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CONTENTS

Table 1: Basic Macroeconomic Indicators for the Croatian Economy	4
Macroeconomic trends	5
CROLEI - Leading indicator of industrial production	5
Consolidated Central Government in January - July 2006 period	9
Table 2: Budgetary Central Government Revenue	12
Table 3: Budgetary Central Government Expense	13
Table 4: Transactions in Nonfinancial Assets of Budgetary Central Government	14
Table 5: Transactions in Financial Assets of Budgetary Central Government	15
Table 6: Transactions in Liabilities of Budgetary Central Government	16
Table 7: Transactions in Financial Assets and Liabilities, by sectors	17
Table 8: Statement of Budgetary Central Government Operations	18
Table 8A/8B: Measures of Budgetary Central Government deficit/surplus	19
Table 9: The Croatian Institute for Pension Insurance (HZMO) Transactions	20
Table 10: The Croatian Health Insurance Institute (HZZO) Transactions	21
Table 11: The Croatian Employment Service (HZZ) Transactions	22
Table 12: The Croatian Waters Transactions	23
Table 13: The Environment Protection Fund Transactions	24
Table 14: The Croatian Motorways Ltd. Transactions	25
Table 15: The Croatian Roads Ltd. Transactions	26
Table 16: The State Agency for Deposit Insurance and Banks Rehabilitation Transactions	27
Table 17: The Croatian Privatization Fund Transactions	28
Table 18: Consolidated Central Government by Economic Category	29
Table 19: Consolidated Central Government According to Government Level	30
Table 19A/19B: Measures of Consolidated Central Government deficit/surplus	31
Table 23: General Government Debt Stock	32
Public Debt at the end of July 2006	33
Table 24: Consolidated Central Government Domestic Debt	34
Table 25: Results of the Treasury Bill's Auctions held by the Ministry of Finance	35
Treasury Bills	36
Notes on Methodology	37
Management of the Ministry of Finance	43
Advance Release Calendar	44

TABLE 1: BASIC MACROECONOMIC INDICATORS FOR THE CROATIAN ECONOMY

	2000	2001	2002	2003	2004	2005	2005		2006		2006						
							Q3	Q4	Q1	Q2	II	III	IV	V	VI	VII	VIII
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	7,3	6,0	-3,2	4,1	-1,1	5,2	9,8
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	5,3	0,1	1,5	0,2	-0,5	1,6	-
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	8,4	17,1	16,9	3,8	13,7	7,5	8,3	-
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	13,6	-18,3	32,5	-10,3	12,8	2,7	-
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	3,6	3,6	3,4	3,7	3,7	3,0	3,1
Consumer prices, period average, %	4,6	3,7	1,7	1,8	2,1	3,3	3,3	3,8	3,5	3,8	3,6	3,0	3,5	4,0	4,0	3,4	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	1 403 834	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	313 627	311 311	302 406	287 283	274 471	270 753	271 051
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	18,1	17,6	16,7	16,0	15,7	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	6,1	5,9	5,7	6,6	5,3	5,7	-
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	6 326	6 650	6 459	6 780	6 684	6 550	-
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	6,13	6,10	5,97	5,70	5,73	5,71	5,68
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	7,33	7,33	7,31	7,27	7,26	7,25	7,28
Trade Balance (mil. USD)	-3 455	-4 481	-5 818	-8 022	-8 565	-9 788	-2 401	-2 468	-2 386	-3 112	-841	-904	-960	-1 025	-1 126	-958	-
Exports (mil. USD)	4 432	4 666	4 904	6 187	8 024	8 773	2 207	2 315	2 371	2 429	702	936	715	897	816	888	-
Imports (mil. USD)	7 887	9 147	10 722	14 209	16 589	18 560	4 609	4 783	4 757	5 541	1 543	1 840	1 675	1 923	1 942	1 846	-
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	9 405	9 767	10 301	10 930	10 958	11 389	11 123
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	31 961	34 413	31 173	31 961	33 731	34 988	34 413	34 499	-
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	49 378	52 012	51 894	51 937	52 079	52 999	-
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	24,8	19,8	22,2	23,3	22,8	24,8	23,8	-
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%	3,05%	2,90%	2,80%	3,00%	3,10%	2,84%	3,30%
ZIBOR (3 m), average	11,10%	7,90%	4,60%	5,50%	7,35%	6,19%	6,77%	5,82%	4,86%	4,10%	4,97%	4,35%	3,79%	4,16%	4,35%	4,43%	4,40%

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

MACROECONOMIC TRENDS

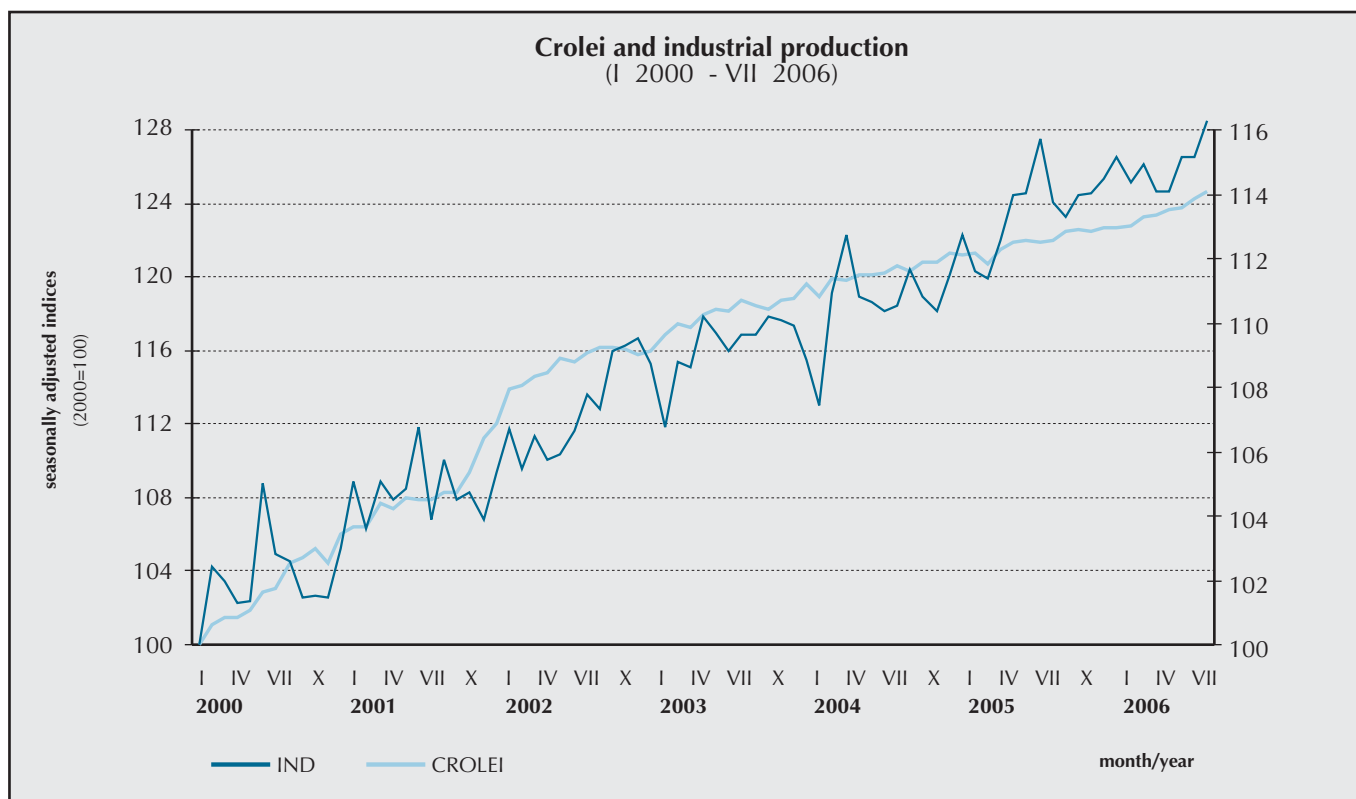
CROLEI - LEADING INDICATOR OF INDUSTRIAL PRODUCTION

CROLEI - the leading indicator of the Croatian economy recorded an increase of 0.46 points in July 2006 compared to June 2006. Eight of eleven components recorded growth (according to symmetrical percentage change). Diffusive index as a share of increasing components in the overall number of components amounted to 72.7 percent. CROLEI index recorded a seventh 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 July compared to June 2006 are: 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 and cash market interest rate on other loans. The greatest consistencies in movement are recorded in monetary series;

total liquid funds, total cash of participants in the payment system and domestic currency time and savings deposits of commercial banks which grew six consecutive months when comparing to previous month. Increases of this series and increase of component unconsolidated budget revenues resulted in rise of CROLEI index in July. Component cash market interest rate on other loans recorded in reality a decrease in its value compared to previous month. A downturn in value of this component is recorded as growth in prognostic index because a decrease of this indicator results in growth of value of referent series.

Three components which recorded decrease in its values are: nominal net wage, registered persons employed, and foreign reserves of commercial banks. Component foreign reserves of commercial banks recorded seven declines in last eight months. Four of eight declines were recorded in greater amount which resulted in lower value of prognostic index.



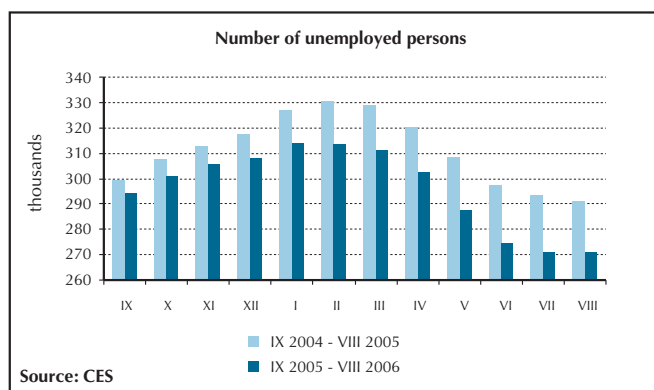
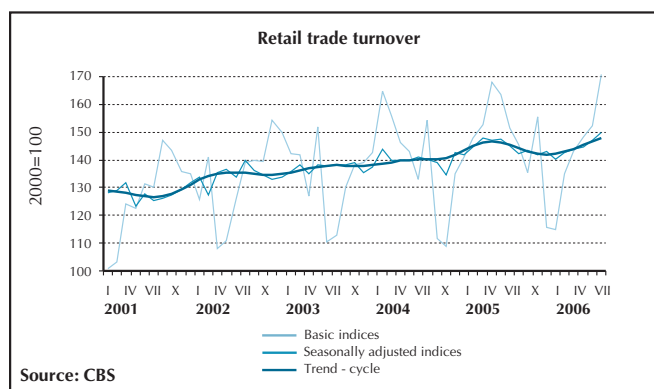
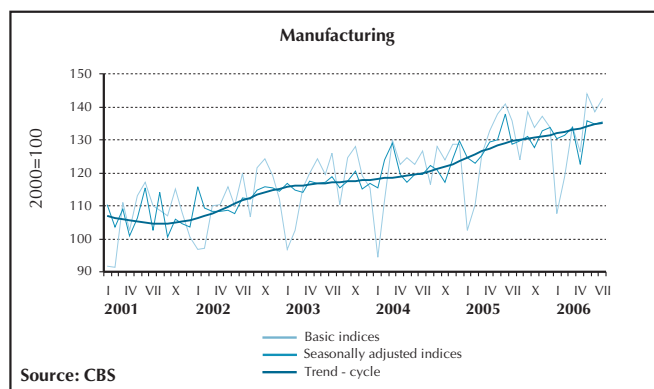
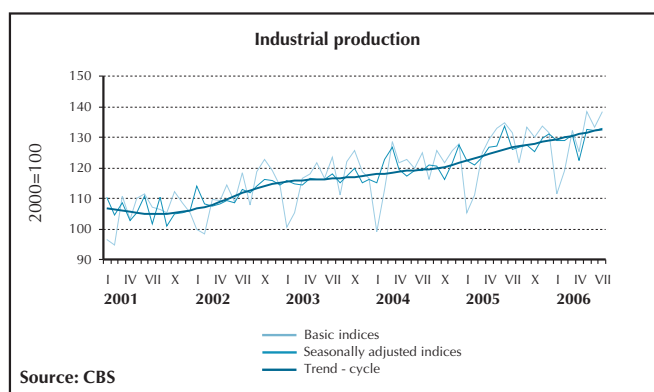
REAL SECTOR

Industrial production registered annual growth of 5.2 percent in July 2006. Therefore it is important to mention that this year's and previous year's July had the same number of working days, and that significant influence of base period didn't exist, since in July of previous year industrial production increased by 5.4 percent. In first seven months of 2006 industrial production recorded a year-on-year growth of 3.2 percent. Trend-index of industrial production was 0.7 percent higher in July than in June. When observed by main industrial groupings, the highest growth rate of 11.9 percent in first seven months was recorded in capital goods, which implies future growth since they are intended for further production, rather than consumption. From other categories, significant growth was recorded in durable consumer goods (4.4 percent), while production of intermediate products rose by 2.7 percent, energy by 1.9 percent and nondurable consumer goods by 1.6 percent.

