financing (33-32)</b>		<b>-194 597</b>	<b>-3 427</b>	<b>-112 122</b>	<b>-28 851</b>	<b>-52 493</b>	<b>0</b>	<b>-26 936</b>	<b>-11 506</b>	<b>-38 442</b>	<b>-14 790</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>604 597</b>	<b>3 427</b>	<b>112 122</b>	<b>28 851</b>	<b>52 493</b>	<b>0</b>	<b>26 936</b>	<b>11 506</b>	<b>38 442</b>	<b>14 790</b>	
321	Domestic	604 597	3 427	112 122	28 851	52 493	0	26 936	11 506	38 442	14 790	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>410 000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	410 000	0	0	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 11: THE CROATIAN EMPLOYMENT SERVICE (HZZ) TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>89 573</b>	<b>111 674</b>	<b>114 957</b>	<b>31 245</b>	<b>25 522</b>	<b>110 958</b>	<b>28 807</b>	<b>28 651</b>	<b>57 458</b>	<b>9 639</b>	<b>51,78</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>72 000</b>	<b>96 167</b>	<b>96 102</b>	<b>27 193</b>	<b>21 285</b>	<b>96 398</b>	<b>26 792</b>	<b>26 851</b>	<b>53 643</b>	<b>9 021</b>	<b>55,65</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	72 000	96 167	96 102	27 193	21 285	96 398	26 792	26 851	53 643	9 021	55,65
1331	Current	72 000	96 167	96 102	27 193	21 285	96 398	26 792	26 851	53 643	9 021	55,65
1332	Capital	0	0	0	0	0	0	0	0	0	0	
<b>14</b>	<b>Other revenue</b>	<b>17 573</b>	<b>15 507</b>	<b>18 855</b>	<b>4 052</b>	<b>4 237</b>	<b>14 560</b>	<b>2 015</b>	<b>1 800</b>	<b>3 815</b>	<b>618</b>	<b>26,20</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>140 387</b>	<b>141 333</b>	<b>145 931</b>	<b>36 457</b>	<b>41 006</b>	<b>163 580</b>	<b>38 045</b>	<b>38 267</b>	<b>76 312</b>	<b>12 474</b>	<b>46,65</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>91 633</b>	<b>101 411</b>	<b>107 372</b>	<b>28 015</b>	<b>29 340</b>	<b>120 450</b>	<b>28 089</b>	<b>28 176</b>	<b>56 265</b>	<b>9 464</b>	<b>46,71</b>
211	Wages and salaries	78 711	87 690	92 869	24 269	25 480	103 950	24 216	24 286	48 502	8 154	46,66
212	Social contributions	12 922	13 721	14 503	3 746	3 860	16 500	3 873	3 890	7 763	1 310	47,05
<b>22</b>	<b>Use of goods and services</b>	<b>34 844</b>	<b>36 512</b>	<b>37 889</b>	<b>8 382</b>	<b>11 125</b>	<b>41 120</b>	<b>9 256</b>	<b>9 104</b>	<b>18 360</b>	<b>2 859</b>	<b>44,65</b>
<b>24</b>	<b>Interest</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>27</b>	<b>Social benefits</b>	<b>13 910</b>	<b>3 408</b>	<b>670</b>	<b>60</b>	<b>541</b>	<b>2 000</b>	<b>700</b>	<b>987</b>	<b>1 687</b>	<b>151</b>	<b>84,35</b>
<b>28</b>	<b>Other expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net-gross operating balance (1-2)</b>		<b>-50 814</b>	<b>-29 659</b>	<b>-30 974</b>	<b>-5 212</b>	<b>-15 503</b>	<b>-52 622</b>	<b>-9 238</b>	<b>-9 616</b>	<b>-18 854</b>	<b>-2 835</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>8 767</b>	<b>4 865</b>	<b>4 895</b>	<b>728</b>	<b>3 623</b>	<b>6 270</b>	<b>334</b>	<b>300</b>	<b>634</b>	<b>175</b>	<b>10,11</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	9 061	4 915	4 962	793	3 624	6 340	447	301	748	176	11,80
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	294	50	67	65	1	70	113	1	114	1	162,86
311	Fixed assets (311,1-311,2-311,3)	0	4 865	4 893	728	3 622	5 140	69	300	369	175	7,18
311,1	Acquisitions: fixed assets	0	4 915	4 960	793	3 623	5 210	182	301	483	176	9,27
311,2	Disposals: fixed assets	0	50	67	65	1	70	113	1	114	1	162,86
314	Nonproduced assets (3141+3142+3143+3144)	0	0	2	0	1	1 130	265	0	265	0	23,45
314,1	Acquisitions: nonproduced assets	0	0	2	0	1	1 130	265	0	265	0	23,45
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-59 581</b>	<b>-34 524</b>	<b>-35 869</b>	<b>-5 940</b>	<b>-19 107</b>	<b>-58 892</b>	<b>-9 572</b>	<b>-9 916</b>	<b>-19 488</b>	<b>-3 010</b>	
<b>Financing (33-32)</b>		<b>59 581</b>	<b>34 524</b>	<b>35 869</b>	<b>5 940</b>	<b>19 107</b>	<b>58 892</b>	<b>9 572</b>	<b>9 916</b>	<b>19 488</b>	<b>3 010</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-59 581</b>	<b>-34 524</b>	<b>-35 869</b>	<b>-5 940</b>	<b>-19 107</b>	<b>-58 892</b>	<b>-9 572</b>	<b>-9 916</b>	<b>-19 488</b>	<b>-3 010</b>	
321	Domestic	-59 581	-34 524	-35 869	-5 940	-19 107	-58 892	-9 572	-9 916	-19 488	-3 010	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	0	0	0	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 12: THE CROATIAN WATERS TRANSACTIONS

(000 HRK)		2003	2004	2005	I - III 2005	IV - VI 2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 544 421</b>	<b>1 658 435</b>	<b>1 715 607</b>	<b>299 530</b>	<b>310 078</b>	<b>377 834</b>	<b>728 165</b>	<b>2 104 974</b>	<b>237 247</b>	<b>359 494</b>	<b>596 741</b>	<b>115 148</b>	<b>28,35</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>13</b>	<b>Grants (131+133)</b>	<b>395 522</b>	<b>434 004</b>	<b>487 813</b>	<b>85 630</b>	<b>64 079</b>	<b>56 495</b>	<b>281 609</b>	<b>612 974</b>	<b>11 462</b>	<b>90 915</b>	<b>102 377</b>	<b>26 556</b>	<b>16,70</b>
131	From foreign governments	1 434	0	0	0	0	0	0	0	0	0	0	0	0
133	From other general government units (1331+1332)	394 088	434 004	487 813	85 630	64 079	56 495	281 609	612 974	11 462	90 915	102 377	26 556	16,70
1331	Current	182 000	105 340	203 499	48 081	59 927	0	95 491	101 000	346	68 555	68 901	16 024	68,22
1332	Capital	212 088	328 664	284 314	37 549	4 152	56 495	186 118	511 974	11 116	22 360	33 476	10 532	6,54
<b>14</b>	<b>Other revenue</b>	<b>1 148 899</b>	<b>1 224 431</b>	<b>1 227 794</b>	<b>213 900</b>	<b>245 999</b>	<b>321 339</b>	<b>446 556</b>	<b>1 492 000</b>	<b>225 785</b>	<b>268 579</b>	<b>494 364</b>	<b>88 592</b>	<b>33,13</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 427 067</b>	<b>1 426 283</b>	<b>1 489 465</b>	<b>254 581</b>	<b>243 682</b>	<b>369 764</b>	<b>621 438</b>	<b>1 851 574</b>	<b>238 830</b>	<b>322 642</b>	<b>561 472</b>	<b>150 336</b>	<b>30,32</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>87 792</b>	<b>93 675</b>	<b>99 418</b>	<b>21 252</b>	<b>26 629</b>	<b>24 503</b>	<b>27 034</b>	<b>111 000</b>	<b>24 502</b>	<b>26 157</b>	<b>50 659</b>	<b>9 777</b>	<b>45,64</b>
211	Wages and salaries	75 924	80 618	85 524	18 074	23 187	20 990	23 273	95 600	21 042	22 614	43 656	8 556	45,67
212	Social contributions	11 868	13 057	13 894	3 178	3 442	3 513	3 761	15 400	3 460	3 543	7 003	1 221	45,47
<b>22</b>	<b>Use of goods and services</b>	<b>826 878</b>	<b>743 383</b>	<b>790 683</b>	<b>134 682</b>	<b>159 912</b>	<b>207 500</b>	<b>288 589</b>	<b>962 240</b>	<b>156 731</b>	<b>235 930</b>	<b>392 661</b>	<b>102 468</b>	<b>40,81</b>
<b>24</b>	<b>Interest</b>	<b>37 057</b>	<b>37 907</b>	<b>33 734</b>	<b>8 416</b>	<b>9 237</b>	<b>8 327</b>	<b>7 754</b>	<b>34 110</b>	<b>7 571</b>	<b>7 245</b>	<b>14 816</b>	<b>6 610</b>	<b>43,44</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>47 000</b>	<b>0</b>	<b>10 956</b>	<b>10 956</b>	<b>10 956</b>	<b>23,31</b>
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>28</b>	<b>Other expense</b>	<b>475 340</b>	<b>551 318</b>	<b>565 630</b>	<b>90 231</b>	<b>47 904</b>	<b>129 434</b>	<b>298 061</b>	<b>697 224</b>	<b>50 026</b>	<b>42 354</b>	<b>92 380</b>	<b>20 525</b>	<b>13,25</b>
<b>Net-gross operating balance (1-2)</b>		<b>117 354</b>	<b>232 152</b>	<b>226 142</b>	<b>44 949</b>	<b>66 396</b>	<b>8 070</b>	<b>106 727</b>	<b>253 400</b>	<b>-1 583</b>	<b>36 852</b>	<b>35 269</b>	<b>-35 188</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>290 709</b>	<b>282 527</b>	<b>230 292</b>	<b>32 896</b>	<b>24 364</b>	<b>37 329</b>	<b>135 703</b>	<b>220 900</b>	<b>13 697</b>	<b>6 694</b>	<b>20 391</b>	<b>2 729</b>	<b>9,23</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	291 043	282 797	230 588	32 943	24 416	37 382	135 847	221 000	13 752	7 439	21 191	3 441	9,59
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	334	270	296	47	52	53	144	100	55	745	800	712	800,00
311	Fixed assets (311,1-311,2-311,3)	0	277 053	224 415	32 264	22 286	35 447	134 418	212 900	13 303	5 835	19 138	2 646	8,99
311,1	Acquisitions: fixed assets	0	277 323	224 711	32 311	22 338	35 500	134 562	213 000	13 358	6 580	19 938	3 358	9,36
311,2	Disposals: fixed assets	0	270	296	47	52	53	144	100	55	745	800	712	800,00
314	Nonproduced assets (314,1-314,2-314,3-314,4)	0	5 474	5 877	632	2 078	1 882	1 285	8 000	394	859	1 253	83	15,66
314,1	Acquisitions: nonproduced assets	0	5 474	5 877	632	2 078	1 882	1 285	8 000	394	859	1 253	83	15,66
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net lending - borrowing (1-2-31)</b>		<b>-173 355</b>	<b>-50 375</b>	<b>-4 150</b>	<b>12 053</b>	<b>42 032</b>	<b>-29 259</b>	<b>-28 976</b>	<b>32 500</b>	<b>-15 280</b>	<b>30 158</b>	<b>14 878</b>	<b>-37 917</b>	
<b>Financing (33-32)</b>		<b>173 355</b>	<b>50 375</b>	<b>4 150</b>	<b>-12 053</b>	<b>-42 032</b>	<b>29 259</b>	<b>28 976</b>	<b>-32 500</b>	<b>15 280</b>	<b>-30 158</b>	<b>-14 878</b>	<b>37 917</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-146 776</b>	<b>-11 385</b>	<b>5 284</b>	<b>11 100</b>	<b>-21 140</b>	<b>-22 557</b>	<b>37 881</b>	<b>67 730</b>	<b>-35 696</b>	<b>-7 900</b>	<b>-43 596</b>	<b>-75 975</b>	
321	Domestic	-146 776	-11 385	5 284	11 100	-21 140	-22 557	37 881	67 730	-35 696	-7 900	-43 596	-75 975	
322	Foreign	0	0	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>26 579</b>	<b>38 990</b>	<b>9 434</b>	<b>-953</b>	<b>-63 172</b>	<b>6 702</b>	<b>66 857</b>	<b>35 230</b>	<b>-20 416</b>	<b>-38 058</b>	<b>-58 474</b>	<b>-38 058</b>	
331	Domestic	30 289	42 859	-26 179	-4 143	-55 900	-3 339	37 203	-89 000	-14 776	-28 019	-42 795	-28 019	
332	Foreign	-3 710	-3 869	35 613	3 190	-7 272	10 041	29 654	124 230	-5 640	-10 039	-15 679	-10 039	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 13: THE ENVIRONMENT PROTECTION FUND TRANSACTIONS