As regards industrial production by activities, mining and quarrying increased in first seven months of 2006 by 7.6 percent, electricity, gas and water supply by 3.7 percent, while manufacturing, which has the largest share in total industrial production (81.8 percent) grew by 2.8 percent. The highest contribution to the manufacturing growth came from manufacture of food products and beverages which went up by 5.5 percent and manufacture of other non-metallic mineral products (10.3 percent). From other categories high growth rates were recorded in manufacture of machinery and equipment (30.9 percent) and manufacture of radio, television and communication equipment and apparatus (29.7 percent).

Nominal annual growth of retail trade amounted to 4.3 percent in July, while real growth was 1.6 percent. This was in line with development of other indicators which can influence retail trade, such as employment, tourism and loans to households. Namely, number of employed persons increased at annual level by eleven thousands in July, loans to households (excluding housing loans) rose by 16.9 percent, while tourist nights' growth amounted to 2.7 percent. In first seven months of 2006, retail trade turnover was 4.4 percent nominally and 1.5 percent really higher than in the same period of 2005. When analyzing nominal retail trade by activities, it can be seen that the highest annual growth recorded retail trade of automotive fuel (8.4 percent), which was affected by increase in oil prices, and other retail sale in non-specialised stores (14.6 percent).

Number of registered unemployed persons amounted to 270,753 in July, which is the lowest level since August 1997. At monthly level number of unemployed decreased by 3,718 or 1.4 percent, while at annual level decrease amounted to 22,423 or 7.6 percent. Unemployment rate was 15.7 percent in July, which is 1.2 percentage points less than in the same month 2005 and represents the lowest unemployment rate since year 1996. There were 1,455,515 employed persons in July, which is 0.8 percent higher when compared to previous month and to July 2005. According to the Croatian Employment Service data, total number of unemployed persons in August 2006 was 271,051, which is 298 persons more than in July. This increment is a consequence of seasonal trend that occurred a bit earlier this year than previous year when increment appeared in September. In respect of expressed seasonal effect, positive trend in labour market can be observed only through observation of annual changes, so number of unemployed at annual level decreased by 19,963 or 6.9 percent in August.



MONETARY TRENDS

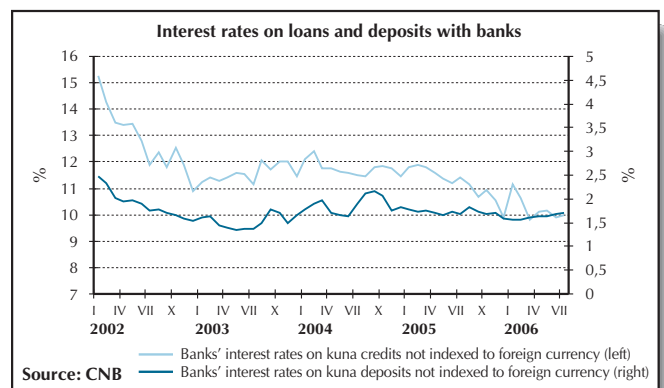
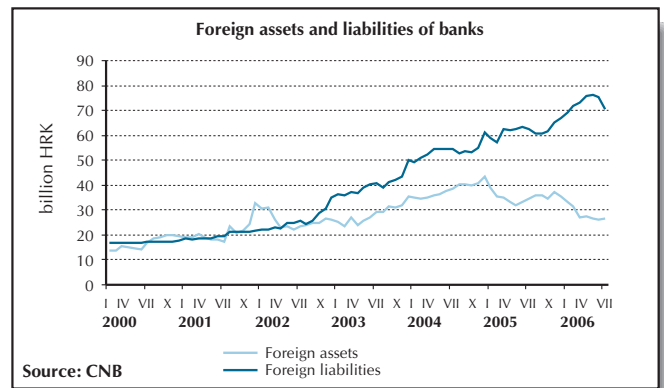
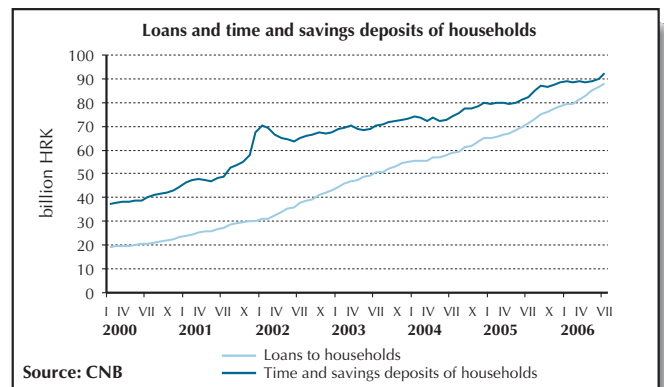
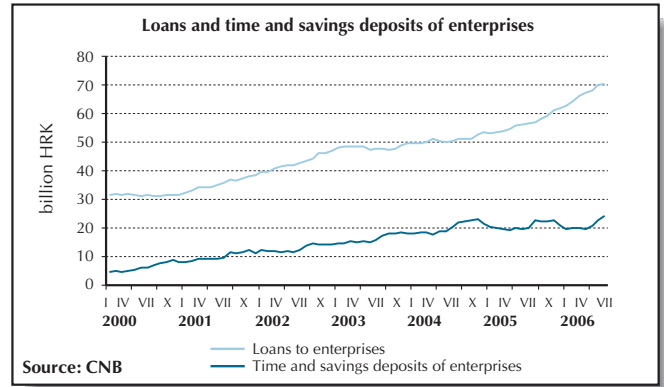
Total loans of commercial banks amounted to HRK 176.4 billion at the end of July 2006. At monthly level loans decreased by HRK 315 million and therefore trend of loans' growth started in June 2004 was interrupted. Year-on-year increase of loans amounted to 23.8 percent in July, which is 1 percentage point less compared to previous month. When observing the loan structure, the highest share in total loans in July again had loans to households (49.9 percent), while loans to enterprises made 39.9 percent of total loans. Unlike previous month, when the most significant contributor to the loans' growth at monthly level was sector of enterprises, in July loans to households increased more. Thereby, loans to households increased by HRK 1.6 billion when compared to June, while loans to enterprises rose by HRK 511.8 million. When observing annual growth, higher growth was achieved by loans to enterprises (24.8 percent, which is the highest growth since June 1998), whereas loans to households grew by 23.7 percent. Share of housing loans in total loans to households increased in July and amounted to 37.3 percent, while annual growth rate of housing loans amounted to 36.9 percent. Commercial banks' loans to central government were 21.6 percent higher in July compared to July 2005, which is according to more intensive government borrowing on domestic financial market.

Total deposits with commercial banks amounted to HRK 153.6 billion in July and increased by 16.5 percent at annual level, which is the highest growth rate since November 2002. When compared to June, deposits rose by HRK 5.9 billion or 4.0 percent. Demand deposits with banks amounted to HRK 30.1 billion at the end of July and increased by HRK 1.9 billion at monthly level. Total kuna time and savings deposits went up by HRK 3 billion in July when compared to June, and reached a level of HRK 41.4 billion. The highest contribution to the kuna deposits' growth in July came from sector of households, whose deposits went up by HRK 2 billion at monthly level. Kuna deposits of enterprises increased by HRK 998 million, deposits of other banking institutions by HRK 12 million while deposits of non banking financial institutions decreased by HRK 101 million. Foreign currency time and savings deposits with banks increased in July by HRK 1.1 billion when compared to June, and amounted to HRK 82.1 billion at the end of the month. Like previous month, the highest increase was in enterprises' foreign currency deposits in amount of HRK 707 million. Foreign currency deposits of households went up by HRK 185 million, deposits of non banking financial institutions by HRK 104 million and deposits of other banking institutions by HRK 98 million. Kuna deposits recorded high annual growth rate this month as well, which amounted to 60.9 percent, while foreign currency deposits increased by 1.4 percent.

Total foreign assets of commercial banks amounted to HRK 26.5 billion in July, and it increased by HRK 367.9 million when compared to previous month. At annual level foreign assets decreased by HRK 7.9 billion or 23.0 percent. Total foreign liabilities recorded a decrease at monthly level second consecutive month, which amounted to HRK 5.2 billion in July. At the end of July it amounted to HRK 70.4 billion, which is 12.3 percent higher than in the same month of previous year. Net foreign assets amounted to HRK -43.9 billion at the end of July, and it increased by HRK 5.5 billion when compared to June.

Average bank interest rates on kuna credits not indexed to foreign currency amounted to 9.98 percent in July 2006. Rates increased when compared to June when they amounted to 9.88

percent, but they decreased when compared to July 2005 when they amounted to 11.42 percent. Average bank interest rates on kuna deposits not indexed to foreign currency amounted to 1.70 percent in July. They increased when compared both to June and to July 2005, when they stood at level of 1.68 percent.