(000 HRK)		2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>172 273</b>	<b>214 737</b>	<b>57 136</b>	<b>50 768</b>	<b>1 003 600</b>	<b>94 166</b>	<b>119 113</b>	<b>213 279</b>	<b>39 808</b>	<b>21,25</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>1 525</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
131	From foreign governments	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	1 525	0	0	0	0	0	0	0	0	
1331	Current	1 525	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	0	0	0	0	
<b>14</b>	<b>Other revenue</b>	<b>170 748</b>	<b>214 737</b>	<b>57 136</b>	<b>50 768</b>	<b>1 003 600</b>	<b>94 166</b>	<b>119 113</b>	<b>213 279</b>	<b>39 808</b>	<b>21,25</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>32 443</b>	<b>172 045</b>	<b>39 539</b>	<b>36 243</b>	<b>867 259</b>	<b>72 949</b>	<b>180 071</b>	<b>253 020</b>	<b>59 770</b>	<b>29,17</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>1 905</b>	<b>3 966</b>	<b>874</b>	<b>1 477</b>	<b>12 046</b>	<b>1 317</b>	<b>1 542</b>	<b>2 859</b>	<b>486</b>	<b>23,73</b>
211	Wages and salaries	1 633	3 407	750	1 267	10 280	1 128	1 335	2 463	416	23,96
212	Social contributions	272	559	124	210	1 766	189	207	396	70	22,42
<b>22</b>	<b>Use of goods and services</b>	<b>2 734</b>	<b>12 162</b>	<b>3 563</b>	<b>6 770</b>	<b>497 383</b>	<b>41 119</b>	<b>161 974</b>	<b>203 093</b>	<b>53 439</b>	<b>40,83</b>
<b>24</b>	<b>Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>5 189</b>	<b>2 026</b>	<b>3 163</b>	<b>58 250</b>	<b>11 373</b>	<b>382</b>	<b>11 755</b>	<b>1</b>	<b>20,18</b>
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>149 780</b>	<b>32 982</b>	<b>24 158</b>	<b>295 260</b>	<b>19 079</b>	<b>15 896</b>	<b>34 975</b>	<b>5 764</b>	<b>11,85</b>
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>27 804</b>	<b>948</b>	<b>94</b>	<b>675</b>	<b>4 320</b>	<b>61</b>	<b>277</b>	<b>338</b>	<b>80</b>	<b>7,82</b>
<b>Net-gross operating balance (1-2)</b>		<b>139 830</b>	<b>42 692</b>	<b>17 597</b>	<b>14 525</b>	<b>136 341</b>	<b>21 217</b>	<b>-60 958</b>	<b>-39 741</b>	<b>-19 962</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>1 786</b>	<b>12 917</b>	<b>2 474</b>	<b>2 096</b>	<b>25 310</b>	<b>97</b>	<b>778</b>	<b>875</b>	<b>252</b>	<b>3,46</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	1 786	12 917	2 474	2 096	25 310	97	914	1 011	252	3,99
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	0	0	0	0	0	136	136	0	
311	Fixed assets (311,1-311,2-311,3)	1 553	12 742	2 370	2 029	25 060	87	671	758	210	3,02
311,1	Acquisitions: fixed assets	1 553	12 742	2 370	2 029	25 060	87	807	894	210	3,57
311,2	Disposals: fixed assets	0	0	0	0	0	0	136	136	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	233	175	104	67	250	10	107	117	42	46,80
314,1	Acquisitions: nonproduced assets	233	175	104	67	250	10	107	117	42	46,80
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>138 044</b>	<b>29 775</b>	<b>15 123</b>	<b>12 429</b>	<b>111 031</b>	<b>21 120</b>	<b>-61 736</b>	<b>-40 616</b>	<b>-20 214</b>	
<b>Financing (33-32)</b>		<b>-138 044</b>	<b>-29 775</b>	<b>-15 123</b>	<b>-12 429</b>	<b>-111 031</b>	<b>-21 120</b>	<b>61 736</b>	<b>40 616</b>	<b>20 214</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>138 044</b>	<b>29 775</b>	<b>15 123</b>	<b>12 429</b>	<b>111 031</b>	<b>21 120</b>	<b>-61 736</b>	<b>-40 616</b>	<b>-20 214</b>	
321	Domestic	138 044	29 775	15 123	12 429	111 031	21 120	-61 736	-40 616	-20 214	
322	Foreign	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	0	0	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance



TABLE 14: THE CROATIAN MOTORWAYS Ltd. TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 927 787</b>	<b>2 295 423</b>	<b>2 547 003</b>	<b>822 656</b>	<b>672 632</b>	<b>2 583 000</b>	<b>508 018</b>	<b>655 043</b>	<b>1 163 061</b>	<b>241 346</b>	<b>45,03</b>
<b>11</b>	<b>Taxes</b>	<b>1 313 743</b>	<b>1 341 683</b>	<b>1 380 753</b>	<b>411 083</b>	<b>357 248</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
1142	Excises	1 313 743	1 341 683	1 380 753	411 083	357 248	0	0	0	0	0	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 480 000</b>	<b>294 281</b>	<b>350 892</b>	<b>645 173</b>	<b>123 147</b>	<b>43,59</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	0	0	0	1 480 000	294 281	350 892	645 173	123 147	43,59
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	1 480 000	294 281	350 892	645 173	123 147	43,59
<b>14</b>	<b>Other revenue</b>	<b>614 044</b>	<b>953 740</b>	<b>1 166 250</b>	<b>411 573</b>	<b>315 384</b>	<b>1 103 000</b>	<b>213 737</b>	<b>304 151</b>	<b>517 888</b>	<b>118 199</b>	<b>46,95</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>692 490</b>	<b>756 796</b>	<b>1 088 687</b>	<b>261 291</b>	<b>369 101</b>	<b>1 314 933</b>	<b>240 668</b>	<b>442 933</b>	<b>683 601</b>	<b>138 144</b>	<b>51,99</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>162 982</b>	<b>236 353</b>	<b>289 866</b>	<b>74 061</b>	<b>73 628</b>	<b>314 021</b>	<b>71 866</b>	<b>74 319</b>	<b>146 185</b>	<b>25 478</b>	<b>46,55</b>
211	Wages and salaries	140 867	203 955	250 374	64 241	63 742	271 461	61 878	64 051	125 929	21 927	46,39
212	Social contributions	22 115	32 398	39 492	9 820	9 886	42 560	9 988	10 268	20 256	3 551	47,59
<b>22</b>	<b>Use of goods and services</b>	<b>406 858</b>	<b>258 509</b>	<b>314 534</b>	<b>96 511</b>	<b>91 852</b>	<b>225 075</b>	<b>63 661</b>	<b>66 456</b>	<b>130 117</b>	<b>15 623</b>	<b>57,81</b>
<b>24</b>	<b>Interest</b>	<b>122 650</b>	<b>191 132</b>	<b>445 185</b>	<b>81 557</b>	<b>194 227</b>	<b>742 388</b>	<b>96 876</b>	<b>203 047</b>	<b>299 923</b>	<b>71 762</b>	<b>40,40</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>4 542</b>	<b>3 610</b>	<b>816</b>	<b>2 001</b>	<b>0</b>	<b>8 265</b>	<b>77 247</b>	<b>85 512</b>	<b>22 407</b>	
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>0</b>	<b>66 260</b>	<b>35 492</b>	<b>8 346</b>	<b>7 393</b>	<b>33 449</b>	<b>0</b>	<b>21 864</b>	<b>21 864</b>	<b>2 874</b>	<b>65,37</b>
<b>Net-gross operating balance (1-2)</b>		<b>1 235 297</b>	<b>1 538 627</b>	<b>1 458 316</b>	<b>561 365</b>	<b>303 531</b>	<b>1 268 067</b>	<b>267 350</b>	<b>212 110</b>	<b>479 460</b>	<b>103 202</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>5 113 679</b>	<b>5 778 694</b>	<b>3 942 727</b>	<b>1 057 793</b>	<b>861 046</b>	<b>2 992 232</b>	<b>473 848</b>	<b>861 980</b>	<b>1 335 828</b>	<b>230 720</b>	<b>44,64</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	5 113 679	5 778 694	3 942 727	1 057 793	861 046	2 992 232	473 848	861 980	1 335 828	230 720	44,64
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	0	0	0	0	0	0	0	0	0	
311	Fixed assets (311,1-311,2-311,3)	0	5 697 892	3 825 950	1 007 622	829 814	2 881 822	431 307	804 967	1 236 274	210 597	42,90
311,1	Acquisitions: fixed assets	0	5 697 892	3 825 950	1 007 622	829 814	2 881 822	431 307	804 967	1 236 274	210 597	42,90
311,2	Disposals: fixed assets	0	0	0	0	0	0	0	0	0	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	0	80 802	116 777	50 171	31 232	110 410	42 541	57 013	99 554	20 123	90,17
314,1	Acquisitions: nonproduced assets	0	80 802	116 777	50 171	31 232	110 410	42 541	57 013	99 554	20 123	90,17
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-3 878 382</b>	<b>-4 240 067</b>	<b>-2 484 411</b>	<b>-496 428</b>	<b>-557 515</b>	<b>-1 724 165</b>	<b>-206 498</b>	<b>-649 870</b>	<b>-856 368</b>	<b>-127 518</b>	
<b>Financing (33-32)</b>		<b>3 878 382</b>	<b>4 240 067</b>	<b>2 484 411</b>	<b>496 428</b>	<b>557 515</b>	<b>1 724 165</b>	<b>206 498</b>	<b>649 870</b>	<b>856 368</b>	<b>127 518</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-412 302</b>	<b>-162 274</b>	<b>-42 758</b>	<b>-183 964</b>	<b>31 935</b>	<b>12 835</b>	<b>-36 187</b>	<b>15 098</b>	<b>-21 089</b>	<b>-3 401</b>	
321	Domestic	-412 302	-162 274	-42 758	-183 964	31 935	12 835	-36 187	15 098	-21 089	-3 401	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331-332)</b>	<b>3 466 080</b>	<b>4 077 793</b>	<b>2 441 653</b>	<b>312 464</b>	<b>589 450</b>	<b>1 737 000</b>	<b>170 311</b>	<b>664 968</b>	<b>835 279</b>	<b>124 117</b>	
331	Domestic	530 000	379 709	1 698 272	211 126	370 225	1 459 026	0	621 289	621 289	108 854	
332	Foreign	2 936 080	3 698 084	743 381	101 338	219 225	277 974	170 311	43 679	213 990	15 263	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 15: THE CROATIAN ROADS Ltd. TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 379 782</b>	<b>1 417 787</b>	<b>1 474 714</b>	<b>438 649</b>	<b>392 474</b>	<b>1 546 150</b>	<b>297 684</b>	<b>449 184</b>	<b>746 868</b>	<b>152 077</b>	<b>48,31</b>
<b>11</b>	<b>Taxes</b>	<b>1 317 361</b>	<b>1 342 121</b>	<b>1 380 732</b>	<b>411 083</b>	<b>357 233</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
1142	Excises	1 317 361	1 342 121	1 380 732	411 083	357 233	0	0	0	0	0	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 480 000</b>	<b>285 424</b>	<b>425 664</b>	<b>711 088</b>	<b>137 493</b>	<b>48,05</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	0	0	0	1 480 000	285 424	425 664	711 088	137 493	48,05
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	1 480 000	285 424	425 664	711 088	137 493	48,05
<b>14</b>	<b>Other revenue</b>	<b>62 421</b>	<b>75 666</b>	<b>93 982</b>	<b>27 566</b>	<b>35 241</b>	<b>66 150</b>	<b>12 260</b>	<b>23 520</b>	<b>35 780</b>	<b>14 584</b>	<b>54,09</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>840 372</b>	<b>934 630</b>	<b>1 062 405</b>	<b>282 333</b>	<b>248 254</b>	<b>1 231 000</b>	<b>245 294</b>	<b>315 601</b>	<b>560 895</b>	<b>101 378</b>	<b>45,56</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>45 037</b>	<b>51 590</b>	<b>61 054</b>	<b>17 136</b>	<b>15 347</b>	<b>69 800</b>	<b>16 787</b>	<b>17 187</b>	<b>33 974</b>	<b>5 634</b>	<b>48,67</b>
211	Wages and salaries	38 733	44 349	52 452	14 674	13 241	59 927	14 389	14 786	29 175	4 831	48,68
212	Social contributions	6 304	7 241	8 602	2 462	2 106	9 873	2 398	2 401	4 799	803	48,61
<b>22</b>	<b>Use of goods and services</b>	<b>592 492</b>	<b>696 421</b>	<b>726 456</b>	<b>227 316</b>	<b>138 804</b>	<b>870 256</b>	<b>161 786</b>	<b>247 998</b>	<b>409 784</b>	<b>73 939</b>	<b>47,09</b>
<b>24</b>	<b>Interest</b>	<b>928</b>	<b>4 306</b>	<b>16 060</b>	<b>5 640</b>	<b>2 078</b>	<b>47 200</b>	<b>5 078</b>	<b>11 873</b>	<b>16 951</b>	<b>2 965</b>	<b>35,91</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>201 915</b>	<b>182 313</b>	<b>258 835</b>	<b>32 241</b>	<b>92 025</b>	<b>243 744</b>	<b>61 643</b>	<b>38 543</b>	<b>100 186</b>	<b>18 840</b>	<b>41,10</b>
<b>Net-gross operating balance (1-2)</b>		<b>539 410</b>	<b>483 157</b>	<b>412 309</b>	<b>156 316</b>	<b>144 220</b>	<b>315 150</b>	<b>52 390</b>	<b>133 583</b>	<b>185 973</b>	<b>50 699</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>736 943</b>	<b>834 631</b>	<b>923 171</b>	<b>311 434</b>	<b>136 320</b>	<b>1 040 550</b>	<b>178 952</b>	<b>592 387</b>	<b>771 339</b>	<b>120 185</b>	<b>74,13</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	738 092	835 907	926 359	311 648	136 446	1 042 100	179 225	592 531	771 756	120 234	74,06
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	1 149	1 276	3 188	214	126	1 550	273	144	417	49	26,90
311	Fixed assets (311,1-311,2-311,3)	0	742 582	833 817	287 319	114 209	969 150	155 785	561 944	717 729	116 160	74,06
311,1	Acquisitions: fixed assets	0	743 858	837 005	287 533	114 335	970 700	156 058	562 088	718 146	116 209	73,98
311,2	Disposals: fixed assets	0	1 276	3 188	214	126	1 550	273	144	417	49	26,90
314	Nonproduced assets (314,1-314,2-314,3-314,4)	0	92 049	89 354	24 115	22 111	71 400	23 167	30 443	53 610	4 025	75,08
314,1	Acquisitions: nonproduced assets	0	92 049	89 354	24 115	22 111	71 400	23 167	30 443	53 610	4 025	75,08
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-197 533</b>	<b>-351 474</b>	<b>-510 862</b>	<b>-155 118</b>	<b>7 900</b>	<b>-725 400</b>	<b>-126 562</b>	<b>-458 804</b>	<b>-585 366</b>	<b>-69 486</b>	
<b>Financing (33-32)</b>		<b>197 533</b>	<b>351 474</b>	<b>510 862</b>	<b>155 118</b>	<b>-7 900</b>	<b>725 400</b>	<b>126 562</b>	<b>458 804</b>	<b>585 366</b>	<b>69 486</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-167 248</b>	<b>296</b>	<b>50 297</b>	<b>-27 959</b>	<b>37 472</b>	<b>0</b>	<b>-19 255</b>	<b>-26 445</b>	<b>-45 700</b>	<b>-7 658</b>	
321	Domestic	-167 248	296	50 297	-27 959	37 472	0	-19 255	-26 445	-45 700	-7 658	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>30 285</b>	<b>351 770</b>	<b>561 159</b>	<b>127 159</b>	<b>29 572</b>	<b>725 400</b>	<b>107 307</b>	<b>432 359</b>	<b>539 666</b>	<b>61 828</b>	
331	Domestic	0	100 000	302 376	78 383	-4 325	415 400	0	399 918	399 918	67 856	
332	Foreign	30 285	251 770	258 783	48 776	33 897	310 000	107 307	32 441	139 748	-6 028	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 16: THE STATE AGENCY FOR DEPOSIT INSURANCE AND BANKS REHABILITATION TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>581 931</b>	<b>575 893</b>	<b>367 438</b>	<b>94 534</b>	<b>91 966</b>	<b>413 436</b>	<b>112 078</b>	<b>83 974</b>	<b>196 052</b>	<b>2 793</b>	<b>47,42</b>
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants (131+133)	0	0	0	0	0	0	0	0	0	0	
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	0	0	0	0	0	0	0	0	
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	0	0	0	0	0	
14	Other revenue	581 931	575 893	367 438	94 534	91 966	413 436	112 078	83 974	196 052	2 793	47,42
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>251 360</b>	<b>314 474</b>	<b>182 993</b>	<b>51 903</b>	<b>60 976</b>	<b>119 492</b>	<b>10 509</b>	<b>3 933</b>	<b>14 442</b>	<b>1 106</b>	<b>12,09</b>
21	Compensation of employees (211+212)	4 110	4 678	5 621	1 378	1 656	8 422	1 360	1 351	2 711	437	32,19
211	Wages and salaries	3 507	4 010	4 821	1 178	1 421	7 200	1 163	1 157	2 320	374	32,22
212	Social contributions	603	668	800	200	235	1 222	197	194	391	63	32,00
22	Use of goods and services	7 915	10 664	21 092	4 516	11 670	11 010	3 360	1 422	4 782	382	43,43
24	Interest	187 360	136 971	121 940	0	60 134	60	0	0	0	0	
25	Subsidies	0	0	0	0	0	0	0	0	0	0	
26	Grants	0	0	0	0	0	0	0	0	0	0	
27	Social benefits	51 975	162 161	1 511	399	297	100 000	648	280	928	24	0,93
28	Other expense	0	0	32 829	45 610	-12 781	0	5 141	880	6 021	263	
<b>Net-gross operating balance (1-2)</b>		<b>330 571</b>	<b>261 419</b>	<b>184 445</b>	<b>42 631</b>	<b>30 990</b>	<b>293 944</b>	<b>101 569</b>	<b>80 041</b>	<b>181 610</b>	<b>1 687</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	-94	27 624	14 131	-84	12 787	-25 030	334	128	462	65	
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	2 464	27 624	14 232	7	12 797	1 470	399	135	534	70	36,33
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	2 558	0	101	91	10	26 500	65	7	72	5	0,27
311	Fixed assets (311,1-311,2-311,3)	0	27 624	11 115	-84	9 771	-20 030	334	128	462	65	
311,1	Acquisitions: fixed assets	0	27 624	11 216	7	9 781	1 470	399	135	534	70	36,33
311,2	Disposals: fixed assets	0	0	101	91	10	21 500	65	7	72	5	
<b>Net lending - borrowing (1-2-31)</b>		<b>330 665</b>	<b>233 795</b>	<b>170 314</b>	<b>42 715</b>	<b>18 203</b>	<b>318 974</b>	<b>101 235</b>	<b>79 913</b>	<b>181 148</b>	<b>1 622</b>	
<b>Financing (33-32)</b>		<b>-330 665</b>	<b>-233 795</b>	<b>-170 314</b>	<b>-42 715</b>	<b>-18 203</b>	<b>-318 974</b>	<b>-101 235</b>	<b>-79 913</b>	<b>-181 148</b>	<b>-1 622</b>	
32	Net acquisition of financial assets (321+322)	330 665	-134 228	-349 252	42 715	-381 797	318 974	101 235	79 913	181 148	1 622	
321	Domestic	330 665	-134 228	-349 252	42 715	-381 797	318 974	101 235	79 913	181 148	1 622	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	0	-368 023	-519 566	0	-400 000	0	0	0	0	0	
331	Domestic	0	-368 023	-519 566	0	-400 000	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 17: THE CROATIAN PRIVATIZATION FUND TRANSACTIONS