INTERNATIONAL SECTOR

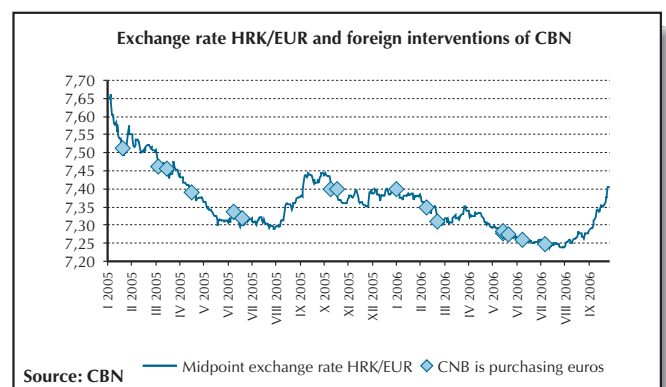
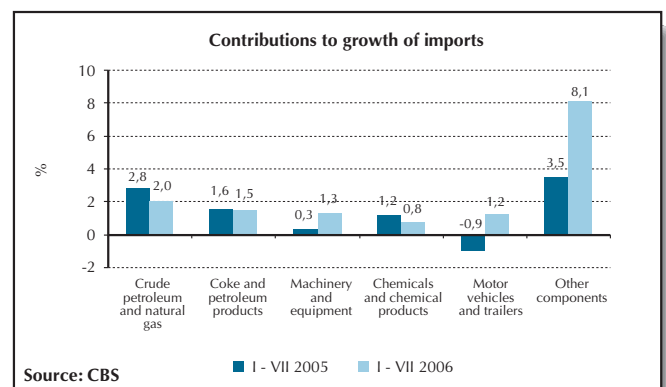
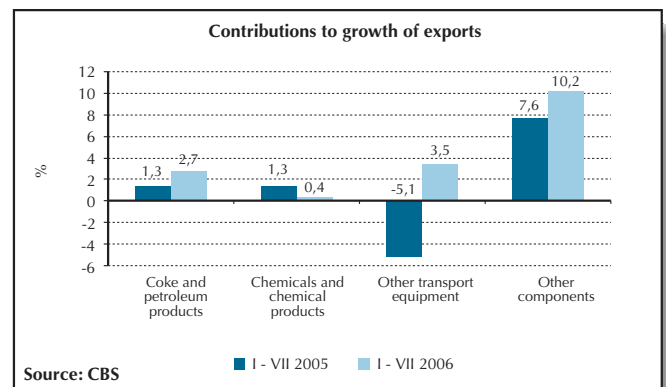
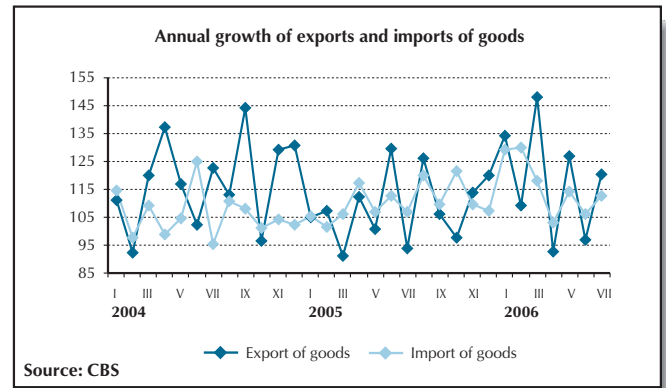
Total merchandise export expressed in HRK increased in July 2006 by 20.4 percent at annual level, while merchandise import rose by 12.6 percent. When observing first seven months of 2006, total merchandise exports recorded an annual growth of 16.7 percent, while import grew by 14.9 percent. When category of other transport equipment is excluded from external trade, export and import both increased by 14.9 percent in first seven months of 2006. The coverage of imports of goods by exports of goods amounted to 46.8 percent in first seven months which is 0.7 percentage points higher when compared to the same period of previous year.

When observing the external trade by activities in first seven months of 2006, the highest contribution to the export growth came from manufacture of other transport equipment which export went up by 32.1 percent, manufacture of coke, refined petroleum products and nuclear fuel (30.9 percent) and extraction of crude petroleum and natural gas (94.3 percent). Import growth was mainly contributed by extraction of crude petroleum and natural gas which increased annually by 22.1 percent, manufacture of coke, refined petroleum products and nuclear fuel (44.0 percent), manufacture of basic metals (22.4 percent), manufacture of motor vehicles, trailers and semi-trailers (12.8 percent) and manufacture of machinery and equipment (12.9 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 seven months declines from 14.9 to 11.8 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 seven months continued to have export to Italy, which made 24.8 percent of total Croatian merchandise exports. At the same time, export to Bosnia and Herzegovina formed 11.7 percent, Germany 10.8 percent, Slovenia 8.3 percent and Austria 6.4 percent of total merchandise exports. When compared to the first seven months of 2005, export to Italy was 30.4 percent higher, to Slovenia 19.0 percent, to Germany 15.5 percent, to Bosnia and Herzegovina 4.8 percent, while export to Austria decreased by 4.7 percent. When foreign trade expressed in USD is observed, export rose annually by 15.0 percent in first seven months, while import increased by 13.3 percent. This discrepancy in growth rates of exports and imports of goods expressed in HRK and in USD are the result of the fact that the majority of Croatian foreign trade is conducted in EUR with countries members of European Union, so at US dollar's statistic of foreign trade significant influence has exchange rate of dollar against euro.

Average exchange rate of kuna against euro oscillated in August 2006 between minimal 7.25 HRK/EUR at the beginning of the month and maximal 7.31 HRK/EUR at the end of the month. After continuous appreciation from beginning of this year, average monthly exchange rate HRK/EUR recorded depreciation in August. Thereby, average monthly exchange rate HRK/EUR amounted to 7.28 HRK/EUR in August 2006, and it depreciated by 0.4 percent compared to July. In first eight months of 2006 average exchange rate of kuna against euro amounted to 7.30 HRK/EUR, and it appreciated by 1.4 percent

at annual level. From the beginning of the year, Croatian National Bank intervened on foreign exchange market seven times. In all operations euro was purchased from commercial banks and total amount purchased was EUR 582.8 million.



CONSOLIDATED CENTRAL GOVERNMENT IN JANUARY - JULY 2006 PERIOD

REVENUES

In January - July 2006, total revenues of consolidated central government amounted to HRK 56 billion which makes an annual increase of high 11.6 percent.

Observing total revenues of consolidated central government according to government level, it can be seen that the largest share in total revenues relates to the central government budget (95.7 percent) and the rest of the sum (4.3 percent) refers to extrabudgetary funds and agencies. The highest level of revenues was recorded by Croatian Motorways (HRK 674.9 million) and Croatian Waters (HRK 667.1 million). The largest part of the extrabudgetary funds and agencies revenues were realized through grants from other general government units, revenues from sales of goods and services and property income and miscellaneous and unidentified revenues.

The tax revenues make 58.4 percent of the overall revenues collected in the observed period. They were realized in the amount higher than planned with an annual increase of 12.7 percent. The largest part of the tax revenues is generated through value added tax which completely refers to budgetary central government revenues. Up to July 2006 they amounted to HRK 19.5 billion with an annual growth of 13.1 percent.

Revenues from excises up to July 2006 amounted to HRK 4.8 billion which represents an annual increase of 7.0 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, excises on beer and excises on nonalcoholic beverages were realized in the lower amount compared to the same period 2005.

Excises on personal cars recorded a high increase of 17.6 percent due to greater car sales in the observed period. Revenues from excises on oil derivatives grew less than expected (3.5 percent) compared to same period previous year.

Revenues from excises on tobacco and tobacco products were realized in the amount of HRK 1.5 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 amounted to HRK 13.9 billion which represents growth of high 12.7 percent. Revenues from excises on coffee amounted to HRK 88.2 million and grew by 7.4 percent. Excises on alcohol, excises on beer and excises on nonalcoholic beverages recorded an annual decrease in the amount of 8.1 percent, 1.2 percent and 8.8 percent.

Income tax revenues were realized in the amount of HRK 1.7 billion, representing growth of 9.4 percent compared with the same period last year.

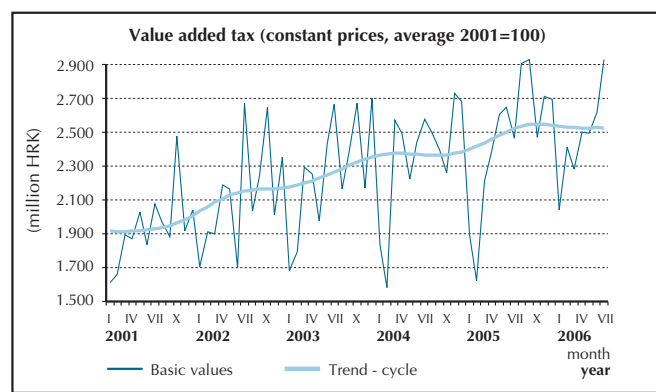
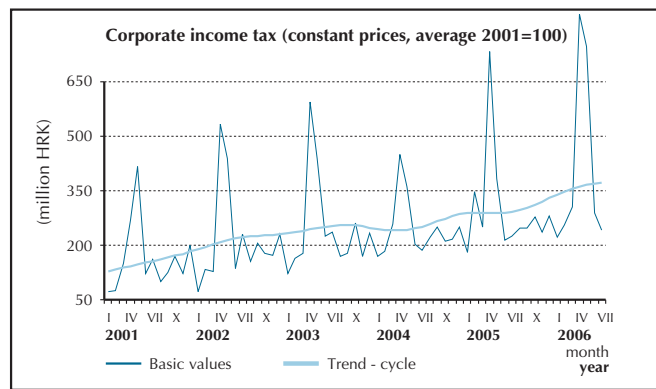
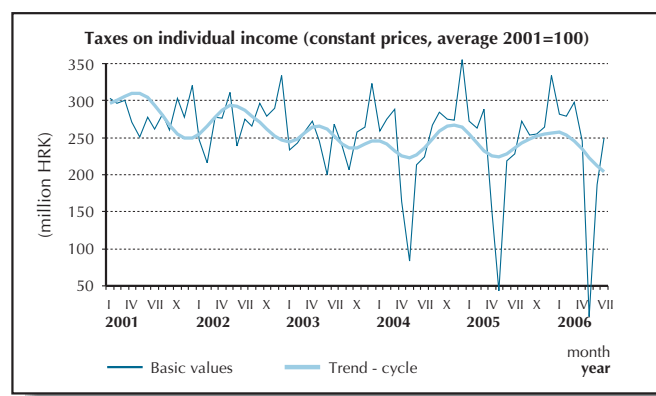
Up to July 2006, profit taxes amounted to HRK 3.3 billion which represents an annual increase of 28.8 percent.

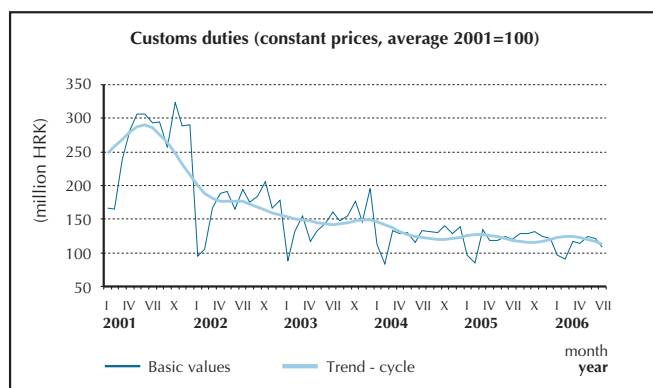
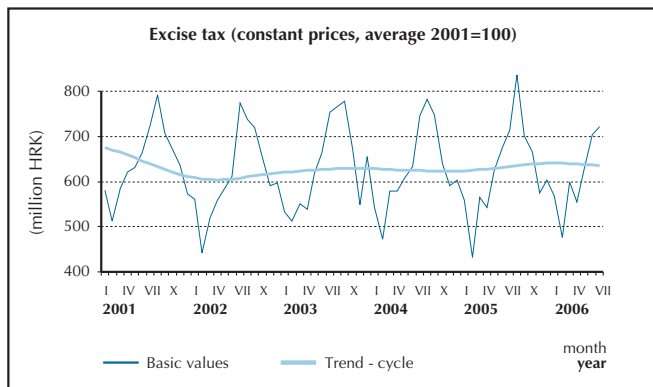
Revenues from taxes on property amounted to HRK 249 million (annual increase of 22.2 percent) and were completely accomplished by budgetary central government. Collected revenues from taxes on property refer on revenues on capital and financial transactions.

Revenues from taxes on international trade and transactions were completely accomplished by the budgetary central government. In the observed period they amounted to HRK 870.7 million which represents an increase of 0.5 percent compared to same period last year.

Other taxes stood at HRK 200.1 million and in the same period last year they were realized in the amount of HRK 219.8 million.

Social contributions, which are the second most important revenues of consolidated central government, make 34.4 percent of total generated revenues in the observed period. Social contributions were completely accomplished at the level of budgetary central government. They amounted to HRK 19.2 billion which represents an annual increase of 7.7 percent. Within the structure of social contributions the largest part refers to employers' contributions (HRK 10.2 billion) with an





annual growth of 7.8 percent and contributions to employees (HRK 8.6 billion) with an annual growth of 8.5 percent. The remaining HRK 406.2 million accounted or the contributions of self-employed and unemployed persons, which record an annual decrease of 6.4 percent.

Other revenues were realized in the amount of HRK 4 billion which represents an annual growth of 22.9 percent. The largest part of other revenues were realized through sales of goods and services, miscellaneous and unidentified revenues, property income revenues and the rest of collected sum refers to revenues from fines, penalties and forfeits. Sales of goods and services stood at HRK 1.7 billion. The largest part of this sum (76.5 percent) refers to administrative fees and the rest of the sum (23.5 percent) refers to incidental sales by nonmarket establishments. Administrative fees grew by 49 percent compared to the January - July period of 2005 and were realized at the level of HRK 1.3 billion. Miscellaneous and unidentified revenue stood at HRK 1.3 billion. Property incomes were realized at the amount of HRK 769.3 million which represents an annual increase of 9.8 percent. The largest part of property income refers to withdrawals from income of quasi-corporations (HRK 373 million), followed by rents (HRK 212.5 million), interests (HRK 106.3 million) and dividends (HRK 77.5 million). Fines, penalties and forfeits amounted to HRK 224.3 million which represents an annual increase of 8.2 percent.

EXPENSE

Total expense of consolidated central government amounted to HRK 55.7 billion which represents 56.2 percent of the planned amount and annual increase of 3.7 percent. Observing consolidated central government according to the government

level, it can be seen that the HRK 52.4 billion refers to budgetary central government and the rest of the sum (HRK 3.3 billion) refers to extrabudgetary funds and agencies. Expenses of the budgetary central government were realized at the 57 percent of the planned amount and expense of extrabudgetary funds and agencies at the level of 46.4 percent of the planned annual amount.

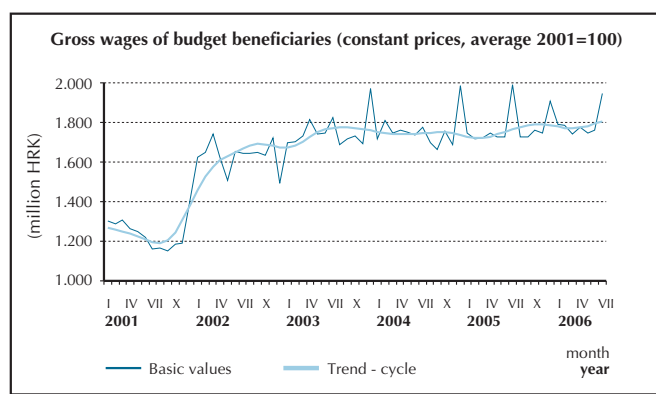
The largest share of total expense of consolidated central government (45.5 percent) refers to social benefits, followed by compensation of employees (26.6 percent), use of goods and services (8.1 percent), interest (6.4 percent), subsidies (6.1 percent), other expense (4.8 percent) and grants (2.4 percent). Social benefits stood at HRK 25.4 billion, representing an annual increase of 3.7 percent. Observing the structure of social benefits, 70.6 percent refers to social security benefits, 29.1 percent refers to social assistance benefits while the remaining 0.3 percent refers to employer social benefits. The largest part of these expenses refers to expenses for pensions, health care, child allowance, maternity leave and expenses for unemployment. Expenses for pensions up to July 2006 amounted to HRK 16.3 billion. Within the structure of expenses for pensions HRK 7.2 billion refers to expenses for old age pensions, HRK 2.5 billion refers to pensions for disabled persons, HRK 1.9 billion refers to family pensions and HRK 2 billion refers to veterans pensions.

Expenses for healthcare system were realized at the level of HRK 8.8 billion. Expenses for hospital health care amounted to HRK 4.1 billion, primary health care in the amount of 1.6 billion and expenses for medicaments on prescription amounted to 1.5 billion. Among other social benefits, important items are also child allowance (HRK 798 million), expenses for additional maternity leave (HRK 454.8 million) and expenses for unemployment (HRK 507.4 million).

Compensation of employees stood at HRK 14.8 billion which represents an annual increase of 5.3 percent. Within its structure the largest share (85.2 percent) refers to wages and salaries, which amounted to 12.6 billion and the rest of the sum (14.8 percent) refers to social contributions which stood at HRK 2.2 billion.

Expense for use of goods and services amounted to HRK 4.5 billion representing an annual increase of 12.4 percent. Expense for use of goods and services refer mostly on different types of services like telephone service, post and transportation services etc.

Expense for interest payments amounted to HRK 3.6 billion. It can be seen that 53.8 percent of expenses for interest refers to interests to nonresidents and other 46.2 percent



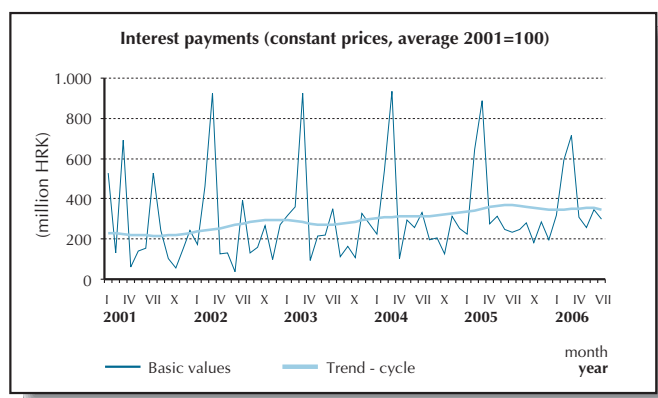
refers to interest to residents. Interests to residents other than general government stood at HRK 1.9 billion and interests to nonresidents amounted to HRK 1.6 billion

Among other expenses, capital expenses amounted to HRK 1.4 billion which represents an annual decrease of 15.5 percent due to significant decrease in capital expenses both budgetary central government and extrabudgetary funds and agencies. Current expenses of consolidated central government stood at 1.3 billion and recorded an annual decrease of 7 percent.

Expense for subsidies recorded an increase of 5.7 percent when compared to the same period last year and they stood at HRK 3.4 billion. Subsidies to public corporations amounted to HRK 1.7 billion which represents an annual increase of 1.3 percent (subsidies to Croatian railways decreased by 10.2 percent). The rest of the sum (HRK 1.8 billion) refers to subsidies to private enterprises. Subsidies to private enterprises realized an annual growth of 13.6 percent.

TRANSACTION IN NON-FINANCIAL ASSETS

Up to July 2006 acquisition of non-financial assets (HRK 3.2 billion) surpassed the disposal of non-financial assets (HRK 271.8 million) in the amount of HRK 3 billion. According to these figures, net acquisition of non-financial assets was realized 19 percent lower than in the same period last year. The largest contribution of net acquisition of non-financial assets



came from net acquisition of fixed assets, mainly of buildings and structures and machinery and equipment. Extrabudgetary funds and agencies (mostly Croatian roads and Croatian motorways) recorded 76.2 percent of total acquisition. Disposal of non-financial assets was recorded mostly on the level of budgetary central government threw disposal of fixed assets.

TRANSACTIONS IN FINANCIAL ASSETS

Net financial assets of consolidated central government in the observed period amounted to HRK -523.2 million as a result of decrease of domestic financial assets in the amount of HRK 525.9 million and decrease in foreign financial assets in the amount of HRK 2.7 million. Currency and deposits amounted to HRK -1.3 billion. According to government level, currency and deposits of budgetary central government amounted to HRK -1 billion and currency and deposits of extrabudgetary funds and agencies amounted to HRK -242 million. Net loans were recorded at the level of HRK 561 million as a result of

greater acquisition (HRK 722.4 million) than disposal (HRK 161.4 million). According to government level, net loans of budgetary central government amounted HRK 465.2 million and extrabudgetary funds and agencies amounted to HRK 95.8 million. Net shares and other equity amounted to HRK 46.2 million. Acquisition of shares and other equity amounted to HRK 188 million and refers mostly on budgetary central government and disposals of shares and other equity amounted to HRK 142 million and refer mostly on extrabudgetary funds and agencies. Securities other than shares stood at HRK 148.2 million as a result of disposals in the amount of HRK 29.8 and acquisition in the amount of HRK 177.9 million.

Foreign financial assets amounted to HRK 2.7 million which is a result of acquisition of shares and other equity.

TRANSACTIONS IN LIABILITIES

Total net incurrence of liabilities of consolidated central government amounted to HRK 2.1 billion. Net domestic liabilities amounted to HRK 5.8 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 level of budgetary central government amounted to HRK 2.5 billion and on the level of extrabudgetary funds and agencies to HRK 1.1 billion. Repayments of liabilities on the basis of loans refer to budgetary central government (HRK 2.1 billion) and extrabudgetary funds and agencies (HRK 150.7 million). Incurrence of liabilities on the basis of securities other than shares which amounted to HRK 4.7 billion and repayments on the same basis which amounted to HRK 270.8 million refers completely on budgetary central government.

Foreign liabilities were realized at the level of HRK -3.9 billion as a result of greater repayments (HRK 5.3 billion) then incurrence (HRK 1.4 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 -205.9 million. Incurrence of foreign loans amounted to HRK 1.8 billion and repayments amounted to HRK 2 billion.

NET LENDING/BORROWING

Net operating balance of consolidated central government, defined as difference between total revenue and total expense, recorded the amount of HRK -328.7 million. By subtracting net acquisition of non-financial assets from net operating balance, a category net lending/borrowing is obtained, amounting to HRK -2.6 billion. This amount is financed by described transactions in liabilities and financial assets, i.e. by difference between net liabilities (HRK 2.1 billion) and net acquisition of financial assets (HRK -523.2 million).