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>125 991</b>	<b>62 946</b>	<b>237 044</b>	<b>192 864</b>	<b>9 206</b>	<b>46 300</b>	<b>10 954</b>	<b>5 939</b>	<b>16 893</b>	<b>2 660</b>	<b>36,49</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+133)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	0	0	0	0	0	0	0	0	
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	0	0	0	0	0	
<b>14</b>	<b>Other revenue</b>	<b>125 991</b>	<b>62 946</b>	<b>237 044</b>	<b>192 864</b>	<b>9 206</b>	<b>46 300</b>	<b>10 954</b>	<b>5 939</b>	<b>16 893</b>	<b>2 660</b>	<b>36,49</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>51 685</b>	<b>60 141</b>	<b>182 119</b>	<b>15 551</b>	<b>18 397</b>	<b>89 193</b>	<b>16 840</b>	<b>21 580</b>	<b>38 420</b>	<b>10 011</b>	<b>43,08</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>28 942</b>	<b>31 044</b>	<b>35 996</b>	<b>8 580</b>	<b>9 295</b>	<b>39 965</b>	<b>9 119</b>	<b>8 880</b>	<b>17 999</b>	<b>4 038</b>	<b>45,04</b>
211	Wages and salaries	24 794	26 721	31 273	7 571	8 139	35 038	8 140	7 662	15 802	3 484	45,10
212	Social contributions	4 148	4 323	4 723	1 009	1 156	4 927	979	1 218	2 197	554	44,59
<b>22</b>	<b>Use of goods and services</b>	<b>22 655</b>	<b>29 097</b>	<b>33 545</b>	<b>6 789</b>	<b>7 131</b>	<b>32 557</b>	<b>5 189</b>	<b>7 347</b>	<b>12 536</b>	<b>2 714</b>	<b>38,50</b>
<b>24</b>	<b>Interest</b>	<b>88</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16 671</b>	<b>2 532</b>	<b>5 353</b>	<b>7 885</b>	<b>3 259</b>	<b>47,30</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>0</b>	<b>0</b>	<b>112 578</b>	<b>182</b>	<b>1 971</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net-gross operating balance (1-2)</b>		<b>74 306</b>	<b>2 805</b>	<b>54 925</b>	<b>177 313</b>	<b>-9 191</b>	<b>-42 893</b>	<b>-5 886</b>	<b>-15 641</b>	<b>-21 527</b>	<b>-7 351</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>-15 603</b>	<b>-24 444</b>	<b>-40 272</b>	<b>-22 033</b>	<b>-2 932</b>	<b>1 674</b>	<b>-45 262</b>	<b>-6 829</b>	<b>-52 091</b>	<b>-2 782</b>	
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	3 778	725	2 061	1 162	136	80 374	691	602	1 293	31	1,61
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	19 381	25 169	42 333	23 195	3 068	78 700	45 953	7 431	53 384	2 813	67,83
311	Fixed assets (311,1-311,2-311,3)	0	-24 444	-40 272	-22 033	-2 932	1 674	-45 262	-6 829	-52 091	-2 782	
311,1	Acquisitions: fixed assets	0	725	2 061	1 162	136	80 374	691	602	1 293	31	1,61
311,2	Disposals: fixed assets	0	25 169	42 333	23 195	3 068	78 700	45 953	7 431	53 384	2 813	67,83
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>190 363</b>	<b>-11 956</b>	<b>5 206</b>	<b>-32 210</b>	<b>-9 721</b>	<b>-365 433</b>	<b>-9 631</b>	<b>-92 081</b>	<b>-101 712</b>	<b>-89 228</b>	
331	Domestic	190 363	-11 956	5 206	-32 210	-9 721	-360 987	-9 631	-92 081	-101 712	-89 228	
332	Foreign	0	0	0	0	0	-4 446	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 18: CONSOLIDATED CENTRAL GOVERNMENT BY ECONOMIC CATEGORY

(000 HRK)	2003	2004	2005	VII - IX 2005	X - XII 2005	Plan 2006	I - III 2006	IV - VI 2006	I - VI 2006	VI 2006	I - VI 2006 Plan 2006
<b>1 REVENUE (11+12+13+14)</b>	<b>80 786 555</b>	<b>87 019 284</b>	<b>92 642 473</b>	<b>24 552 447</b>	<b>25 622 637</b>	<b>99 106 916</b>	<b>22 066 880</b>	<b>25 173 056</b>	<b>47 239 936</b>	<b>8 245 974</b>	<b>47,67</b>
<b>11 Taxes (111+113+114+115+116)</b>	<b>47 912 180</b>	<b>49 833 666</b>	<b>53 449 049</b>	<b>14 739 793</b>	<b>14 158 184</b>	<b>56 537 027</b>	<b>12 578 899</b>	<b>14 916 276</b>	<b>27 495 175</b>	<b>4 826 379</b>	<b>48,63</b>
111 Taxes of income and profits and capital gains	6 189 047	6 259 713	7 057 112	1 604 643	1 816 718	7 456 658	1 840 833	2 615 396	4 456 229	537 490	59,76
113 Taxes on property	289 926	355 823	375 501	88 978	113 849	399 803	107 699	105 479	213 178	36 611	53,32
114 Taxes on goods and services (1141+1142+1144+1145+1146)	39 282 252	41 286 025	44 084 487	12 527 750	11 716 681	46 549 921	10 198 817	11 705 493	21 904 310	4 088 516	47,06
1141 General taxes on goods and services (11411+11412)	28 260 009	30 013 661	32 399 952	9 075 964	8 730 447	34 153 259	7 594 838	8 652 541	16 247 379	2 975 087	47,57
11411 Value-added taxes	28 129 300	29 864 905	32 243 372	9 034 765	8 691 261	33 993 846	7 555 385	8 610 250	16 165 635	2 961 201	47,55
11412 Sales taxes	130 709	148 757	156 580	41 198	39 185	159 412	39 453	42 291	81 744	13 885	51,28
1142 Excises	10 482 097	10 625 358	10 939 144	3 272 530	2 748 336	11 637 787	2 428 385	2 832 982	5 261 367	1 041 913	45,21
115 Taxes on international trade and transactions	1 810 866	1 590 727	1 562 930	412 010	415 178	1 532 635	341 984	407 670	749 654	137 635	48,91
116 Other taxes	340 089	341 377	369 019	106 412	95 758	598 011	89 566	82 240	171 806	26 128	28,73
<b>12 Social contributions</b>	<b>27 424 608</b>	<b>29 477 597</b>	<b>31 301 340</b>	<b>7 945 580</b>	<b>8 186 879</b>	<b>33 627 039</b>	<b>7 954 297</b>	<b>8 376 921</b>	<b>16 331 218</b>	<b>2 843 804</b>	<b>48,57</b>
<b>13 Grants</b>	<b>11 841</b>	<b>10 122</b>	<b>27 505</b>	<b>6 524</b>	<b>6 897</b>	<b>577 373</b>	<b>3 544</b>	<b>11 036</b>	<b>14 580</b>	<b>8 544</b>	<b>2,53</b>
<b>14 Other revenue</b>	<b>5 437 926</b>	<b>7 697 900</b>	<b>7 864 579</b>	<b>1 860 550</b>	<b>3 270 677</b>	<b>8 365 477</b>	<b>1 530 140</b>	<b>1 868 823</b>	<b>3 398 963</b>	<b>567 248</b>	<b>40,63</b>
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>80 715 286</b>	<b>86 941 437</b>	<b>92 332 140</b>	<b>21 951 845</b>	<b>24 419 672</b>	<b>98 230 157</b>	<b>23 715 252</b>	<b>23 860 320</b>	<b>47 575 572</b>	<b>7 736 657</b>	<b>48,43</b>
<b>21 Compensation of employees (211+212)</b>	<b>22 068 463</b>	<b>23 265 724</b>	<b>24 300 115</b>	<b>6 210 560</b>	<b>6 276 879</b>	<b>25 406 991</b>	<b>6 246 182</b>	<b>6 271 406</b>	<b>12 517 588</b>	<b>2 095 837</b>	<b>49,27</b>
211 Wages and salaries	18 762 897	19 750 868	20 665 832	5 286 232	5 364 673	21 619 573	5 308 671	5 330 377	10 639 048	1 780 143	49,21
212 Social contributions	3 305 566	3 514 856	3 634 283	924 328	912 206	3 787 418	937 511	941 029	1 878 539	315 694	49,60
<b>22 Use of goods and services</b>	<b>6 291 714</b>	<b>6 327 741</b>	<b>7 100 232</b>	<b>1 707 529</b>	<b>1 974 831</b>	<b>9 153 803</b>	<b>1 786 706</b>	<b>2 051 775</b>	<b>3 838 481</b>	<b>662 189</b>	<b>41,93</b>
<b>24 Interest</b>	<b>3 955 966</b>	<b>4 343 680</b>	<b>5 004 650</b>	<b>922 483</b>	<b>995 692</b>	<b>5 414 377</b>	<b>1 937 036</b>	<b>1 227 045</b>	<b>3 164 081</b>	<b>445 710</b>	<b>58,44</b>
<b>25 Subsidies</b>	<b>4 292 712</b>	<b>4 968 069</b>	<b>5 253 933</b>	<b>971 650</b>	<b>1 523 295</b>	<b>5 355 720</b>	<b>1 644 880</b>	<b>1 379 048</b>	<b>3 023 928</b>	<b>334 089</b>	<b>56,46</b>
<b>26 Grants</b>	<b>1 737 217</b>	<b>2 162 993</b>	<b>2 804 760</b>	<b>600 619</b>	<b>896 215</b>	<b>2 561 276</b>	<b>545 104</b>	<b>533 269</b>	<b>1 078 373</b>	<b>146 582</b>	<b>42,10</b>
<b>27 Social benefits</b>	<b>37 939 553</b>	<b>40 645 794</b>	<b>41 930 232</b>	<b>10 433 630</b>	<b>10 512 473</b>	<b>43 915 682</b>	<b>10 583 235</b>	<b>11 139 583</b>	<b>21 722 818</b>	<b>3 606 249</b>	<b>49,46</b>
<b>28 Other expense</b>	<b>4 429 661</b>	<b>5 227 438</b>	<b>5 938 219</b>	<b>1 105 374</b>	<b>2 240 286</b>	<b>6 422 308</b>	<b>972 108</b>	<b>1 258 195</b>	<b>2 230 302</b>	<b>446 002</b>	<b>34,73</b>
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>71 268</b>	<b>77 847</b>	<b>310 333</b>	<b>2 600 603</b>	<b>1 202 965</b>	<b>876 758</b>	<b>-1 648 372</b>	<b>1 312 737</b>	<b>-335 635</b>	<b>509 318</b>	
<b>3 CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>71 268</b>	<b>77 847</b>	<b>310 333</b>	<b>2 600 603</b>	<b>1 202 965</b>	<b>876 758</b>	<b>-1 648 372</b>	<b>1 312 737</b>	<b>-335 635</b>	<b>509 318</b>	
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>7 996 014</b>	<b>8 373 463</b>	<b>6 699 416</b>	<b>1 784 793</b>	<b>1 865 279</b>	<b>6 339 253</b>	<b>793 432</b>	<b>1 699 893</b>	<b>2 493 325</b>	<b>412 394</b>	<b>39,33</b>
311 Fixed assets	7 867 051	8 158 064	6 439 709	1 700 597	1 783 146	6 361 040	734 087	1 644 156	2 378 243	398 516	37,39
312 Inventories	0	0	0	0	0	-273 609	-11 785	-37 430	-49 216	-11 106	17,99
313 Valuables	5 303	7 518	7 220	804	1 757	7 018	1 600	1 468	3 068	260	43,71
314 Nonproduced assets	123 659	207 881	252 487	83 393	80 376	244 804	69 530	91 700	161 230	24 724	65,86
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-7 924 745</b>	<b>-8 295 616</b>	<b>-6 389 083</b>	<b>815 810</b>	<b>-662 314</b>	<b>-5 462 494</b>	<b>-2 441 804</b>	<b>-387 156</b>	<b>-2 828 960</b>	<b>96 923</b>	
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>	<b>7 924 745</b>	<b>8 295 616</b>	<b>6 389 083</b>	<b>-815 810</b>	<b>662 314</b>	<b>5 462 494</b>	<b>2 441 804</b>	<b>387 156</b>	<b>2 828 960</b>	<b>-96 923</b>	
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>-963 228</b>	<b>28 384</b>	<b>1 609 760</b>	<b>853 491</b>	<b>-67 900</b>	<b>-3 327 379</b>	<b>-440 490</b>	<b>-89 403</b>	<b>-529 893</b>	<b>-307 823</b>	
321 Domestic	-973 154	18 598	1 614 616	853 491	-67 900	-3 344 146	-440 490	-92 084	-532 574	-310 503	
322 Foreign	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	2 681	
323 Monetary gold and SDRs	0	0	0	0	0	0	0	0	0	0	
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>6 961 518</b>	<b>8 324 000</b>	<b>7 998 843</b>	<b>37 681</b>	<b>594 414</b>	<b>2 135 116</b>	<b>2 001 314</b>	<b>297 753</b>	<b>2 299 067</b>	<b>-404 746</b>	
331 Domestic	948 884	4 107 680	12 041 678	206 315	567 127	5 237 831	4 859 419	444 760	5 304 178	-276 053	
332 Foreign	6 012 634	4 216 320	-4 042 835	-168 634	27 287	-3 102 715	-2 858 105	-147 007	-3 005 111	-128 693	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance



## MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT/SURPLUS

TABLE 19A: OPERATING BALANCE AND PRIMARY OPERATING BALANCE (000 HRK)

	Revenues (1)	Expenditures (2)	Operating balance	Interest payments (24)	Primary operating balance
	(1)	(2)	(3) 1-2	(4)	(5) 3+4
VII 2004	7 490 866	7 678 188	-187 322	394 911	207 589
VIII	7 517 554	6 748 941	768 613	216 989	985 602
IX	7 499 580	7 151 388	348 193	225 715	573 908
X	6 923 495	7 294 056	-370 561	152 954	-217 607
XI	7 646 856	7 261 145	385 711	346 017	731 728
XII	10 157 976	8 133 767	2 024 209	345 698	2 369 906
I-XII 2004	87 019 284	86 941 437	77 847	4 343 680	4 421 527
I 2005	6 395 355	7 723 093	-1 327 738	266 184	-1 061 554
II	6 324 456	7 670 732	-1 346 277	718 616	-627 660
III	7 041 146	8 835 164	-1 794 019	991 282	-802 737
IV	7 430 785	7 026 196	404 589	324 143	728 732
V	7 576 888	7 456 058	120 830	396 235	517 065
VI	7 698 760	7 249 380	449 379	390 016	839 396
VII	7 710 226	7 733 189	-22 964	278 454	255 491
VIII	8 580 352	7 023 784	1 556 568	284 203	1 840 771
IX	8 261 869	7 194 871	1 066 998	359 825	1 426 823
X	7 734 830	8 136 583	-401 752	267 767	-133 986
XI	7 816 052	7 474 496	341 556	342 439	683 995
XII	10 071 754	8 808 592	1 263 162	385 486	1 648 648
I-XII 2005	92 642 473	92 332 140	310 333	5 004 650	5 314 983
I 2006	7 043 601	7 530 019	-486 419	377 380	-109 039
II	7 394 415	7 905 118	-510 703	691 625	180 922
III	7 628 864	8 280 114	-651 250	868 032	216 782
IV	8 602 086	8 260 962	341 125	402 096	743 221
V	8 324 996	7 862 702	462 294	379 240	841 534
VI	8 245 974	7 736 657	509 318	445 710	955 027
I-VI	47 239 936	47 575 572	-335 635	3 164 081	2 828 446

Note: See notes on methodology

## MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT / SURPLUS

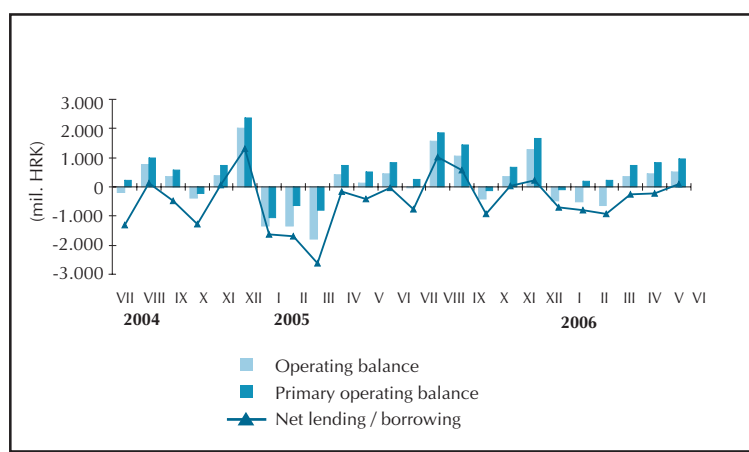


TABLE 19B: NET LENDING / BORROWING (000 HRK)

	Operating balance	Net nonfinancial assets (31)	Net lending/ borrowing*	Financing (33-32)	Net financial assets (32)	Net incurrence of liabilities (33)
	(1)	(2)	(3) 1-2	(4) 6-5	(5)	(6)
VII 2004	-187 322	1 135 545	-1 322 867	1 322 867	-1 101 292	221 575
VIII	768 613	648 609	120 005	-120 005	1 352 770	1 232 766
IX	348 193	817 050	-468 857	468 857	-568 222	-99 365
X	-370 561	905 947	-1 276 508	1 276 508	60 192	1 336 700
XI	385 711	308 829	76 882	-76 882	198 235	121 352
XII	2 024 209	711 272	1 312 937	-1 312 937	-420 802	-1 733 739
I-XII 2004	77 847	8 373 463	-8 295 616	8 295 616	28 384	8 324 000
I 2005	-1 327 738	313 500	-1 641 237	1 641 237	965 007	2 606 244
II	-1 346 277	329 301	-1 675 578	1 675 578	-201 914	1 473 664
III	-1 794 019	821 217	-2 615 235	2 615 235	152 819	2 768 055
IV	404 589	574 427	-169 838	169 838	-5 285	164 553
V	120 830	538 670	-417 839	417 839	-65 117	352 723
VI	449 379	472 230	-22 851	22 851	-21 342	1 509
VII	-22 964	755 425	-778 388	778 388	393 522	1 171 910
VIII	1 556 568	539 477	1 017 092	-1 017 092	-4 400	-1 021 491
IX	1 066 998	489 892	577 106	-577 106	464 369	-112 738
X	-401 752	516 812	-918 564	918 564	174 474	1 093 038
XI	341 556	298 021	43 535	-43 535	93 292	49 756
XII	1 263 162	1 050 447	212 715	-212 715	-335 665	-548 380
I-XII 2005	310 333	6 699 416	-6 389 083	6 389 083	1 609 760	7 998 843
I 2006	-486 419	222 628	-709 047	709 047	252 851	961 898
II	-510 703	289 615	-800 318	800 318	-341 361	458 957
III	-651 250	281 189	-932 439	932 439	-351 980	580 459
IV	341 125	604 597	-263 472	263 472	56 255	319 728
V	462 294	682 902	-220 607	220 607	162 164	382 772
VI	509 318	412 394	96 923	-96 923	-307 823	-404 746
I-VI 2006	-335 635	2 493 325	-2 828 960	2 828 960	-529 893	2 299 067

\* Deficit according to GFS 2001 methodology

Note: See notes on methodology









TABLE 23: GENERAL GOVERNMENT DEBT STOCK

	31.12. 2002 <sup>§</sup>		31.12. 2003 <sup>§</sup>		31.12.2004 <sup>§</sup>		31.12.2005 <sup>§</sup>		31.1.2006 <sup>§</sup>		28.2.2006 <sup>§</sup>		31.3.2006 <sup>§</sup>		30.4. 2006 <sup>§</sup>		31.5. 2006 <sup>§</sup>		30.6. 2006 <sup>§</sup>	
	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP
<b>A. Foreign debt (A1+A2+A3)</b>	<b>40 367,0</b>	<b>22,3</b>	<b>45 860,9</b>	<b>23,1</b>	<b>50 283,5</b>	<b>23,6</b>	<b>45 358,6</b>	<b>19,8</b>	<b>45 423,0</b>	<b>18,4</b>	<b>43 987,0</b>	<b>17,8</b>	<b>41 978,4</b>	<b>17,0</b>	<b>41 394,1</b>	<b>16,7</b>	<b>41 299,1</b>	<b>16,7</b>	<b>41 328,8</b>	<b>16,7</b>
1. Central Government foreign debt	37 388,3	20,6	41 048,8	20,7	42 095,7	19,8	36 433,6	15,9	36 605,9	14,8	35 086,9	14,2	32 895,6	13,3	32 398,5	13,1	32 337,3	13,1	32 379,3	13,1
2. Foreign debt of Extrabudgetary funds	2 755,4	1,5	4 463,2	2,2	7 925,3	3,7	8 725,8	3,8	8 617,9	3,5	8 700,9	3,5	8 860,2	3,6	8 773,0	3,5	8 739,2	3,5	8 732,9	3,5
3. Local Government foreign debt	223,3	0,1	348,9	0,2	262,5	0,1	199,2	0,1	199,2	0,1	199,2	0,1	222,6	0,1	222,6	0,1	222,6	0,1	216,6	0,1
<b>B. Domestic debt (B1+B2+B3)</b>	<b>32 214,0</b>	<b>17,8</b>	<b>35 545,3</b>	<b>17,9</b>	<b>42 554,5</b>	<b>20,0</b>	<b>55 821,6</b>	<b>24,4</b>	<b>56 204,8</b>	<b>22,7</b>	<b>57 815,5</b>	<b>23,4</b>	<b>59 580,3</b>	<b>24,1</b>	<b>59 713,1</b>	<b>24,2</b>	<b>60 119,4</b>	<b>24,3</b>	<b>60 907,9</b>	<b>24,6</b>
1. Central Government domestic debt	23 320,0	12,9	28 160,8	14,2	37 223,7	17,5	50 559,5	22,1	50 941,7	20,6	52 572,7	21,3	54 563,3	22,1	54 306,1	22,0	54 280,4	22,0	55 520,5	22,5
2. Domestic debt of Extrabudgetary funds	7 659,1	4,2	6 247,5	3,1	3 911,2	1,8	3 935,0	1,7	3 936,0	1,6	3 915,7	1,6	3 925,3	1,6	4 315,3	1,7	4 747,3	1,9	4 296,4	1,7
3. Local Government domestic debt	1 234,8	0,7	1 137,0	0,6	1 419,6	0,7	1 327,1	0,6	1 327,1	0,5	1 327,1	0,5	1 091,7	0,4	1 091,7	0,4	1 091,7	0,4	1 091,0	0,4
<b>C. General Government total debt, (C1+C2+C3)</b>	<b>72 580,9</b>	<b>40,0</b>	<b>81 406,2</b>	<b>41,0</b>	<b>92 838,0</b>	<b>43,6</b>	<b>101 180,2</b>	<b>44,2</b>	<b>101 627,8</b>	<b>41,1</b>	<b>101 802,5</b>	<b>41,2</b>	<b>101 558,7</b>	<b>41,1</b>	<b>101 107,2</b>	<b>40,9</b>	<b>101 418,5</b>	<b>41,0</b>	<b>102 236,7</b>	<b>41,4</b>
1. Central Government total debt (A1+B1)	60 708,3	33,5	69 209,6	34,9	79 319,4	37,3	86 993,1	38,0	87 547,6	35,4	87 659,6	35,5	87 458,9	35,4	86 704,6	35,1	86 617,7	35,0	87 899,8	35,6
2. Total debt of Extrabudgetary funds (A2+B2)	10 414,5	5,7	10 710,7	5,4	11 836,5	5,6	12 660,8	5,5	12 553,9	5,1	12 616,6	5,1	12 785,5	5,2	13 088,3	5,3	13 486,5	5,5	13 029,3	5,3
3. Local Government total debt (A3+B3)	1 458,1	0,8	1 485,9	0,7	1 682,1	0,8	1 526,3	0,7	1 526,3	0,6	1 526,3	0,6	1 314,3	0,5	1 314,3	0,5	1 314,3	0,5	1 307,6	0,5
<b>Total guarantees of Republic of Croatia</b>	<b>15 578,8</b>	<b>8,6</b>	<b>15 326,6</b>	<b>7,7</b>	<b>12 134,5</b>	<b>5,7</b>	<b>12 383,8</b>	<b>5,4</b>	<b>12 165,5</b>	<b>4,9</b>	<b>12 233,0</b>	<b>4,9</b>	<b>12 503,8</b>	<b>5,1</b>	<b>12 960,0</b>	<b>5,2</b>	<b>12 743,0</b>	<b>5,2</b>	<b>12 754,6</b>	<b>5,2</b>
Foreign guarantees	8 155,0	4,5	8 530,1	4,3	7 592,3	3,6	7 115,3	3,1	6 810,3	2,8	6 823,5	2,8	6 857,8	2,8	6 817,8	2,8	6 709,0	2,7	6 528,3	2,6
Domestic guarantees	7 423,8	4,1	6 796,5	3,4	4 542,2	2,1	5 268,5	2,3	5 355,2	2,2	5 409,5	2,2	5 646,0	2,3	6 142,2	2,5	6 034,0	2,4	6 226,3	2,5
<b>Total debt of HBOR</b>	<b>3 816,0</b>	<b>2,1</b>	<b>4 954,0</b>	<b>2,5</b>	<b>5 745,7</b>	<b>2,7</b>	<b>7 135,4</b>	<b>3,1</b>	<b>6 934,5</b>	<b>2,8</b>	<b>6 797,0</b>	<b>2,7</b>	<b>6 850,5</b>	<b>2,8</b>	<b>6 619,2</b>	<b>2,7</b>	<b>6 450,0</b>	<b>2,6</b>	<b>6 998,8</b>	<b>2,8</b>
Foreign debt of HBOR	3 373,7	1,9	4 625,9	2,3	5 363,5	2,5	6 601,2	2,9	6 483,2	2,6	6 348,7	2,6	6 424,9	2,6	6 210,0	2,5	6 187,0	2,5	6 338,7	2,6
Domestic debt of HBOR	442,3	0,2	328,1	0,2	382,2	0,2	534,2	0,2	451,3	0,2	448,3	0,2	425,6	0,2	409,2	0,2	263,0	0,1	660,1	0,3

Note: See notes on methodology

Source: Ministry of Finance, NBS for GDP

## PUBLIC DEBT AT THE END OF JUNE 2006

At the end of June 2006, public debt of the Republic of Croatia amounted to HRK 115 billion reaching 46.5 percent of the expected GDP for 2006. General government total debt amounted to HRK 102.2 billion (88.9 percent) and total guarantees amounted to HRK 12.8 billion. The increase in public debt is a result of increase in domestic debt which amounted to HRK 60.9 billion (share of 59.6 percent), which confirms the orientation towards domestic sources of financing. On the other hand, foreign general government debt stood at HRK 41.3 billion at the end of June (share of 40.4 percent).