TABLE 2: BUDGETARY CENTRAL GOVERNMENT REVENUE

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	74 677 474	80 463 518	85 653 010	22 386 379	23 659 783	94 894 623	21 155 653	24 126 654	53 583 588	8 301 280	56,47
11	Taxes (111+113+114+115+116)	45 281 076	47 149 862	50 687 564	13 917 627	13 443 703	57 860 444	12 578 899	14 916 276	32 697 288	5 202 113	56,51
111	Taxes of income and profits and capital gains (1111+1112)	6 189 047	6 259 713	7 057 112	1 604 643	1 816 718	7 916 839	1 840 833	2 615 396	5 008 672	552 443	63,27
1111	Payable by individuals	3 114 581	3 128 273	3 106 476	821 946	942 619	3 323 992	961 491	498 953	1 740 146	279 701	52,35
1112	Payable by corporations and other enterprises	3 074 466	3 131 440	3 950 636	782 697	874 099	4 592 847	879 342	2 116 443	3 268 526	272 742	71,17
113	Taxes on property	289 926	355 823	375 501	88 978	113 849	431 835	107 699	105 479	249 031	35 854	57,67
114	Taxes on goods and services (1141+...+1146)	36 651 148	38 602 221	41 323 002	11 705 584	11 002 200	47 359 427	10 198 817	11 705 493	26 368 807	4 464 497	55,68
1141	General taxes on goods and services (11411+11412)	28 260 009	30 013 661	32 399 952	9 075 964	8 730 447	35 002 420	7 594 838	8 652 541	19 553 741	3 306 362	55,86
11411	Value-added taxes	28 129 300	29 864 905	32 243 372	9 034 765	8 691 261	34 830 264	7 555 385	8 610 250	19 457 443	3 291 808	55,86
11412	Sales taxes	130 709	148 757	156 580	41 198	39 185	172 156	39 453	42 291	96 299	14 554	55,94
1142	Excises (11421+11422+11423+11424+11425+11426+11427+11428)	7 850 993	7 941 554	8 177 659	2 450 364	2 033 855	11 539 801	2 428 385	2 832 982	6 324 912	1 063 545	54,81
11421	- on cars, other motor vehicles, boats and planes	899 047	945 209	1 080 926	276 613	271 540	1 240 644	284 263	365 033	756 375	107 079	60,97
11422	- on petroleum products	3 345 888	3 325 659	3 337 501	982 467	858 296	6 372 375	1 301 266	1 523 988	3 383 623	558 369	53,10
11423	- on alcohol	234 125	230 796	228 386	65 320	53 697	221 425	57 484	49 858	122 440	15 098	55,30
11424	- on beer	746 255	718 278	702 386	264 943	151 692	728 518	109 815	176 944	375 590	88 831	51,56
11425	- on nonalcoholic beverages	131 377	132 984	141 905	50 607	27 427	139 464	27 729	30 177	71 979	14 073	51,61
11426	- on tobacco products	2 349 410	2 430 843	2 518 801	768 222	627 045	2 658 036	604 512	644 684	1 512 753	263 556	56,91
11427	- on coffee	125 344	135 437	145 334	35 769	38 738	154 676	36 863	36 854	88 206	14 489	57,03
11428	- on luxury goods	19 548	22 348	22 420	6 422	5 420	24 663	6 453	5 444	13 947	2 050	56,55
115	Taxes on international trade and transactions	1 810 866	1 590 727	1 562 930	412 010	415 178	1 562 367	341 984	407 670	870 679	121 025	55,73
116	Other taxes	340 089	341 377	369 019	106 412	95 758	589 976	89 566	82 240	200 099	28 294	33,92
12	Social contributions	27 416 931	29 477 597	31 301 340	7 945 580	8 186 879	33 496 961	7 954 297	8 376 921	19 243 646	2 912 428	57,45
121	Social security contributions (1211+1212+1213+1214)	27 416 931	29 477 597	31 301 340	7 945 580	8 186 879	33 496 961	7 954 297	8 376 921	19 243 646	2 912 428	57,45
1211	Employee contributions	12 334 662	13 139 274	13 857 360	3 524 240	3 595 493	14 788 745	3 568 313	3 731 202	8 595 167	1 295 653	58,12
1212	Employer contributions	14 323 245	15 737 707	16 695 492	4 236 563	4 389 200	17 907 581	4 223 221	4 472 540	10 242 303	1 546 541	57,20
1213	Self-employed or unemployed contributions	759 023	600 616	748 487	184 778	202 186	800 636	162 764	173 179	406 177	70 234	50,73
1214	Unallocable contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants	10 407	10 122	27 505	6 524	6 897	521 813	3 544	11 036	15 974	1 393	3,06
14	Other revenue (141+142+143+144+145)	1 969 060	3 825 938	3 636 601	516 648	2 022 304	3 015 405	618 913	822 421	1 626 680	185 346	53,95
141	Property income (1411+1412+1413+1415)	417 485	2 667 701	2 226 647	101 953	1 708 274	1 466 431	180 185	296 142	500 685	24 358	34,14
1411	Interest	19 433	35 752	62 784	888	39 743	102 677	59 072	18 719	78 762	971	76,71
1412	Dividends	108 123	1 868 841	1 123 346	0	1 042 369	421 881	14 783	0	14 783	0	3,50
1413	Withdrawals from income of quasi-corporations	5	146 820	192 516	0	192 516	485 726	0	209 366	209 553	186	43,14
1415	Rent	289 925	616 289	848 001	101 065	433 647	456 147	106 331	68 057	197 588	23 200	43,32
142	Sales of goods and services (1422+1423)	749 463	676 951	782 428	218 881	193 412	747 461	274 334	329 119	713 431	109 978	95,45
1421	Sales of market establishments	0	0	0	0	0	0	0	0	0	0	
1422	Administrative fees	305 448	312 994	397 066	112 439	98 025	438 825	165 707	203 793	448 129	78 629	102,12
1423	Incidental sales by nonmarket establishments	444 015	363 957	385 362	106 442	95 387	308 636	108 627	125 326	265 302	31 349	85,96
143	Fines, penalties, and forfeits	307 168	342 371	360 707	95 781	91 286	392 381	90 648	97 545	224 087	35 894	57,11
144	Voluntary transfers other than grants	1 523	249	5 653	1 895	2 560	23 220	2 219	280	2 521	22	10,86
145	Miscellaneous and unidentified revenue	493 422	138 667	261 166	98 138	26 772	385 913	71 527	99 335	185 956	15 094	48,19

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 3: BUDGETARY CENTRAL GOVERNMENT EXPENSE

(000 HRK)		2003	2004	2005	VII - IX 2005	X - XII 2005	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
2	EXPENSE (21+22+24+25+26+27+28)	77 075 487	83 131 114	87 857 465	20 787 111	23 100 131	96 067 350	23 260 320	23 203 454	54 354 475	7 890 702	56,58
21	Compensation of employees (211+212)	21 225 816	22 268 287	23 182 586	5 921 396	5 978 031	24 320 073	5 965 427	5 979 166	14 128 556	2 183 964	58,09
211	Wages and salaries	18 037 101	18 888 605	19 699 216	5 034 502	5 106 946	20 684 522	5 066 818	5 078 226	12 025 222	1 880 178	58,14
212	Social contributions	3 188 715	3 379 682	3 483 370	886 894	871 085	3 635 551	898 609	900 940	2 103 334	303 786	57,85
22	Use of goods and services	4 170 611	4 358 721	4 951 917	1 100 945	1 351 772	6 181 883	1 297 332	1 269 577	3 002 601	435 692	48,57
24	Interest (241+242+243)	3 587 329	3 972 466	4 387 010	826 752	731 212	4 568 221	1 824 142	998 768	3 185 575	362 665	69,73
241	To nonresidents	1 879 420	1 976 502	2 053 588	189 556	143 234	1 810 023	1 146 959	364 017	1 650 948	139 972	91,21
242	To residents other than general government	1 707 909	1 995 964	2 333 422	637 195	587 978	2 758 199	677 183	634 751	1 534 627	222 693	55,64
25	Subsidies (251+252)	4 292 712	4 968 069	5 248 744	969 624	1 520 132	5 417 206	1 633 507	1 378 666	3 400 876	388 703	62,78
251	To public corporations	1 942 932	2 783 462	2 784 825	585 987	764 314	2 626 872	758 313	652 762	1 652 954	241 879	62,92
252	To private enterprises	2 349 781	2 184 606	2 463 919	383 637	755 818	2 790 334	875 194	725 904	1 747 922	146 824	62,64
26	Grants (261+262+263)	3 746 958	3 420 327	3 796 847	773 114	1 325 113	6 640 941	1 241 337	1 443 196	3 261 801	577 269	49,12
261	To foreign governments (2611+2612)	43 918	76 464	73 639	22 569	48 070	76 550	0	9 989	10 476	487	13,69
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	28 000	0	9 989	10 476	487	37,41
262	To international organizations (2621+2622)	41 239	83 434	93 832	14 497	17 923	96 767	20 257	38 708	84 195	25 230	87,01
2621	Current	41 239	83 434	93 832	14 497	17 923	96 767	20 257	38 708	84 195	25 230	87,01
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	6 467 624	1 221 080	1 394 499	3 167 130	551 552	48,97
2631	Current	3 198 505	2 498 598	2 623 246	483 918	761 790	2 497 501	576 758	617 652	1 414 106	219 695	56,62
2632	Capital	463 297	761 831	1 006 130	252 131	497 331	3 970 122	644 322	776 847	1 753 025	331 856	44,16
27	Social benefits (271+272+273)	36 204 270	39 730 887	41 358 455	10 305 813	10 340 928	43 687 515	10 445 596	10 979 868	25 011 697	3 586 233	57,25
271	Social security benefits	28 917 772	28 189 472	29 308 716	7 323 188	7 237 264	30 628 757	7 353 022	7 695 110	17 560 523	2 512 391	57,33
272	Social assistance benefits	6 731 910	11 177 315	11 792 075	2 945 800	2 998 524	12 918 758	3 069 424	3 246 569	7 382 818	1 066 825	57,15
273	Employer social benefits	554 589	364 100	257 663	36 825	105 141	140 000	23 150	38 189	68 356	7 017	48,83
28	Other expense (281+282)	3 847 791	4 412 359	4 931 907	889 467	1 852 942	5 251 512	852 978	1 154 214	2 363 369	356 178	45,00
281	Property expense other than interest	6 767	3 955	4 920	1 026	1 928	0	709	1 320	2 537	509	
282	Miscellaneous other expense (2821+2822)	3 841 024	4 408 404	4 926 987	888 441	1 851 014	5 251 512	852 268	1 152 894	2 360 832	355 669	44,96
2821	Current	2 325 646	1 842 516	2 154 806	487 636	604 019	2 157 350	473 958	616 747	1 265 013	174 308	58,64
2822	Capital	1 515 378	2 565 888	2 772 181	400 805	1 246 996	3 094 162	378 310	536 148	1 095 819	181 361	35,42

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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
31	NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)	1 812 404	1 419 467	1 553 668	385 310	687 898	1 721 308	166 254	238 506	558 617	153 857	32,45
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	2 054 989	1 663 868	1 828 818	439 188	758 291	2 274 090	235 510	350 556	712 806	176 393	31,34
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	242 586	244 401	275 149	53 877	70 393	552 782	69 256	112 050	154 189	22 536	27,89
311	Fixed assets (3111+3112+3113)	1 795 345	1 384 609	1 516 968	377 389	670 569	1 950 464	173 842	271 334	607 390	162 214	31,14
311,1	Acquisitions: fixed assets (3111,1+3112,1+3113,1)	2 019 172	1 624 051	1 781 347	428 782	737 880	2 175 339	229 888	337 010	748 407	181 510	34,40
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	141 018	19 296	62,71
3111	Buildings and structures (3111,1-3111,2)	1 199 770	811 477	867 663	207 846	395 922	973 216	63 089	166 564	309 911	80 258	31,84
3111,1	Acquisitions: buildings and structures	1 423 367	1 050 315	1 131 302	259 209	463 166	1 197 733	118 935	231 784	450 261	99 543	37,59
3111,2	Disposals: buildings and structures	223 597	238 838	263 639	51 362	67 243	224 517	55 846	65 220	140 350	19 284	62,51
3112	Machinery and equipment (3112,1-3112,2)	516 598	518 941	557 320	154 880	222 649	800 921	100 114	80 450	254 474	73 910	31,77
3112,1	Acquisitions: machinery and equipment	516 828	519 545	558 060	154 911	222 717	801 279	100 314	80 907	255 142	73 921	31,84
3112,2	Disposals: machinery and equipment	230	604	740	31	68	358	200	457	668	11	186,70
3113	Other fixed assets (3113,1-3113,2)	78 977	54 191	91 986	14 663	51 998	176 328	10 639	24 320	43 004	8 046	24,39
3113,1	Acquisitions: other fixed assets	78 977	54 191	91 986	14 663	51 998	176 328	10 639	24 320	43 004	8 046	24,39
3113,2	Disposals: other fixed assets	0	0	0	0	0	0	0	0	0	0	
312	Inventories	0	0	0	0	0	-275 354	-11 785	-37 430	-58 209	-8 994	21,14
312,1	Acquisitions: inventories	0	0	0	0	0	33 153	0	437	437	0	1,32
312,2	Disposals: inventories	0	0	0	0	0	308 507	11 785	37 868	58 647	8 994	19,01
313	Valuables (313,1-313,2)	5 303	7 518	7 220	804	1 757	6 018	1 600	1 468	4 009	941	66,61
313,1	Acquisitions: valuables	5 303	7 518	7 220	804	1 757	6 018	1 600	1 468	4 009	941	66,61
313,2	Disposals: valuables	0	0	0	0	0	0	0	0	0	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	11 755	27 340	29 480	7 118	15 572	40 180	2 597	3 135	5 428	-304	13,51
314,1	Acquisitions: nonproduced assets (3141,1+3142,1+3143,1+3144,1)	30 514	32 299	40 251	9 602	18 654	59 580	4 023	11 640	18 600	2 937	31,22
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	13 171	3 240	67,89
3141	Land (3141,1-3141,2)	-18 361	7 062	-10 282	-2 463	-2 982	-17 142	-1 394	-8 506	-13 114	-3 215	76,50
3141,1	Acquisitions: land	398	12 021	489	21	100	2 258	10	0	35	25	1,55
3141,2	Disposals: land	18 759	4 959	10 771	2 484	3 082	19 400	1 403	8 506	13 149	3 240	67,78
3142	Subsoil assets	0	0	0	0	0	0	-22	0	-22	0	
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	
3143	Other naturally occurring assets	0	0	0	0	0	0	0	0	0	0	
3144	Intangible nonproduced assets (3144,1-3144,2)	30 116	20 278	39 762	9 581	18 554	57 322	4 013	11 640	18 565	2 911	32,39
3144,1	Acquisitions: intangible nonproduced assets	30 116	20 278	39 762	9 581	18 554	57 322	4 013	11 640	18 565	2 911	32,39
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006
32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)	-1 320 129	221 977	1 752 825	837 525	191 300	-3 375 877	-517 178	15 260	-451 942	49 976
32,1 Acquisition of financial assets (321,1+322,1)	2 071 124	1 787 080	1 264 131	371 470	437 351	1 197 380	364 785	230 911	698 269	102 573
32,2 Disposals of financial assets (321,2+322,2)	4 537 782	450 839	199 491	41 335	54 942	4 573 256	45 090	48 142	111 029	17 797
Currency and deposits (3212+3222)	1 146 530	-1 114 264	688 185	507 390	-191 109	0	-836 872	-167 510	-1 039 182	-34 800
321 Domestic (3212+3213+3214+3215+3216+3217+3218)	-1 330 055	212 192	1 757 681	837 525	191 300	-3 392 644	-517 178	12 579	-454 623	49 976
321,1 Acquisition of domestic financial assets (3213,1+...+3218,1)	2 061 197	1 777 294	1 261 432	371 470	437 351	1 180 612	364 785	228 230	695 588	102 573
321,2 Disposals of domestic financial assets (3213,2+...+3218,2)	4 537 782	450 839	191 935	41 335	54 942	4 573 256	45 090	48 142	111 029	17 797
3212 Currency and deposits	1 146 530	-1 114 264	688 185	507 390	-191 109	0	-836 872	-167 510	-1 039 182	-34 800
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	625 656	279 493	109 980	465 239	75 766
3214,1 Acquisition: Loans	1 576 177	1 328 794	1 026 367	339 988	334 033	948 912	319 785	158 093	571 441	93 563
3214,2 Disposals: Loans	1 182 815	325 839	178 776	41 335	49 069	323 256	40 292	48 113	106 202	17 797
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	119 320	9 010
3215,1 Acquisition: Shares and other equity	485 020	448 500	235 065	31 482	103 318	231 700	45 000	70 137	124 147	9 010
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	0
322 Foreign (3222+3223+3224+3225+3226+3227+3228)	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	0
322,1 Acquisition of foreign financial assets (3223,1+...+3228,1)	9 926	9 786	2 699	0	0	16 768	0	2 681	2 681	0
322,2 Disposals of foreign financial assets (3223,2+...+3228,2)	0	0	7 556	0	0	0	0	0	0	0
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	0
3225,1 Acquisition: Shares and other equity	9 926	9 786	2 699	0	0	16 768	0	2 681	2 681	0
3225,2 Disposals: Shares and other equity	0	0	7 556	0	0	0	0	0	0	0
323 Monetary gold and SDRs	0	0	0	0	0	0	0	0	0	0