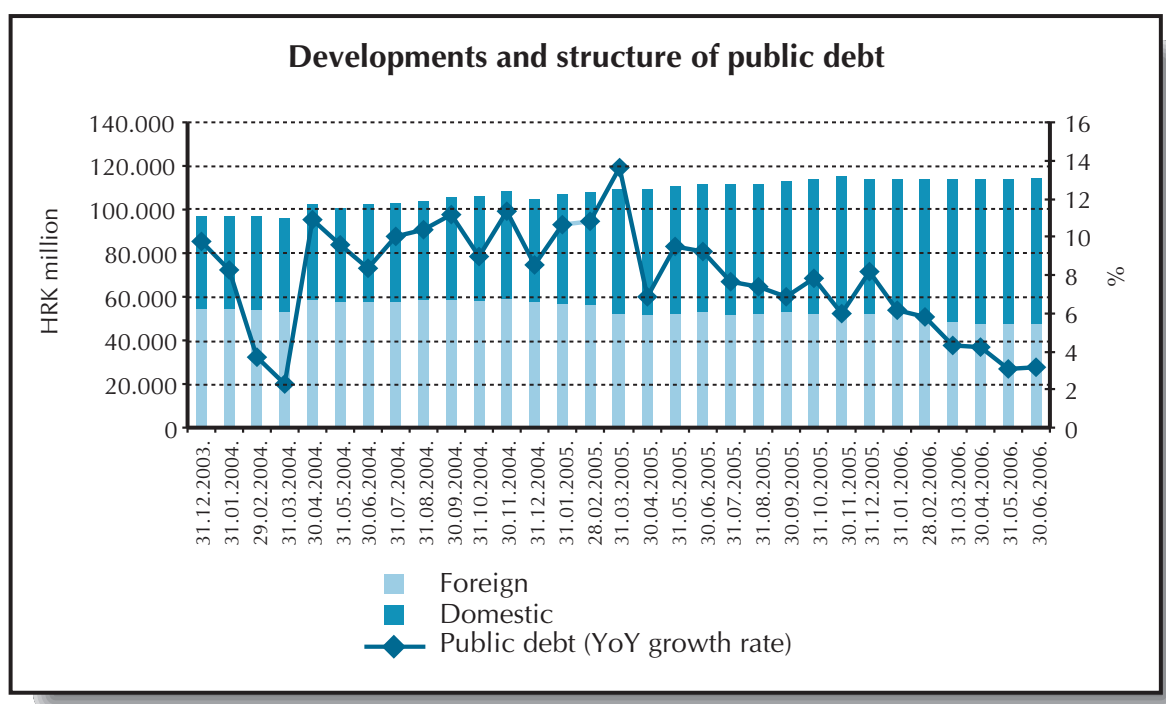
Observing the structure according government level, the largest part of the general government debt relates to central government (HRK 87.9 billion) followed by extrabudgetary funds and agencies (HRK 13 billion) and local government (HRK 1.3 billion). Approximately 63.2 percent of total central government debt is created by domestic borrowings. On the other hand, most of extrabudgetary fund's borrowing (almost 67 percent) is realized abroad, primarily as a result of the borrowing of Croatian Motorways and Croatian Roads.

Compared to end 2005, general government domestic debt increased by almost 9.1 percent (HRK 5.1 billion). This is the result of the domestic bond issue amounting HRK 2 billion used to refinance the Samurai bond repayment in February. In

March, the government took a loan on the domestic market in order to repay the due Eurobond. The rest of the debt referred to extrabudgetary funds and agencies, which have borrowed HRK 368.5 million in the first five months this year, and local government debt which decreased by 14.3 percent. On the other hand, foreign general government debt decreased for slightly more than HRK 4 billion (8.9 percent) compared to December 2005. Foreign central government debt decreased by 11.1 percent, while the foreign debt of extrabudgetary funds and agencies increased by 0.1 percent and of local government by 8.7 percent.

Total guarantees issued by the Republic Croatia amounted to HRK 12.8 billion i.e. 5.2 percent of GDP. Observing their structure, 51.2 percent referred to foreign guarantees and the remaining 48.8 percent referred to domestic guarantees. In absolute amount, foreign guarantees amounted to HRK 6.5 billion and foreign guarantees amounted to HRK 6.2 billion. Foreign guarantees recorded a decrease of 8.2 percent compared to December 2005.

In June, total debt of the HBOR amounted to HRK 7 billion. Observing the structure of debt of HBOR, almost 90.6 percent (HRK 6.3 billion) referred to foreign debt. When comparing to end of 2005 total debt of HBOR decreased in the amount of HRK 136.6 million.



**TABLE 24: CONSOLIDATED CENTRAL GOVERNMENT DOMESTIC DEBT**  
**DOMESTIC DEBT STOCK IN 000 (30 JUNE 2006)**

Debt item:	Currency	Stock	Stock / HRK:	Maturity:	Interest rate:
Big Bonds - Series I	HRK	1 878 517	1 878 517	2011	5,00%
Big Bonds - Series II	EUR	54 530	395 725	2011	7,20%
Big Bonds - Series III	EUR	55 408	402 096	2012	7,20%
Bonds - Series 02 D-08	EUR	200 000	1 451 396	2008	6,875%
Bonds - Series 03 D-12	EUR	500 000	3 628 490	2012	6,875%
Bonds - Series 04 D-08	HRK	1 000 000	1 000 000	2008	6,125%
Bonds - Series 05 D-14	EUR	650 000	4 717 036	2014	5,50%
Bonds - Series 06 D-07	EUR	400 000	2 902 792	2007	3,875%
Bonds - Series 07 D-19	EUR	200 000	1 451 396	2019	5,375%
Bonds - Series 08 D-10	HRK	3 000 000	3 000 000	2010	6,75%
Bonds - Series 09 D-15	EUR	350 000	2 539 943	2015	4,25%
Bonds - Series 10 D-15	HRK	5 500 000	5 500 000	2015	5,25%
BRA Bonds I	EUR	29 908	217 038	2007	6,00%
BRA Bonds II	EUR	21 665	157 224	2012	5,00%
BRA Bonds III	EUR	57 454	416 941	2012	7,20%
BRA Bonds IV	EUR	29 656	215 215	2012	5,00%
BRA Bonds V-A	EUR	829	6 013	2007	6,00%
BRA Bonds V-B	EUR	68 968	500 498	2008	7,00%
Club loan	EUR	231 360	1 678 975	2006	3,65%
Syndicated FX loan	EUR	500 000	3 628 490	2010	2,63%
Medium and long term debt			<b>35 687 784</b>		
Treasury Bills	HRK	12 037 100	12 037 100		
	EUR	84 100	610 312		
Other short-term debt	HRK	841 425	841 425		
Short-term FX loan	EUR	400 000	2 902 792		
Short-term debt			<b>16 391 629</b>		
Total debt			<b>52 079 413</b>		

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

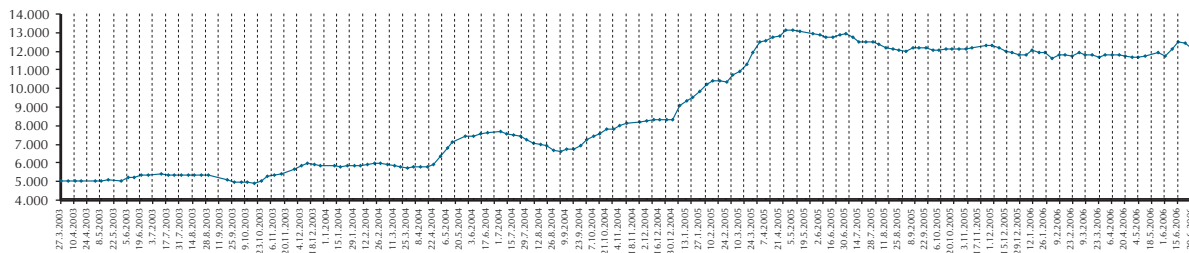
TABLE 25: RESULTS OF THE TREASURY BILL'S AUCTIONS HELD BY THE MINISTRY OF FINANCE

Day of Auction	91 days				182 days				364 days			
	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)
7.6.2005.	2 000	72 000	98,691 / 5,32%	99,025 / 3,95%	23 500	63 500	97,724 / 4,67%	97,805 / 4,50%	114 000	151 000	95,296 / 4,95%	95,296 / 4,95%
14.6.2005.	15 900	15 900	99,111 / 3,60%	99,025 / 3,95%	84 300	94 300	97,622 / 4,88%	97,592 / 4,95%	47 500	107 500	94,725 / 5,58%	95,025 / 5,25%
21.6.2005.	50 000	50 000	98,988 / 4,10%	98,988 / 4,10%	55 000	85 000	97,543 / 5,05%	97,567 / 5,00%	120 000	255 000	94,903 / 5,39%	95,025 / 5,25%
28.6.2005.	35 000	47 000	99,007 / 4,02%	99,013 / 4,00%	30 200	124 200	97,486 / 5,17%	97,567 / 5,00%	269 000	456 000	94,969 / 5,31%	95,025 / 5,25%
5.7.2005.	52 000	52 000	98,897 / 4,48%	98,891 / 4,50%	68 500	99 500	97,503 / 5,14%	97,567 / 5,00%	227 500	287 500	94,861 / 5,43%	94,800 / 5,50%
19.7.2005.	20 000	38 000	98,889 / 4,51%	98,915 / 4,40%	13 900	45 000	97,544 / 5,05%	97,663 / 4,80%	260 900	593 900	94,750 / 5,56%	94,845 / 5,45%
26.7.2005.	13 000	23 100	98,974 / 4,16%	98,964 / 4,20%	45 900	165 900	97,647 / 4,83%	97,710 / 4,70%	545 000	893 000	94,851 / 5,44%	94,890 / 5,40%
2.8.2005.	10 000	10 000	99,007 / 4,02%	99,000 / 4,05%	93 000	113 000	97,763 / 4,59%	97,758 / 4,60%	300 000	661 000	94,978 / 5,30%	95,025 / 5,25%
9.8.2005.		20 000	98,891 / 4,50%			10 000	97,496 / 5,15%		110 000	310 000	94,818 / 5,48%	95,025 / 5,25%
23.8.2005.	20 000	20 000	99,025 / 3,95%	99,025 / 3,95%	12 000	12 000	97,813 / 4,48%	97,805 / 4,50%	90 800	415 800	94,712 / 5,60%	95,025 / 5,25%
30.8.2005.	35 000	37 500	99,078 / 3,73%	99,013 / 4,00%	10 000	10 000	97,805 / 4,50%	97,805 / 4,50%	234 300	624 300	94,921 / 5,37%	95,025 / 5,25%
6.9.2005.	12 000	12 000	99,017 / 3,98%	99,013 / 4,00%	7 000	13 000	97,881 / 4,34%	97,901 / 4,30%	385 700	734 700	95,132 / 5,13%	95,115 / 5,15%
13.9.2005.	3 400	4 400	99,032 / 3,92%	99,037 / 3,90%	80 000	80 000	97,910 / 4,28%	97,901 / 4,30%	238 200	990 500	95,236 / 5,02%	95,251 / 5,00%
20.9.2005.	3 500	3 500	99,038 / 3,89%	99,037 / 3,90%	70 000	70 000	97,901 / 4,30%	97,901 / 4,30%	426 500	1 523 300	95,337 / 4,90%	95,477 / 4,75%
27.9.2005.	16 000	16 000	99,037 / 3,90%	99,037 / 3,90%	33 000	33 000	97,935 / 4,23%	97,997 / 4,10%	463 000	694 000	95,532 / 4,69%	95,614 / 4,60%
4.10.2005.	20 000	52 000	98,981 / 4,13%	99,061 / 3,80%	115 000	165 000	98,069 / 3,95%	98,044 / 4,00%	346 100	660 100	95,716 / 4,49%	95,842 / 4,35%
11.10.2005.	32 000	205 000	99,004 / 4,03%	99,086 / 3,70%	100 000	110 000	98,153 / 3,77%	98,164 / 3,75%	359 000	594 000	95,837 / 4,36%	95,934 / 4,25%
18.10.2005.	44 500	44 500	99,089 / 3,69%	99,086 / 3,70%					501 700	511 700	96,025 / 4,15%	95,934 / 4,25%
25.10.2005.	48 000	68 000	99,079 / 3,73%	99,086 / 3,70%	50 000	50 000	98,044 / 4,00%	98,044 / 4,00%	473 200	578 200	95,947 / 4,24%	95,888 / 4,30%
31.10.2005.	22 500	22 500	98,086 / 3,70%	98,086 / 3,70%	72 000	97 000	98,028 / 4,04%	98,044 / 4,00%	528 900	688 900	95,806 / 4,39%	95,797 / 4,40%
08.11.2005.	10 000	10 000	99,086 / 3,70%	99,086 / 3,70%	115 000	165 000	97,958 / 4,18%	97,973 / 4,15%	323 000	580 000	95,752 / 4,45%	95,797 / 4,40%
22.11.2005.	3 000	33 000	99,020 / 3,97%	99,086 / 3,70%	80 000	110 000	97,962 / 4,17%	97,973 / 4,15%	351 000	462 000	95,739 / 4,46%	95,797 / 4,40%
29.11.2005.		40 000	99,013 / 4,00%		69 000	139 000	97,963 / 4,17%	97,973 / 4,15%	261 500	431 500	95,776 / 4,42%	95,797 / 4,40%
3.1.2006.	23 000	23 000	99,086 / 3,70%	99,086 / 3,70%	40 000	459 200	98,080 / 3,93%	98,140 / 3,80%	341 500	2 181 300	96,047 / 4,13%	96,164 / 4,00%
10.1.2006.	10 000	185 000	99,105 / 3,62%	99,184 / 3,30%	35 000	485 000	98,197 / 3,68%	98,309 / 3,45%	296 000	1 010 200	96,336 / 3,81%	96,441 / 3,70%
24.1.2006.	50 000	180 000	99,136 / 3,50%	99,184 / 3,30%	34 000	184 000	98,232 / 3,61%	98,357 / 3,35%	211 400	626 400	96,480 / 3,66%	95,581 / 3,55%
7.2.2006.	140 000	223 000	99,198 / 3,24%	99,196 / 3,25%	74 000	94 000	98,365 / 3,33%	98,381 / 3,30%	150 000	270 000	96,541 / 3,59%	96,581 / 3,55%
28.2.2006.	15 000	225 00	99,203 / 3,22%	99,245 / 3,05%	112 500	243 000	98,443 / 3,17%	98,478 / 3,10%	275 000	495 000	96,606 / 3,52%	96,674 / 3,45%
14.3.2006.	170 000	170 000	99,259 / 2,99%	99,258 / 3,00%	80 000	130 000	98,419 / 3,22%	98,478 / 3,10%	110 000	170 000	96,625 / 3,50%	96,721 / 3,40%
21.3.2006.	70 000	120 000	99,250 / 3,03%	99,257 / 3,00%	130 000	130 000	98,469 / 3,12%	98,454 / 3,15%	190 000	215 000	96,585 / 3,55%	96,488 / 3,65%
28.3.2006.	20 000	20 000	99,282 / 2,90%	99,282 / 2,90%	15 000	40 000	98,342 / 3,38%	98,478 / 3,10%	481 700	501 700	96,443 / 3,70%	96,395 / 3,75%
4.4.2006.	92 000	92 000	99,307 / 2,80%	99,307 / 2,80%	35 000	85 000	98,337 / 3,39%	98,405 / 3,25%	231 600	371 600	96,339 / 3,81%	96,395 / 3,75%
11.4.2006.	200 000	311 000	99,268 / 2,96%	99,282 / 2,90%					235 500	648 000	96,321 / 3,83%	96,349 / 3,80%
25.4.2006.	45 000	65 000	99,296 / 2,85%	99,307 / 2,80%	5 000	5 000	98,429 / 3,20%	98,429 / 3,20%	55 000	360 000	96,273 / 3,88%	96,349 / 3,80%
2.5.2006.	5 000	5 000	99,258 / 3,00%	99,258 / 3,00%	28 000	28 000	98,505 / 3,04%	98,502 / 3,05%	240 000	310 000	96,318 / 3,83%	96,303 / 3,85%
9.5.2006.	20 000	20 000	99,295 / 2,85%	99,258 / 3,00%					386 000	446 000	96,221 / 3,94%	96,164 / 4,00%
23.5.2006.									291 000	421 000	96,153 / 4,01%	96,164 / 4,00%
6.6.2006.	5 000	5 000	99,258 / 3,00%	99,258 / 3,00%		105 000	98,164 / 3,75%		480 600	620 600	96,165 / 4,00%	96,164 / 4,00%
13.6.2006.	130 000	130 000	99,239 / 3,08%	99,233 / 3,10%	60 000	120 000	98,335 / 3,40%	98,477 / 3,10%	390 000	450 000	96,157 / 4,01%	96,164 / 4,00%
20.6.2006.	5 000	55 000	99,166 / 3,37%	99,233 / 3,10%					95 000	185 000	96,109 / 4,06%	96,164 / 4,00%