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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006
33 NET INCURRENCE OF LIABILITIES (331+332)	2 890 289	4 309 040	5 510 948	-376 434	319 546	-481 842	1 753 743	-669 435	877 563	-206 745
33,1 Repayments (331,1+332,1)	6 520 771	13 717 082	10 253 489	1 143 959	3 005 398	10 561 379	4 594 625	1 264 307	7 715 931	1 856 999
33,2 Incurrences (331,2+332,2)	9 411 059	18 026 122	15 764 437	767 526	3 324 944	10 079 536	6 348 368	594 872	8 593 494	1 650 254
Currency and deposits (3312+3322)	0	0	0	0	0	0	0	0	0	0
331 Domestic (3312+3313+3314+3316+3317+3318)	-159 690	4 038 705	10 591 560	-47 645	575 035	3 241 520	4 883 826	-456 347	4 822 536	395 058
331,1 Domestic repayments (3313,1+3314,1+3315,1+3316,1+3317,1+3318,1)	4 146 435	9 009 705	4 389 323	422 125	2 663 054	4 702 102	192 732	943 819	2 391 747	1 255 195
331,2 Domestic incurrences (3313,2+3314,2+3315,2+3316,2+3317,2+3318,2)	3 986 745	13 048 410	14 980 882	374 480	3 238 089	7 943 623	5 076 557	487 472	7 214 283	1 650 254
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	6 385 332	1 934 059	-31 194	4 476 712	2 573 847
3313,1 Repayments: Securities other than shares	2 305 093	5 025 194	2 844 601	106 414	1 963 281	558 291	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	6 943 623	2 044 424	129 291	4 747 562	2 573 847
3314 Loans (3314,2-3314,1)	-795 501	-2 318 771	955 217	-1 834 389	-704 767	-3 143 811	2 949 767	-425 154	345 824	-2 178 789
3314,1 Repayments: Loans	1 841 342	3 984 511	1 544 722	315 711	699 773	4 143 811	82 367	783 335	2 120 897	1 255 195
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	2 466 721	-923 594
332 Foreign (3322+3323+3324+3326+3327+3328)	3 049 979	270 335	-5 080 612	-328 789	-255 489	-3 723 363	-3 130 083	-213 088	-3 944 974	-601 803
332,1 Foreign repayments (3323,1+3324,1+3325,1+3326,1+3327,1+3328,1)	2 374 335	4 707 377	5 864 167	721 834	342 345	5 859 276	4 401 894	320 487	5 324 184	601 803
332,2 Foreign incurrences (3323,2+3324,2+3325,2+3326,2+3327,2+3328,2)	5 424 314	4 977 712	783 554	393 046	86 855	2 135 914	1 271 811	107 400	1 379 211	0
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	-3 480 781	-3 480 781	0	-3 480 781	0
3323,1 Repayments: Securities other than shares	0	2 526 876	3 713 935	0	0	3 480 781	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	0
3324 Loans (3324,2-3324,1)	-1 001 130	-945 104	-1 366 677	-328 789	-255 489	-242 582	350 698	-213 088	-464 193	-601 803
3324,1 Repayments: Loans	2 374 335	2 180 501	2 150 232	721 834	342 345	2 378 496	921 113	320 487	1 843 404	601 803
3324,2 Incurrences: Loans	1 373 205	1 235 397	783 554	393 046	86 855	2 135 914	1 271 811	107 400	1 379 211	0

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 - VII 2006		
	Budgetary Central Government	Extrabudgetary funds	Consolidated Central Government
82 (=32) NET ACQUISITION OF FINANCIAL ASSETS	-451 942	-71 258	-523 200
Acquisition of financial assets	131 767	150 870	282 637
Disposals of financial assets	583 709	222 128	805 837
821 (=321) Domestic	-454 623	-71 258	-525 881
Acquisition of domestic financial assets	129 087	150 870	279 957
Disposals of domestic financial assets	583 709	222 128	805 837
8211 General government	0	0	0
Acquisitions: General Government	0	175	175
Disposals: General Government	0	175	175
8212 Central bank	-485 951	0	-485 951
Acquisitions: Central bank	-38 129	0	-38 129
Disposals: Central bank	447 822	0	447 822
8213 Other depository corporations	-436 255	-93 854	-530 109
Acquisitions: Other depository corporations	-411 373	-64 077	-475 450
Disposals: Other depository corporations	24 882	29 777	54 659
8215 Nonfinancial corporations	415 938	22 596	438 534
Acquisitions: Nonfinancial corporations	520 312	214 772	735 084
Disposals: Nonfinancial corporations	104 374	192 176	296 550
8216 Households and nonprofit institutions serving households	51 645	0	51 645
Acquisitions: Hholds and nonprofit institutions serving hholds	58 276	0	58 276
Disposals: Hholds and nonprofit institutions serving hholds	6 632	0	6 632
822 (=322) Foreign	2 681	0	2 681
Acquisition of foreign financial assets	2 681	0	2 681
Disposals of foreign financial assets	0	0	0
8227 International organizations	2 681	0	2 681
Acquisitions: International organizations	2 681	0	2 681
Disposals: International organizations	0	0	0
8229 Other nonresidents	0	0	0
Acquisitions: Other nonresidents	0	0	0
Disposals: Other nonresidents	0	0	0
83 (=33) NET INCURRENCE OF LIABILITIES	877 563	1 237 566	2 115 129
Repayments: liabilities	7 715 931	316 851	8 032 782
Incurrences: liabilities	8 593 494	1 554 417	10 147 911
831 (=331) Domestic	4 822 536	979 287	5 801 823
Repayments: domestic liabilities	2 391 747	150 657	2 542 404
Incurrences: domestic liabilities	7 214 283	1 129 944	8 344 227
8311 General government	0	0	0
Repayments: General Government	0	0	0
Incurrences: General Government	0	0	0
8313 Other depository corporations	4 813 420	979 287	5 792 707
Repayments: Other depository corporations	2 391 555	150 657	2 542 212
Incurrences: Other depository corporations	7 204 975	1 129 944	8 334 919
8314 Financial corporations not elsewhere classified	9 308	0	9 308
Repayments: Financial corporations not elsewhere classified	0	0	0
Incurrences: Financial corporations not elsewhere classified	9 308	0	9 308
8315 Nonfinancial corporations	-191	0	-191
Repayments: Nonfinancial corporations	191	0	191
Incurrences: Nonfinancial corporations	0	0	0
832 (=332) Foreign	-3 944 974	258 279	-3 686 695
Repayments: foreign liabilities	5 324 184	166 194	5 490 378
Incurrences: foreign liabilities	1 379 211	424 473	1 803 684
8321 General government	-455 655	0	-455 655
Repayments: General Government	455 655	0	455 655
Incurrences: General Government	0	0	0
8327 International organizations	951 036	0	951 036
Repayments: International organizations	342 695	0	342 695
Incurrences: International organizations	1 293 731	0	1 293 731
8328 Financial corporations other than international organizations	-4 430 609	258 279	-4 172 330
Repayments: Financial corporations other than international organizations	4 516 089	166 194	4 682 283
Incurrences: Financial corporations other than international organizations	85 480	424 473	509 953
8329 Other nonresidents	-9 745	0	-9 745
Repayments: Other nonresidents	9 745	0	9 745
Incurrences: Other nonresidents	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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006
TRANSACTIONS AFFECTING NET WORTH										
1 REVENUE (11+12+13+14)	74 677 474	80 463 518	85 653 010	22 386 379	23 659 783	94 894 623	21 155 653	24 126 654	53 583 588	8 301 280
11 Taxes	45 281 076	47 149 862	50 687 564	13 917 627	13 443 703	57 860 444	12 578 899	14 916 276	32 697 288	5 202 113
12 Social contributions	27 416 931	29 477 597	31 301 340	7 945 580	8 186 879	33 496 961	7 954 297	8 376 921	19 243 646	2 912 428
13 Grants	10 407	10 122	27 505	6 524	6 897	521 813	3 544	11 036	15 974	1 393
14 Other revenue	1 969 060	3 825 938	3 636 601	516 648	2 022 304	3 015 405	618 913	822 421	1 626 680	185 346
2 EXPENSE (21+22+24+25+26+27+28)	77 075 487	83 131 114	87 857 465	20 787 111	23 100 131	96 067 350	23 260 320	23 203 454	54 354 475	7 890 702
21 Compensation of employees	21 225 816	22 268 287	23 182 586	5 921 396	5 978 031	24 320 073	5 965 427	5 979 166	14 128 556	2 183 964
22 Use of goods and services	4 170 611	4 358 721	4 951 917	1 100 945	1 351 772	6 181 883	1 297 332	1 269 577	3 002 601	435 692
24 Interest	3 587 329	3 972 466	4 387 010	826 752	731 212	4 568 221	1 824 142	998 768	3 185 575	362 665
25 Subsidies	4 292 712	4 968 069	5 248 744	969 624	1 520 132	5 417 206	1 633 507	1 378 666	3 400 876	388 703
26 Grants	3 746 958	3 420 327	3 796 847	773 114	1 325 113	6 640 941	1 241 337	1 443 196	3 261 801	577 269
27 Social benefits	36 204 270	39 730 887	41 358 455	10 305 813	10 340 928	43 687 515	10 445 596	10 979 868	25 011 697	3 586 233
28 Other expense	3 847 791	4 412 359	4 931 907	889 467	1 852 942	5 251 512	852 978	1 154 214	2 363 369	356 178
NET-GROSS OPERATING BALANCE (1-2)	-2 398 014	-2 667 596	-2 204 455	1 599 269	559 652	-1 172 726	-2 104 667	923 201	-770 888	410 579
CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)	-2 398 014	-2 667 596	-2 204 455	1 599 269	559 652	-1 172 726	-2 104 667	923 201	-770 888	410 579
TRANSACTIONS IN NONFINANCIAL ASSETS										
31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)	1 812 404	1 419 467	1 553 668	385 310	687 898	1 721 308	166 254	238 506	558 617	153 857
311 Fixed assets	1 795 345	1 384 609	1 516 968	377 389	670 569	1 950 464	173 842	271 334	607 390	162 214
312 Change in inventories	0	0	0	0	0	-275 354	-11 785	-37 430	-58 209	-8 994
313 Valuables	5 303	7 518	7 220	804	1 757	6 018	1 600	1 468	4 009	941
314 Nonproduced assets	11 755	27 340	29 480	7 118	15 572	40 180	2 597	3 135	5 428	-304
NET LENDING-BORROWING (1-2-31)	-4 210 417	-4 087 063	-3 758 123	1 213 959	-128 246	-2 894 034	-2 270 921	684 695	-1 329 505	256 721
TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)										
32 NET ACQUISITION OF FINANCIAL ASSETS (321+322)	-1 320 129	221 977	1 752 825	837 525	191 300	-3 375 877	-517 178	15 260	-451 942	49 976
321 Domestic	-1 330 055	212 192	1 757 681	837 525	191 300	-3 392 644	-517 178	12 579	-454 623	49 976
322 Foreign	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	0
33 NET INCURRENCE OF LIABILITIES (331+332)	2 890 289	4 309 040	5 510 948	-376 434	319 546	-481 842	1 753 743	-669 435	877 563	-206 745
331 Domestic	-159 690	4 038 705	10 591 560	-47 645	575 035	3 241 520	4 883 826	-456 347	4 822 536	395 058
332 Foreign	3 049 979	270 335	-5 080 612	-328 789	-255 489	-3 723 363	-3 130 083	-213 088	-3 944 974	-601 803