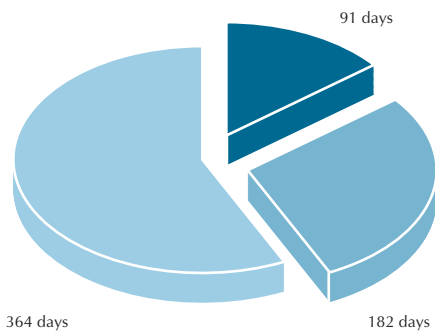
Note: See notes on methodology

Source: Ministry of Finance

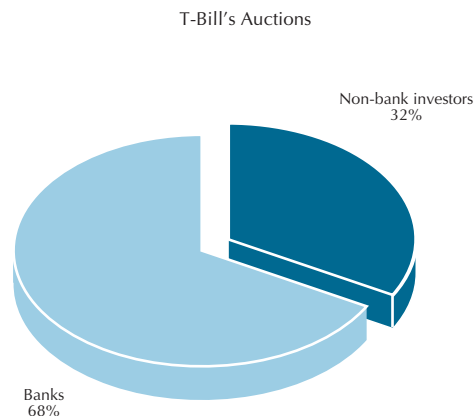
### T-Bill's Outstanding Debt



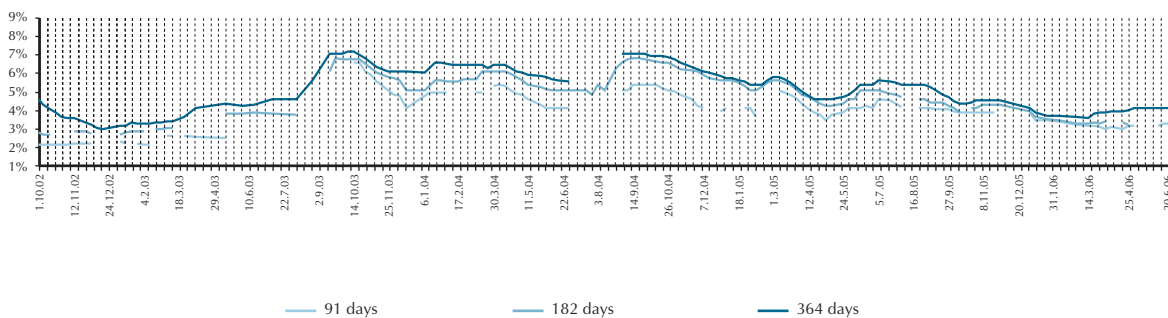
Structure of outstanding T-Bill's on 30 June 2006



Structure of bids accepted according to buyers



### Annual yield on T-Bills



## NOTES ON METHODOLOGY

### CROLEI Index

Utilising so-called leading indicators, the Economic Institute in Zagreb and the Ministry of Finance are developing a complex forecast index called **CROLEI (CROatian Leading Economic Indicator)**, in accordance with the well-known methodology of the National Bureau of Economic Research in the United States. The index predicts industrial output trends as well as overall economic activity in Croatia. For the time being the industrial output index is being utilised as the reference series.

In October of 2004, a thorough revision of the system of indicators, methodological procedures and CROLEI index itself took place.

New revised index is combined of eleven best leading indicators, whose average prognostic power is significantly increased compared to the old average of index components with average prediction time of six months compared to the referent series. The usefulness of the method of indicators is justified with the fact that five component of the old prognostic measure was kept in the new system. According to standards of the method, this represents a very stable and highly significant accordance between indicators and the referent series, which also represents a strong help in overall economic activity prognostics. New CROLEI index is combined of eleven best leading indicators: *nominal net wage, registered persons employed, total tourist bed-nights, real retail trade turnover, imports of machinery and transportation equipment, unconsolidated budget revenues, total liquid funds, total cash of participants in the payment system, domestic currency time and savings deposits of commercial banks, foreign reserves of commercial banks and cash market interest rate on other loans.*

### Table 2: Central Budget Revenues

**Central budget revenue (1)**, according to the International Monetary Fund's GFS 2001 methodology (*Government Finance Statistics*), is an increase in net worth resulting from a financial transaction in relation to Government. According to this methodology, central budget revenues are composed of main categories as following: taxes (11), social contributions (12), grants (13) and other revenue (14).

**Taxes (11)** are compulsory transfers to the Government sector, composed of following categories:

- *Taxes on income, profits and capital gains (111)* - are attributed either to individuals (1111) who pay income tax or to corporations and other enterprises (1112) that pay profit tax. When the information needed to determine whether taxes should be attributed to either of these categories is not available, the taxes are treated as not allocable (1113).
- *Taxes on payroll and workforce (112)* - this category consists of taxes that are collected from employers or the self-employed either as a proportion of payroll size or as a fixed amount per person and that are not earmarked for social security schemes. In the report on Central Budget Revenues this category is not shown because it does not exist in the tax system of the Republic of Croatia.
- *Taxes on property (113)* - this item includes taxes on the use, ownership, or transfer of wealth. According to GFS 2001 methodology, it encompasses recurrent taxes on immovable property (1131), recurrent taxes on estate, inheritance, and gifts (1133), and taxes on financial and capital transactions (1134). In the report on Central Budget Revenues, this category consists of only taxes on property.
- *Taxes on goods and services (114)* - includes all taxes levied on the production, extraction, sale, transfer, leasing or delivery of goods and rendering of services. Taxes on goods and services include: general taxes on goods and services (1141) that are divided into value added tax (11411), sales tax (11412) and turnover and other general taxes on goods and services (11413); excises (1142), profits on fiscal monopolies (1143), taxes on specific services (1144), taxes on use of goods and on permission to use goods or perform activities (1145) and other taxes on goods and services (1146). Taxes on specific services (1144) include all taxes levied on payments for specific services, such as taxes on transport charges, insurance premiums, banking services, entertainment and advertising charges. Taxes on use of goods and on permission to use goods or perform activities (1145) include various business and professional licences.
- *Taxes on international trade and transactions (115)* - include customs and other import duties collected on goods because they are entering the country or services because they are delivered by non-residents to residents. This item also includes taxes on exports, profits on export or import monopolies, exchange profits, exchange taxes and other taxes on international trade and transactions.
- *Other taxes (116)* - this item covers revenue from taxes levied predominantly on bases other than those described under the preceding tax headings. Also included is revenue from unidentified taxes that are not identifiable by tax category.

**Social contributions (12)** for the Republic of Croatia tax system encompass relevant contributions to social security schemes (121), which are classified according to source of contribution as follows:

- *Employee contributions (1211)* - are either paid directly by employees or are deducted from employees' wages and salaries and transferred on their behalf by the employer.
- *Employer contributions (1212)* - are paid directly by employers on behalf of their employees.
- *Self-employed or non-employed contributions (1213)* - are paid by contributors who are not employees.
- *Unallocable contributions (1214)* - are those contributions whose source cannot be determined (For 2002, most data in the table falls into this category because at the time for the same contributions the contributions were made partly by the employee and partly by the employer, so it was impossible to separate the two.

**Grants (13)** are noncompulsory current or capital transfers received by a government unit from other general government units, foreign governments or international organization.

**Other revenues (14)** are composed of property income (141), sales of goods and services (142), fines, penalties and forfeits (143), voluntary transfers other than grants (144) and miscellaneous and unidentified revenue (145).

Property income (141) includes a variety of forms of revenue earned by government unit when it places financial and/or nonproduced assets that it owns at the disposal of other units: interest (1411), dividends (1412), withdrawals from income of quasi-corporations (1413), property income attributed to insurance policyholders (1414) and rent (1415) that is property income received from certain leases of land and other naturally occurring assets.

Sales of goods and services (142) are composed of sales by market establishments (1421) at which only a single productive activity is carried out or the principal productive activity accounts for most of the value added; then administrative fees (1422) and incidental sales by nonmarket establishments (1423).

Voluntary transfers other than grants (144) includes gifts and voluntary donations from individuals, private nonprofit institutions, nongovernmental foundations, corporations and any other source other than governments and international organizations.

As of July 1<sup>st</sup> of 2001, Central Budget revenues include pension insurance contributions, which up to that time represented the revenue of the Croatian Pension Fund. With this inclusion, the coverage of the Central Government is expanded. Also, as of January 1<sup>st</sup> of 2002, health insurance contributions and employment contributions are included in the Central Government Budget, which up to that time represented revenues of the Croatian Employment Fund and Croatian Health Insurance Fund. All mentioned revenues are classified according to the GFS 2001 methodology.



In the end of 2001, two new extra-budgetary funds were founded: Regional Development Fund and Employment and Development Fund with intention to take some of the Central Budget activities as well as the privatisation receipts of privatisation of the public enterprises.

As of January 1<sup>st</sup> of 2003, these funds are included in the coverage of the Central Government Budget.

### **Table 3: Central Budget Expense**

**Central Budget Expense (2)**, according to International Monetary Fund GFS 2001 (*Government Finance Statistics*) methodology, is a decrease in net worth resulting from a transaction. According to this methodology, central budget expenses are composed of the following main categories: compensation of employees (21), use of goods and services (22), consumption of fixed capital (23), interest (24), subsidies (25), grants (26), social benefits (27) and other expense (28).

**Compensation of employees (21)** is the total remuneration, in cash or in kind, payable to a government employee. It includes both wages and salaries (211) and social contributions (212) made on behalf of employees to social insurance schemes.

**Use of goods and services (22)** is the total value of goods and services purchased by government sector for use in a production process or acquired for resale less the net change in inventories of those goods and services.

**Consumption of fixed capital (23)** is the decline during the course of an accounting period in the value of fixed assets, as a result of physical deterioration, normal obsolescence or normal accidental damage. Namely, consumption of fixed capital is not included in budgetary reports because such data are still not available for the report purposes, according to the GFS 2001 methodology.

**Interest (24)** is an expense created when a government unit borrows funds from another unit. Total interest payable is subdivided into interest payable to nonresidents (241), interest payable to residents other than general government (242) and interest payable to other general government units (243).

**Subsidies (25)** are current unrequited payments that government makes to enterprises on the basis of the levels of their production activities or the quantities or values of the goods or services they produce, sell, export or import. Subsidies also include transfers to public corporations and quasi corporations to compensate for losses they incur on their productive activities as a result of charging prices that are lower than their average cost of production as a matter of deliberate government economic and social policy. Subsidies are classified by whether the recipient is a public financial/nonfinancial enterprise (251) or private financial/nonfinancial enterprise (252).

**Grants (26)** are noncompulsory current or capital transfers, in cash or kind, classified by type of recipients: grants to foreign government (261), grants to international organizations (262) and grants to other general government units (263).

**Social benefits (27)** are defined as current transfers, classified according to the type of scheme governing their payment:

- *Social security benefits (271)* - are social benefits payable to households by social security schemes. Typical social security benefits in cash include sickness and invalidity benefits, maternity allowances, children's or family allowances, unemployment benefits, retirement and survivors' pensions. Benefits from insurance in kind include goods and services acquired on the market for the household, or reimbursement for household expenses for that purpose. Medical or dental treatments, surgery, hospital accommodation, pharmaceutical products, home care, and similar goods and services fall into this category.
- *Social assistance benefits (272)* - are transfers payable to households to meet the same needs as social insurance benefits but which are not made under a social insurance schemes. Social assistance benefits may be payable when no social insurance scheme exists to cover the circumstances in question, certain households do not participate in existing social insurance schemes, or social insurance benefits are deemed inadequate to meet particular needs. In this category, in the Republic of Croatia, a larger part belongs to child allowances, various aids to families and households, invalids, etc. Grants in kind include co-financing transportation costs, home care, accommodation, food, and other similar goods and services.
- *Employer social benefits (273)* - are social benefits payable by government to their employees similar to social insurance schemes. In Republic of Croatia, a major part of this category relates to severance payments.

**Other expense (28)** is divided by two main categories:

- *Property expense other than interest (281)* - may take the form of dividends (as distributions of profits by public corporations to their shareholders or owners), withdrawals from income of quasi-corporations, property expense attributed to insurance policyholders, or rent (as the expense incurred in connection with certain leases of land, subsoil assets and other nonproduced naturally occurring assets). Rent of land is the most important in this category.
- *Miscellaneous expense (282)* - includes a number of current or capital transfers such as: current transfers to nonprofit institutions, payments of compensation for injuries or damages caused by natural disasters or caused by general government units, scholarship, purchases of goods and services from market producers that are distributed directly to households for consumptions other than social benefits, capital grants to enterprises and non-profit institutions serving households in acquiring of nonfinancial assets or in covering accumulated losses, capital grants to households construction and reconstruction etc.

As of July 1<sup>st</sup> of 2001, Central Government Budget expense includes expense for domestic pensions, which were previously expense of the Croatian Pension Fund.

As of January of 2002, Central Government Budget expense includes expense originating from a right to be employed as well as expense based on health insurance, which up to that time represented expense of the Croatian Employment Fund and Croatian Health Insurance Fund.

As of January 1<sup>st</sup> 2004, Central Government Budget expense includes expense for foreign pensions, which up to that moment were expense of the Croatian Pension Fund.

All mentioned expenses are classified according to the GFS 2001 methodology.

As of January 1<sup>st</sup> of 2003, the coverage of the Central Government Budget is expanded by inclusion of Regional development Fund and Development and Employment Fund as budget users, which in 2002 were extrabudgetary funds.

### **Table 4: Transactions in Nonfinancial Assets of Budgetary Central Government**

**Nonfinancial assets (31)** may come into existence as outputs from a production process, be naturally occurring or be constructs of society. Depending on that, nonfinancial assets are classified as produced and nonproduced nonfinancial assets. According to GFS 2001 methodology, all assets, including nonfinancial as well as liabilities, are observed using different classifications to which different codes are assigned. Within those classifications further grouping is performed according to asset/liability category and this grouping is always the same. Namely, GFS 2001 observes assets and liabilities from transactions side (classification 3), from side of holding gains of assets and liabilities (classification 4), from side of other economic flows (classification 5) and from side of stocks (classification 6). Since at present time, in Republic of Croatia there is a lack of data needed to produce classifications 4, 5 and 6, only transactions are included in reports (code 31 for nonfinancial assets). In this sense, further definitions and codes should be understood.

Produced nonfinancial assets are composed of following components, according to GFS 2001:

- *Fixed assets (311)* - produced assets that are used repeatedly or continuously in processes of production for more than one year. Fixed assets are composed of three main categories:

- buildings and structures (3111), which by existing chart of account also includes subgroup construction objects
- machinery and equipment (3112) , which by existing chart of accounts also includes a subgroup of transportation machinery and equipment and books, works of art and other values
- other fixed assets (3113), which includes also cultivated assets (animal stock, plantations) and also nonmaterial produced assets (investment in computer programs, science works etc.)
- *Inventories (312)* - goods and services held by producers for sale, use in production or other use at a later date. Inventories are classified as strategic stocks (that include goods held for strategic and emergency purposes, goods with organizations for market regulations and goods of special national interest) and other inventories (that consist of materials and supplies with intention of using them as inputs to a production process, work in progress, finished goods and goods for resale). These transactions appear with a small share in the budget.
- *Valuables (313)* - produced goods of considerable value that are acquired and held primarily as stores of value over time and are not used primarily for purposes of production or consumption (precious stones, paintings, sculptures etc.).

**Nonproduced nonfinancial assets (314)** consist of tangible, naturally occurring assets over which ownership rights are enforced, and intangible nonproduced assets (3144) that are social origin (patents, leasing contracts, goodwill etc.). Naturally occurring assets include land (3141), subsoil assets (3142) and other naturally occurring assets (3143), (electro-magnetic frequencies for example).

All transactions that increase the value of a certain fixed asset are called **acquisitions** while all transactions that reduce the value of a certain category are called **disposals**. To record acquisitions and disposals, decimal point is added after the code followed by number 1 to denote acquisitions and number 2 to denote disposals.

For example, construction of a school building or a hospital is treated as an acquisition of fixed assets (buildings and structures - 3111,1), while sales of public »ats is denoted as sales of fixed assets (3111,2). Similarly, purchases of cars and computer equipment is treated as acquisition of fixed assets namely, under machinery and equipment (3112,1) while sales of the same are denoted as sales of fixed assets (3112,2). Only for inventories, and according to GFS 2001 methodology, only net changes due to transactions are presented and not gross values for acquisitions and disposals).

#### **Table 5: Transactions in Financial Assets of Budgetary Central Government**

**Financial assets (32)** consist of financial claims, monetary gold and special drawing rights (SDR).

Financial claims are defined as financial assets which entitles one unit (creditor) to receive one or more payments from other unit (debtor) according to terms of agreement. Claims can be on other units, domestic (321) or foreign (322). The classifications of financial assets are based primarily on the liquidity and legal characteristic of the instruments that describe the underlying creditor-debtor relationships: currency and deposits, securities other than shares, loans, shares and other equity, insurance technical reserves, financial derivatives and other accounts receivable.

Monetary gold and SDRs (Special Drawing Rights) are not financial claims, which means that they are not the liability of any other unit. They do, however, provide economic benefits by serving as a store of value and they are used as a means of payment to settle financial claims and finance other types of transactions. As a result, they are, by convention, treated as financial assets.

All transactions that increase a unit's holdings of assets are labelled as **acquisitions** and all transactions that decrease a unit's holdings of assets are labelled as **disposals**.

It is customary to present only net acquisition of financial assets according to GFS 2001, but here are presented through acquisitions and disposal due to transparency. The same coding system is used as is used in nonfinancial assets.

For example, government loans to domestic units should be classified as acquisition of financial assets (3214,1) and their repayment by domestic units to government should be classified as disposal of financial assets (3214,2).

Also, privatisation is a typical example of transactions in financial assets. Concretely, sales of domestic public enterprise shares (privatisation) should be recorded as disposals of shares and other equity (3215,2) and purchase of some enterprise shares by government should be recorded as acquisitions of shares and other equity (3215,1).

#### **Table 6: Transactions in Liabilities of Budgetary Central Government**

When a financial claim is created, the debtor as the counterpart of the financial asset simultaneously incurs a **liability (33)** of equal value. As well as transactions in financial assets, transactions in liabilities are defined as domestic (331) or foreign liabilities (332).

The classifications of liabilities are based primarily on the liquidity and legal characteristic of the instruments that describe the underlying creditor-debtor relationships: currency and deposits, securities other than shares, loans, shares and other equity (public corporations only and do not appear in the budget), insurance technical reserves, financial derivatives and other accounts receivable.

All transactions that increase liabilities are referred to as the **incurrence** of liability and all transactions that decrease liabilities are referred to as the **repayment** of liability. As the case is with financial assets, due to transparency, gross repayments (denoted by number 1) and incurrences (denoted by number 2) are presented.

For example, bonds issued by government in the foreign financial market are classified as foreign incurrence of securities other than shares (3323,2), and their redemptions should be recorded as repayment of securities other than shares (3323,1).

Also, when government borrows from domestic units, this transaction should be recorded as incurrence of loans (3314,2) and their redemption should be recorded as repayment of loans (3314,1).

Exception is, according to article 59 point 3 of the Budget accounting and chart of accounts book of rules ("Official Gazette" 119/2001, 74/2002 and 3/2004), repayments of short-term loans and amortization of short-term securities performed within the same year is presented as net value, hence as a reduction in incurrence rather than as a repayment.

Therefore, net transactions of liabilities (33) and net transactions of financial assets (32) are defined as **financing**.

#### **Table 7: Transactions in financial assets and liabilities, by sectors**

Table 7 represents a summary of transactions in financial assets and liabilities by sector for Budgetary Central Government, Extrabudgetary funds and Consolidated Central Government, which is published monthly and quarterly for Local Government and Consolidated General Government.

#### **Table 8-8B:**

According to the GFS 2001 methodology, the Statement of Budgetary Central Government Operations details data on transactions in revenues (1), transactions in expenses (2), net transactions of nonfinancial assets (31), net transactions of financial assets (32) and net transactions of liabilities (33).

**Operating balance** is equal to revenue (1) minus expense (2).

Operating balance represents a measure of total cost of public goods and services. Positive operating balance increases net worth of the public sector indicating an excess of resources which are direct result of current operations and which can be used to acquire assets and/or to reduce liabilities. On the other hand, negative operating balance indicates a shortage of resources which is the result of current operations and, which reduces net worth and thus results as an increase in liabilities and/or sales of assets. Hence, operating balance is the indicator of sustainability of current government operations, but it is not necessarily an indicator of sustainability of future government operations. Value of operating balance is close to current deficit/surplus as

defined according to GFS 1986. **Net operating balance** equals revenue (1) minus expense (2). The **gross operating balance** equals revenue (1) minus expense (2) other than consumption of fixed capital (23). In Croatia, the gross and net operating balance are the same due to the lack of data on consumption of fixed capital.

**Primary operating balance** is equal to operating balance (revenue minus expense) augmented by interest expense and serves as an indicator of current fiscal policy considering that it does not include interest expense and hence excludes effects of past deficits and accumulated public debt from the balance.

**Net lending/borrowing** is equal to operating balance minus net acquisition of nonfinancial assets. Net lending/borrowing is also equal to net acquisition of financial assets minus net incurrence of liabilities or in other words, the amount of net lending/borrowing is financed with the difference between the net incurrence of liabilities and net acquisition of financial assets. This measure can serve as an indicator of financial effect of government operations to the rest of the economy: positive net lending/borrowing implies that the government is placing financial assets to domestic sectors or abroad, while negative net lending/borrowing implies an incurrence of liabilities from domestic sectors or abroad by the government.

#### **Tables 9-17**

According to article 3 of the Budget Act ("National Gazette" 96/2003), **extrabudgetary users** are extrabudgetary funds, enterprises and other legal entities in whose management process central, or local government has a major role. **Extrabudgetary fund** is an extrabudgetary user: legal entity created by law and is financed through specific contributions and other revenues.

As extrabudgetary funds, since 1994, are observed: Pension Fund, Health Fund, Employment Fund and Public Water Management Fund. In the end of 2001 Development and Employment Fund and Regional Development Fund were created, taking on some of the budget activities, which as a result had an expansion of the coverage of extrabudgetary funds since January 1<sup>st</sup> 2002.

As of January 1<sup>st</sup> of 2003, these two funds are no longer extrabudgetary funds but are totally included in Central Government Budget as the budget funds/budget users.

As of July of 2001, revenues from pension insurance contributions and expenses for pensions are transferred from Croatian Pension Fund to Central Government Budget. The largest share of pension payments (domestic pensions) were performed directly through State Treasury, while the remaining part was performed through Pension Fund.

As of January 2002, revenues from contributions and expenses for settlement of particular obligations of the Croatian Health Fund and Croatian Employment Fund, are included in central Government Budget (through State Treasury system). Contribution for pension insurance amounts to 20% or 15% plus 5% for persons insured with the second pillar of pension incurrence, from salaries.

Special contribution for the work related hazard and sickness in the amount of 0,5% on salaries, health insurance contributions are 15% on salaries and employment contributions are 1,7% on salaries.

In April of 2001, Croatian Motorways and Croatian Roads, were created as legal entities, owned by the state. These entities took on job thus far performed by Croatian Road Department. Data on these entities as well as data on State Agency For Deposit Insurance And Banks Rehabilitation and Croatian Privatization Fund was presented according to demands of IMF methodology in 2002 reports. Since 2003, they are part of the official coverage of consolidated central government, which is used in process of budget creation.

Since January of 2004, the coverage of extrabudgetary funds also includes the Environment Protection Fund. Further, since 1<sup>st</sup> of May 2004, payments of foreign pensions are performed directly through State Treasury, and no longer by transfer to Croatian Pension Fund.

Tables 9-17 present revenue and expense according to the economic classification and transactions in nonfinancial and financial assets, as well as transactions in liabilities for each extrabudgetary fund.

#### **Table 18: Consolidated Central Government by Economic Category**

Consolidated Central Government according to GFS 2001, relates to Consolidated Central Government budget according to Budget Act (Consolidated State Budget and financial plans of extrabudgetary users).

The Consolidated Central Government Budget is the result of a consolidation of financial transactions between the State Budget and extra-budgetary users, as well as between the extra-budgetary users themselves.

Table 18 presents Consolidated Central Government revenue and expense according to the economic classification and transactions in nonfinancial and financial assets, as well as transactions in liabilities.

#### **Table 19: Consolidated Central Government According to Government Level**

Table 19 gives summary of revenue, expense, transactions in nonfinancial, financial assets and liabilities for each of the component of Consolidated Central Government, Budgetary Central Government and extrabudgetary users (disaggregated).

#### **Table 19A-19B:**

**Operating balance** is equal to revenue (1) minus expense (2).

Operating balance represents a measure of total cost of public goods and services. Positive operating balance increases net worth of the public sector indicating an excess of resources which are direct result of current operations and which can be used to acquire assets and/or to reduce liabilities. On the other hand, negative operating balance indicates a shortage of resources which is the result of current operations and, which reduces net worth and thus results as an increase in liabilities and/or sales of assets.

Hence, operating balance is the indicator of sustainability of current government operations, but it is not necessarily an indicator of sustainability of future government operations. Value of operating balance is close to current deficit/surplus as defined according to GFS 1986. **Net operating balance** equals revenue (1) minus expense (2). The **gross operating balance** equals revenue (1) minus expense (2) other than consumption of fixed capital (23). In Croatia, the gross and net operating balance are the same due to the lack of data on consumption of fixed capital.