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
VII	8 301 280	7 890 702	410 578	362 665	773 243
I-VII 2006	53 583 588	54 354 475	-770 888	3 185 575	2 414 687

Note: See notes on methodology

MEASURES OF BUDGETARY CENTRAL GOVERNMENT DEFICIT/SURPLUS

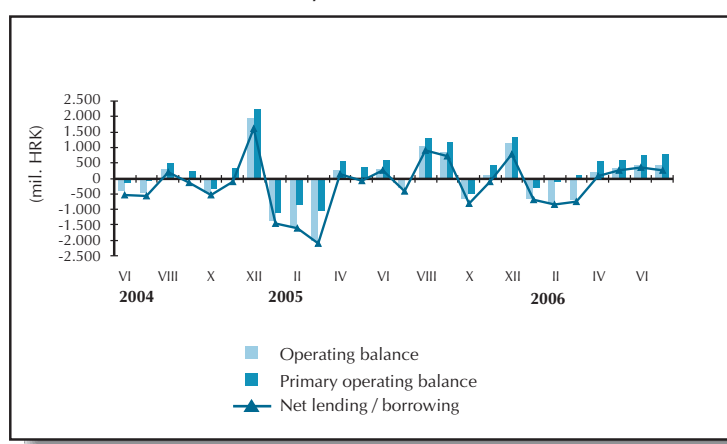


TABLE 8B: NET LENDING / BORROWING (000 HRK)

	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
VII	410 578	153 857	256 721	-256 721	49 976	-206 745
I-VII 2006	-770 888	558 617	-1 329 505	1 329 505	-451 942	877 563

*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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	1 845 366	670 814	398 337	96 115	109 714	511 000	94 382	99 099	225 270	31 789	44,08
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	772	0	0	0	0	0	0	0	0	0	
13	Grants (131+133)	1 741 865	540 922	360 327	87 034	100 793	386 000	54 647	85 219	170 601	30 735	44,20
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	170 601	30 735	44,20
1331	Current	1 714 878	521 361	334 155	82 891	88 296	351 000	52 794	82 746	165 765	30 225	47,23
1332	Capital	26 987	19 561	26 172	4 143	12 497	35 000	1 853	2 473	4 836	510	13,82
14	Other revenue	102 729	129 892	38 010	9 081	8 921	125 000	39 735	13 880	54 669	1 054	43,74
2	EXPENSE (21+22+24+25+26+27+28)	1 844 077	587 420	382 162	91 870	110 407	466 000	94 813	104 689	235 811	36 309	50,60
21	Compensation of employees (211+212)	241 408	290 789	286 515	70 468	80 355	340 000	74 084	80 516	183 810	29 210	54,06
211	Wages and salaries	207 538	252 989	248 410	61 212	69 481	295 000	63 623	69 561	158 787	25 603	53,83
212	Social contributions	33 870	37 800	38 105	9 256	10 874	45 000	10 461	10 955	25 023	3 607	55,61
22	Use of goods and services	127 140	90 721	89 854	20 645	28 948	125 300	19 667	24 938	51 704	7 099	41,26
24	Interest	0	896	721	207	287	700	273	24	297	0	42,43
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	1 472 945	205 014	5 072	550	817	0	789	-789	0	0	
28	Other expense	2 584	0	0	0	0	0	0	0	0	0	
Net-gross operating balance (1-2)		1 289	83 394	16 175	4 245	-693	45 000	-431	-5 590	-10 541	-4 520	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	21 937	18 022	19 251	1 684	12 543	55 000	1 207	-1 300	692	785	
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	4 340	785	7,61
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	0	182,40
311	Fixed assets (311,1-311,2-311,3)	0	18 022	11 367	1 684	5 431	45 200	710	-683	337	310	0,75
311,1	Acquisitions: fixed assets	0	21 154	14 661	2 582	6 075	47 200	1 595	1 272	3 177	310	6,73
311,2	Disposals: fixed assets	0	3 132	3 294	898	644	2 000	885	1 955	2 840	0	142,00
Net lending - borrowing (1-2-31)		-20 648	65 372	-3 076	2 561	-13 236	-10 000	-1 638	-4 290	-11 233	-5 305	
Financing (33-32)		20 648	-65 372	3 076	-2 561	13 236	10 000	1 638	4 290	11 233	5 305	
32	Net acquisition of financial assets (321+322)	-20 570	65 372	-3 067	2 561	-13 236	-10 000	-1 638	-4 290	-11 233	-5 305	
321	Domestic	-20 570	65 372	-3 067	2 561	-13 236	-10 000	-1 638	-4 290	-11 233	-5 305	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	78	0	9	0	0	0	0	0	0	0	
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	1 109 974	865 013	1 065 103	261 328	337 464	1 026 323	251 468	259 931	574 928	63 529	56,02
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	6 905	0	0	0	0	0	0	0	0	0	
13	Grants (131+133)	287 791	201 874	201 235	35 571	51 370	205 709	50 971	34 485	85 456	0	41,54
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	205 709	50 971	34 485	85 456	0	41,54
1331	Current	287 791	201 874	201 235	35 571	51 370	205 709	50 971	34 485	85 456	0	41,54
1332	Capital	0	0	0	0	0	0	0	0	0	0	
14	Other revenue	815 278	663 139	863 868	225 757	286 094	820 614	200 497	225 446	489 472	63 529	59,65
2	EXPENSE (21+22+24+25+26+27+28)	888 105	831 295	914 345	222 319	268 776	982 110	220 561	241 176	541 377	79 640	55,12
21	Compensation of employees (211+212)	180 743	185 992	227 721	64 149	60 716	227 714	53 631	54 112	127 958	20 215	56,19
211	Wages and salaries	155 722	160 298	197 486	56 845	51 683	196 898	46 274	46 699	110 639	17 666	56,19
212	Social contributions	25 021	25 694	30 235	7 304	9 033	30 816	7 357	7 413	17 319	2 549	56,20
22	Use of goods and services	113 659	100 979	122 100	31 362	38 170	120 548	28 605	27 029	69 036	13 402	57,27
24	Interest	20 554	0	0	0	0	6 250	564	735	1 308	9	20,93
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	490 368	544 324	564 524	126 808	169 890	609 398	135 502	159 237	340 744	46 005	55,91
28	Other expense	82 781	0	0	0	0	18 200	2 259	63	2 331	9	12,81
Net-gross operating balance (1-2)		221 869	33 718	150 758	39 009	68 688	44 213	30 907	18 755	33 551	-16 111	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	27 272	30 291	38 636	10 158	16 195	44 213	3 971	7 249	14 531	3 311	32,87
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	31 236	30 913	38 971	10 204	16 276	45 453	4 015	7 289	14 633	3 329	32,19
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	3 964	622	335	46	81	1 240	44	40	102	18	8,23
311	Fixed assets (311,1-311,2-311,3)	0	28 308	38 714	10 155	16 215	41 696	3 912	6 489	13 712	3 311	32,89
311,1	Acquisitions: fixed assets	0	28 802	38 948	10 181	16 276	42 936	3 956	6 529	13 814	3 329	32,17
311,2	Disposals: fixed assets	0	494	234	26	61	1 240	44	40	102	18	8,23
314	Nonproduced assets (3141+3142+3143+3144)	0	1 983	-78	3	-20	2 517	59	760	819	0	32,54
314,1	Acquisitions: nonproduced assets	0	2 111	23	23	0	2 517	59	760	819	0	32,54
314,2	Disposals: nonproduced assets	0	128	101	20	20	0	0	0	0	0	
Net lending - borrowing (1-2-31)		194 597	3 427	112 122	28 851	52 493	0	26 936	11 506	19 020	-19 422	
Financing (33-32)		-194 597	-3 427	-112 122	-28 851	-52 493	0	-26 936	-11 506	-19 020	19 422	
32	Net acquisition of financial assets (321+322)	604 597	3 427	112 122	28 851	52 493	0	26 936	11 506	19 020	-19 422	
321	Domestic	604 597	3 427	112 122	28 851	52 493	0	26 936	11 506	19 020	-19 422	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	410 000	0	0	0	0	0	0	0	0	0	
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	89 573	111 674	114 957	31 245	25 522	111 381	28 807	28 651	67 975	10 517	61,03
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)	72 000	96 167	96 102	27 193	21 285	96 398	26 792	26 851	63 937	10 294	66,33
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	63 937	10 294	66,33
1331	Current	72 000	96 167	96 102	27 193	21 285	96 398	26 792	26 851	63 937	10 294	66,33
1332	Capital	0	0	0	0	0	0	0	0	0	0	
14	Other revenue	17 573	15 507	18 855	4 052	4 237	14 983	2 015	1 800	4 038	223	26,95
2	EXPENSE (21+22+24+25+26+27+28)	140 387	141 333	145 931	36 457	41 006	163 580	38 045	38 267	89 526	13 214	54,73
21	Compensation of employees (211+212)	91 633	101 411	107 372	28 015	29 340	120 652	28 089	28 176	66 587	10 322	55,19
211	Wages and salaries	78 711	87 690	92 869	24 269	25 480	104 152	24 216	24 286	57 512	9 010	55,22
212	Social contributions	12 922	13 721	14 503	3 746	3 860	16 500	3 873	3 890	9 075	1 312	55,00
22	Use of goods and services	34 844	36 512	37 889	8 382	11 125	40 918	9 256	9 104	21 206	2 846	51,83
24	Interest	0	2	0	0	0	10	0	0	3	3	30,00
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	13 910	3 408	670	60	541	2 000	700	987	1 730	43	86,50
28	Other expense	0	0	0	0	0	0	0	0	0	0	
Net-gross operating balance (1-2)		-50 814	-29 659	-30 974	-5 212	-15 503	-52 199	-9 238	-9 616	-21 551	-2 697	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	8 767	4 865	4 895	728	3 623	5 786	334	300	1 018	384	17,59
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	1 131	383	17,84
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	294	50	67	65	1	554	113	1	113	-1	20,40
311	Fixed assets (311,1-311,2-311,3)	0	4 865	4 893	728	3 622	4 656	69	300	507	138	10,89
311,1	Acquisitions: fixed assets	0	4 915	4 960	793	3 623	5 210	182	301	620	137	11,90
311,2	Disposals: fixed assets	0	50	67	65	1	554	113	1	113	-1	20,40
314	Nonproduced assets (3141+3142+3143+3144)	0	0	2	0	1	1 130	265	0	511	246	45,22
314,1	Acquisitions: nonproduced assets	0	0	2	0	1	1 130	265	0	511	246	45,22
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
Net lending - borrowing (1-2-31)		-59 581	-34 524	-35 869	-5 940	-19 107	-57 985	-9 572	-9 916	-22 569	-3 081	
Financing (33-32)		59 581	34 524	35 869	5 940	19 107	57 985	9 572	9 916	22 569	3 081	
32	Net acquisition of financial assets (321+322)	-59 581	-34 524	-35 869	-5 940	-19 107	-57 985	-9 572	-9 916	-22 569	-3 081	
321	Domestic	-59 581	-34 524	-35 869	-5 940	-19 107	-57 985	-9 572	-9 916	-22 569	-3 081	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	0	0	0	0	0	0	0	0	0	0	
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	VII - IX 2005	X - XII 2005	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	1 544 421	1 658 435	1 715 607	377 834	728 165	2 234 331	237 247	359 494	820 560	223 819	36,73
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)	395 522	434 004	487 813	56 495	281 609	547 641	11 462	90 915	153 458	51 081	28,02
131	From foreign governments	1 434	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	394 088	434 004	487 813	56 495	281 609	547 641	11 462	90 915	153 458	51 081	28,02
1331	Current	182 000	105 340	203 499	0	95 491	101 000	346	68 555	72 375	3 474	71,66
1332	Capital	212 088	328 664	284 314	56 495	186 118	446 641	11 116	22 360	81 083	47 607	18,15
14	Other revenue	1 148 899	1 224 431	1 227 794	321 339	446 556	1 686 690	225 785	268 579	667 102	172 738	39,55
2	EXPENSE (21+22+24+25+26+27+28)	1 427 067	1 426 283	1 489 465	369 764	621 438	1 963 206	238 830	322 642	731 969	170 497	37,28
21	Compensation of employees (211+212)	87 792	93 675	99 418	24 503	27 034	118 100	24 502	26 157	58 706	8 047	49,71
211	Wages and salaries	75 924	80 618	85 524	20 990	23 273	102 200	21 042	22 614	50 550	6 894	49,46
212	Social contributions	11 868	13 057	13 894	3 513	3 761	15 900	3 460	3 543	8 156	1 153	51,30
22	Use of goods and services	826 878	743 383	790 683	207 500	288 589	1 106 370	156 731	235 930	491 267	98 606	44,40
24	Interest	37 057	37 907	33 734	8 327	7 754	34 110	7 571	7 245	18 100	3 284	53,06
25	Subsidies	0	0	0	0	0	0	0	0	0	0	
26	Grants	0	0	0	0	0	88 076	0	10 956	14 331	3 375	16,27
27	Social benefits	0	0	0	0	0	0	0	0	0	0	
28	Other expense	475 340	551 318	565 630	129 434	298 061	616 550	50 026	42 354	149 565	57 185	24,26
Net-gross operating balance (1-2)		117 354	232 152	226 142	8 070	106 727	271 125	-1 583	36 852	88 591	53 322	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	290 709	282 527	230 292	37 329	135 703	238 625	13 697	6 694	29 786	9 395	12,48
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	291 043	282 797	230 588	37 382	135 847	239 225	13 752	7 439	30 590	9 399	12,79
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	334	270	296	53	144	600	55	745	804	4	134,00
311	Fixed assets (311,1-311,2-311,3)	0	277 053	224 415	35 447	134 418	210 625	13 303	5 835	25 212	6 074	11,97
311,1	Acquisitions: fixed assets	0	277 323	224 711	35 500	134 562	211 225	13 358	6 580	26 016	6 078	12,32
311,2	Disposals: fixed assets	0	270	296	53	144	600	55	745	804	4	134,00
314	Nonproduced assets (314,1-314,2-314,3-314,4)	0	5 474	5 877	1 882	1 285	28 000	394	859	4 574	3 321	16,34
314,1	Acquisitions: nonproduced assets	0	5 474	5 877	1 882	1 285	28 000	394	859	4 574	3 321	16,34
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
Net lending - borrowing (1-2-31)		-173 355	-50 375	-4 150	-29 259	-28 976	32 500	-15 280	30 158	58 805	43 927	
Financing (33-32)		173 355	50 375	4 150	29 259	28 976	-32 500	15 280	-30 158	-58 805	-43 927	
32	Net acquisition of financial assets (321+322)	-146 776	-11 385	5 284	-22 557	37 881	63 730	-35 696	-7 900	2 011	45 607	
321	Domestic	-146 776	-11 385	5 284	-22 557	37 881	63 730	-35 696	-7 900	2 011	45 607	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	26 579	38 990	9 434	6 702	66 857	31 230	-20 416	-38 058	-56 794	1 680	
331	Domestic	30 289	42 859	-26 179	-3 339	37 203	-93 000	-14 776	-28 019	-42 795	0	
332	Foreign	-3 710	-3 869	35 613	10 041	29 654	124 230	-5 640	-10 039	-13 999	1 680	