**Primary operating balance** is equal to operating balance (revenue minus expense) augmented by interest expense and serves as an indicator of current fiscal policy considering that it does not include interest expense and hence excludes effects of past deficits and accumulated public debt from the balance.

**Net lending/borrowing** is equal to operating balance minus net acquisition of nonfinancial assets. Net lending/borrowing is also equal to net acquisition of financial assets minus net incurrence of liabilities or in other words, the amount of net lending/borrowing is financed with the difference between the net incurrence of liabilities and net acquisition of financial assets. This measure can serve as an indicator of financial effect of government operations

to the rest of the economy: positive net lending/borrowing implies that the government is placing financial assets to domestic sectors or abroad, while negative net lending/borrowing implies an incurrence of liabilities from domestic sectors or abroad by the government.

**Table 20: Local Government Transactions (the largest 53 units)** is published quarterly according to financial reports of Financial Agency (FINA). According to Law on financing of local governments ("Official Gazette" 117/93, 69/97, 33/00, 127/00, 59/01, 107/01, 117/01, 150,02 and 147/03) local governments acquire own revenue, they acquire revenue through mutual taxes and through grants from state and county budgets.

The sources of revenues of counties are: income from their own assets, county taxes (inheritance and gift tax, motor vehicle tax, seafaring and freshwater vessel tax, gaming machine tax), monetary fines, confiscated assets and other incomes as stipulated by special legislation.

The sources of revenues of municipalities and cities are: income from their own assets, municipal and urban taxes (consumption tax, vacation home tax, public land use tax, tax on uncultivated agricultural land, tax on unused entrepreneurial real estate, tax on undeveloped construction land, corporate title tax.), monetary fines, administrative fees, residence fees, utility charges, charges for the use of public municipal or urban land and other incomes as stipulated by special legislation.

Beside this, cities and municipalities can impose surtax to income tax as an additional revenue source (up to 10% municipalities, up to 12% cities under 30,000 inhabitants, up to 15% cities with the population above 30,000 and up to 30% City of Zagreb).

Joint taxes of central budget and local and regional self-government units are: profit tax (share of municipalities and cities is 20%, counties 10%, central budget 70%), property sales tax (share of municipalities and cities is 60%, central budget 40%), personal income tax (share of municipalities and cities is 34% increased by the share of transferred function, counties 10% increased by the share of transferred function, grants for adjustment of decentralized function 21%, central budget 25.6%, and at the same time, share of municipality and city that found and finance the public fire fighting brigades increases by 1%, share of municipalities and cities on islands, for those that reach an agreement on financing of a capital projects for island development, increases for the amount of income tax that belongs to central budget.

A part of income tax revenue which is allotted to local governments through decentralized functions and which is allotted from central budget is treated as grant from other general government units in terms of GFS 2001.

Table 20 shows revenue and expense of local governments (53 biggest units - counties, City of Zagreb and other 32 cities, which make up to 70-80% of total transactions and which in this sense are observed since 2001) according to economic category as well as the transactions in nonfinancial, financial assets and liabilities.

**Table 21: Consolidated General Government by Economic Category** is published every three months.

In terms of Budget Act, Consolidated Budget of Republic of Croatia is Consolidated Central Government and Consolidated Local Governments Budget. In terms of GFS 2001 it relates to Consolidated General Government.

Consolidated General Government is the result of consolidation of transactions on all government levels and among them - State Budget, Extrabudgetary Users Budgets and Local Governments Budgets (53 largest units).

Table 21 thoroughly shows revenue and expense according to economic category as well as transactions in nonfinancial, financial assets and liabilities on Consolidated General Government level.

**Table 22: Consolidated General Government According to Government Level** is published every three months. See explanation for table 21.

Table 22 presents aggregate amounts of revenue, expense, transactions in nonfinancial and financial assets, as well as transactions in liabilities for each component of the consolidated general government: central budget, extra-budgetary users and local government (the largest 53 units).

**Table 23: General Government debt stock**

This table presents foreign and domestic debt of the Central Government including agencies (HAC, HC, DAB and HFP), Extrabudgetary funds and Local Government. In compliance with Stand-by Arrangement, debt data also includes guarantees of Republic of Croatia (domestic and foreign) and the debt of Croatian Bank for Reconstruction and Development (HBOR). According to the Budget Act (Official Gazette no. 96/2003), public debt is defined as the debt of the Consolidated Budget of the Republic of Croatia plus issued total guarantees.

In December of 2003, debt of HAC, HC, DAB and HFP was classified from Central Government sector to Extra-budgetary funds sector.

The International Monetary Fund and the World Bank introduced a new international reporting standard on external debt in 2004. The new standard is based on recommendations derived from the new External Debt Statistics - Guide for Compilers and Users and is accepted by countries members of the Special Data Dissemination Standard - SDDS. Since Croatia is member the SDDS, the Ministry of Finance started compiling external debt data according to the new standard since the beginning of 2005. Data in line with the new standard is available since the no. 115 of the Monthly Statistical Review.

**Table 24: Consolidated Central Government Domestic Debt**

**Frozen Foreign Exchange Deposits.** At the end of 1991, by a directive of the Croatian Government ("Official Gazette", 71/91, 3/92, 12/92, 71/92, 103/93), the foreign exchange deposits of citizens in banks operating in the Republic of Croatia as of 27 April 1991 were converted into public debt of the Republic of Croatia. The deposits were augmented by the corresponding rate of interest in 1991. The claimed sum of DM 5.034 billion was exchanged with bonds of the Republic of Croatia, which were to be repaid in twenty semi-annual instalments, beginning on 30 June 1995.

**Big Bonds** were issued in 1991 with a DM 1,550.09 million nominal value. In 1996 Big Bonds were divided into Big Bonds I, Big Bonds II (Riječka and Splitska banka), Big Bonds III (Privredna banka) and Big Bonds IV (Privredna banka). Big Bonds IV (Privredna Banka) were redeemed in 2000. In April 2000, Government concluded the issuance of bonds for economic restructuring (Big Bonds I). These Bonds mature in 2011 and with annual interest rate of 5%.

**Reconstruction Bonds** were issued in 1992 and 1993 (National Gazette No. 65/91) in order to collect funds to finance the reconstruction of war-damaged commercial, religious and cultural heritage structures. There were 3 bond issues. The first issue entailed bonds with a value of DM 50 million and US\$ 30 million; the second issue had a value of CAD\$ 10 million, while the third emission had a value of AUD\$ 25 million.

**Bonds-Series D** are issued by syndicate of banks to obtain optimal development of domestic capital markets. Bonds-Series 01 D-04 were issued in 2001 with a EUR 200 million nominal value, for a three year period and a 6,5% annual interest rate (National Gazette No. 80/2001). Bonds-Series 02-D8 were issued in 2001 with a EUR 200 million nominal value, for a seven-year period and 6,875% annual interest rate (National Gazette No. 112/2001). Bonds -Series 03 D-12 were issued in three stages. First two emissions took place in 2002 with a EUR 300 million nominal value. The third emission took place in January 2003 with a EUR 200 million nominal value. These bonds mature in 2012 and are issued with the annual interest rate of 6,875% (National Gazette No. 58/2002, National Gazette No. 111/2002, National Gazette No. 14/2003).

**BRA Bonds.** BRA Bonds I: bonds issued for the rehabilitation of Riječka banka (HRK 552 million, Narodne novine, Nos. 31/96, 20/98) and Splitska banka (HRK 765 million, Narodne novine, Nos. 31/96, 22/98). Bonds for the rehabilitation of Privredna banka were issued in the amount of HRK 1,463 million. There were 3 bond issues (Narodne novine, No. 106/98). BRA bonds II (PBZ-DM) were issued in the amount of DM 84,333.6 million,

or HRK 300 million for a 15-year period. BRA bonds III (PBZ-HRK) were issued in the amount of HRK 744 million for a 15-year period. BRA bonds IV (PBZ-HRK) were issued in the amount of HRK 419.7 million for a 15-year period. BRA bonds V were issued during 1998 for the rehabilitation of Dubrovačka banka in an amount of HRK 1,001.5 million for a ten-year period (Narodne novine, No. 56/98). During 1998, within the Dubrovačka banka rehabilitation process, the early redemption of a large portion of bonds was executed. At the beginning of 1999, a new decision on the rehabilitation and reconstruction of Dubrovačka banka was made (Narodne novine, No. 11/99). The new decision prompted the issue of bonds in the amount of HRK 2,601.8 million, consisting of HRK 1,001.5 million in compliance with the former decision plus the new HRK 1,415.3 million for coverage of potential losses plus an additional HRK 185 million for the injection of fresh capital. For the unredeemed portion of bonds issued in compliance with the former decision BRA bonds V-A were issued, whereas BRA bonds V-B were issued for the remaining bonds with a nominal value of HRK 1,600.3 million.

**Treasury Bills** are short-term bonds from the Ministry of Finance. They are issued at a price determined at auction, while the planned issue is determined by the Ministry of Finance with an invitation to bid. Treasury bills are issued with 91,182, and 364 days maturity.

**BRA Insured Deposit Scheme Bonds** are issued with Government guarantees by State Agency for Banks in order to boost national capital markets and to pay for the insured deposits of bankrupted banks. BRA Insured Deposit Scheme Bonds - I were issued in 2000 with a EUR 105 million nominal value, 2003 maturity and annual interest rate of 8%. BRA Insured Deposit Scheme Bonds - II were issued in 2000 with a EUR 225 million nominal value, 2005 maturity and 8,375% annual interest rate.

**Health Fund Bonds** were issued by Croatian Health Insurance Fund with Government guarantees in order to help develop domestic capital markets and solve some of increasing health industry and management problems. These Bonds were issued in 2000 with a EUR 222 million nominal value, 2004 maturity and 8,5% annual interest rate.

#### **Table 25: Results of the Treasury bill's auctions held by the Ministry of Finance**

**Treasury bills** are short-term bonds from the Ministry of Finance. They are issued at a price determined at auction, while the planned issue is determined by the Ministry of Finance with an invitation to bid. Treasury bills are issued with 91,182, and 364 days maturity. Table 21 gives the report on the results of treasury bill auctions held by the Ministry of Finance, classified by the date of auction and including the following: size, total bids received, weighted average of the bids received (HRK) / yielding (%), uniform price allocation per 100 HRK / yielding (%).

#### **Table 26: Balance sheet of public enterprises**

According to article 14 of the Law on Accountancy (National Gazette 90/1992) the Balance sheet is a systematic overview of assets, capital and liabilities on a certain date.

Table 26 is based on data retrieved from the Balance sheet as fundamental financial statement, for nine selected public enterprises owned by the government. Table 26 presents the reduced form of the Balance sheet for the mentioned enterprises detailing selected entries within assets (claims on unpaid share equity; non-current assets; current assets; prepayments and accrued income; loss above the value of equity) as well as within equity and liabilities (equity and reserves; long term provisions; non-current liabilities; current liabilities; accruals and deferred income).

#### **Table 27: Profit and loss statement of public enterprises**

According to article 14 of the Law on Accountancy (National Gazette 90/1992) the Profit and loss statement is a fundamental financial statement detailing revenues and expenses as well as the financial result achieved in a certain period of time.

Table 27 presents the reduced form of the Profit and loss statement with selected entries (operational income; operational costs; financial revenue; financial expense; income on ordinary activities; expenses on ordinary activities; income on non-ordinary activities; expenses on non-ordinary activities; total income; total expenses; profit/loss before tax; profit/loss for the year).

#### **Table 28: Trade payables and trade receivables of public enterprises**

Table 28 represents short financial statement "Trade payables and trade receivables" of selected eight public enterprises. Data are collected quarterly within the whole set of reports on public enterprises in which republic of Croatia holds majority share. Provided data present overdue trade payables and overdue trade receivables of selected public enterprise on a particular day.

**Note:** GFS 2001 Manual is completely published on the IMF web site on the following address:

<http://www.imf.org/external/pubs/ft/gfs/manual/comp.htm>

# MANAGEMENT OF THE MINISTRY OF FINANCE

## Cabinet of the Minister

Minister for Finance: Ivan Šuker, B. Sc.  
Secretary of State: Ante Žigman, M. Sc.

## Ministry Secretariat

Ministry Secretary: Zvonko Šakić

## State Treasury

Chief Treasurer: Vesna Orlandini

## Assistant Ministers

Bureau for Macroeconomics Analysis and Planning: Zdravko Marić, M. Sc.  
Sector for Budget Preparation: Niko Raič, M. Sc.  
Sector for Budget Execution: Ivana Maletić  
Public Debt and Cash Management  
Department: Hrvoje Radovanić  
Department for International Financial  
Institutions and European Integration: Ana Hrastović  
Department for Financing EU Assistance  
Programmes and Projects: Vladimira Ivandić, M. Sc.  
Department of Economy: Krešimir Dragić, M. Sc.  
Department for Financial System:  
Internal Audit and Control Department: Ljerka Linzbauer, M. Sc.  
Tax administration: Ivica Mladineo, M. Sc., Head  
Customs administration: Mladen Barišić, M. Sc., Director  
Foreign exchange inspectorate: Slavica Pezer-Blečić, M. Sc., Chief Inspector  
Finance Police: Jakov Sučević, Director  
Independent Service for Second-Instance  
Administrative Procedure: Zdenka Koharić  
Independent Information System  
Service: Ivan Rašeta  
Independent Border-Crossing Construction and  
Maintenance Service: Ante Kapulica  
Independent Public Relations and  
Communications Division: Sanja Bach  
Independent Department of  
Internal Auditing: Tomislav Mičetić  
Independent Financial Management, Internal  
Monitoring and Control Division: Marijan Čižmešija, M. Sc.  
Money Laundering Prevention  
Department: Ivica Maros, Head

## ADVANCE RELEASE CALENDAR

Ministry of Finance Monthly Statistical Review number	Notes	Release			
		September 06	October 06	November 06	December 06
<b>SDDS Data Category</b>		September 06	October 06	November 06	December 06
<b>General Government operations</b>	<b>1)</b>			<b>(09/06)</b>	
<b>Central Government operations</b>	<b>2)</b>	<b>(07/06)</b>	<b>(08/06)</b>	<b>(09/06)</b>	<b>(10/06)</b>
<b>Internal Central Government Debt</b>	<b>3)</b>	<b>((07/06)</b>	<b>(08/06)</b>	<b>(09/06)</b>	<b>(10/06)</b>

- 1) Consolidated state budget, extrabudgetary funds and local government according to GFS 2001
- 2) Consolidated state budget and extrabudgetary funds according to GFS 2001
- 3) Stock of central government domestic debt