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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	172 273	214 737	57 136	50 768	1 003 600	94 166	119 113	255 225	41 946	25,43
11	Taxes	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	
13	Grants (131+133)	1 525	0	0	0	0	0	0	0	0	
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	
14	Other revenue	170 748	214 737	57 136	50 768	1 003 600	94 166	119 113	255 225	41 946	25,43
2	EXPENSE (21+22+24+25+26+27+28)	32 443	172 045	39 539	36 243	870 259	72 949	180 071	307 185	54 165	35,30
21	Compensation of employees (211+212)	1 905	3 966	874	1 477	12 246	1 317	1 542	3 371	512	27,53
211	Wages and salaries	1 633	3 407	750	1 267	10 480	1 128	1 335	2 901	438	27,68
212	Social contributions	272	559	124	210	1 766	189	207	470	74	26,61
22	Use of goods and services	2 734	12 162	3 563	6 770	500 183	41 119	161 974	252 176	49 083	50,42
24	Interest	0	0	0	0	0	0	0	0	0	
25	Subsidies	0	5 189	2 026	3 163	58 250	11 373	382	12 000	245	20,60
26	Grants	0	149 780	32 982	24 158	295 260	19 079	15 896	39 231	4 256	13,29
27	Social benefits	0	0	0	0	0	0	0	0	0	
28	Other expense	27 804	948	94	675	4 320	61	277	407	69	9,42
Net-gross operating balance (1-2)		139 830	42 692	17 597	14 525	133 341	21 217	-60 958	-51 960	-12 219	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	1 786	12 917	2 474	2 096	22 310	97	778	1 215	340	5,45
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	1 786	12 917	2 474	2 096	22 310	97	914	1 351	340	6,06
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	7 560	87	671	824	66	10,90
311,1	Acquisitions: fixed assets	1 553	12 742	2 370	2 029	7 560	87	807	960	66	12,70
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	14 750	10	107	391	274	2,65
314,1	Acquisitions: nonproduced assets	233	175	104	67	14 750	10	107	391	274	2,65
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	
Net lending - borrowing (1-2-31)		138 044	29 775	15 123	12 429	111 031	21 120	-61 736	-53 175	-12 559	
Financing (33-32)		-138 044	-29 775	-15 123	-12 429	-111 031	-21 120	61 736	53 175	12 559	
32	Net acquisition of financial assets (321+322)	138 044	29 775	15 123	12 429	111 031	21 120	-61 736	-53 175	-12 559	
321	Domestic	138 044	29 775	15 123	12 429	111 031	21 120	-61 736	-53 175	-12 559	
322	Foreign	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	0	0	0	0	0	0	0	0	0	
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	1 927 787	2 295 423	2 547 003	822 656	672 632	2 633 000	508 018	655 043	1 447 206	284 145	54,96
11	Taxes	1 313 743	1 341 683	1 380 753	411 083	357 248	0	0	0	0	0	
1142	Excises	1 313 743	1 341 683	1 380 753	411 083	357 248	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	1 480 000	294 281	350 892	772 260	127 087	52,18
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	772 260	127 087	52,18
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	772 260	127 087	52,18
14	Other revenue	614 044	953 740	1 166 250	411 573	315 384	1 153 000	213 737	304 151	674 946	157 058	58,54
2	EXPENSE (21+22+24+25+26+27+28)	692 490	756 796	1 088 687	261 291	369 101	1 654 503	240 668	442 933	829 405	145 804	50,13
21	Compensation of employees (211+212)	162 982	236 353	289 866	74 061	73 628	345 221	71 866	74 319	182 546	36 361	52,88
211	Wages and salaries	140 867	203 955	250 374	64 241	63 742	298 230	61 878	64 051	157 861	31 932	52,93
212	Social contributions	22 115	32 398	39 492	9 820	9 886	46 991	9 988	10 268	24 685	4 429	52,53
22	Use of goods and services	406 858	258 509	314 534	96 511	91 852	229 375	63 661	66 456	154 236	24 119	67,24
24	Interest	122 650	191 132	445 185	81 557	194 227	704 888	96 876	203 047	323 635	23 712	45,91
25	Subsidies	0	0	0	0	0	0	0	0	0	0	
26	Grants	0	4 542	3 610	816	2 001	319 335	8 265	77 247	142 439	56 927	44,60
27	Social benefits	0	0	0	0	0	0	0	0	0	0	
28	Other expense	0	66 260	35 492	8 346	7 393	55 684	0	21 864	26 549	4 685	47,68
Net-gross operating balance (1-2)		1 235 297	1 538 627	1 458 316	561 365	303 531	978 497	267 350	212 110	617 801	138 341	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	5 113 679	5 778 694	3 942 727	1 057 793	861 046	2 702 662	473 848	861 980	1 544 395	208 567	57,14
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	2 702 662	473 848	861 980	1 544 395	208 567	57,14
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	2 592 252	431 307	804 967	1 409 571	173 297	54,38
311,1	Acquisitions: fixed assets	0	5 697 892	3 825 950	1 007 622	829 814	2 592 252	431 307	804 967	1 409 571	173 297	54,38
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	134 824	35 270	122,11
314,1	Acquisitions: nonproduced assets	0	80 802	116 777	50 171	31 232	110 410	42 541	57 013	134 824	35 270	122,11
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
Net lending - borrowing (1-2-31)		-3 878 382	-4 240 067	-2 484 411	-496 428	-557 515	-1 724 165	-206 498	-649 870	-926 594	-70 226	
Financing (33-32)		3 878 382	4 240 067	2 484 411	496 428	557 515	1 724 165	206 498	649 870	926 594	70 226	
32	Net acquisition of financial assets (321+322)	-412 302	-162 274	-42 758	-183 964	31 935	12 835	-36 187	15 098	-64 038	-42 949	
321	Domestic	-412 302	-162 274	-42 758	-183 964	31 935	12 835	-36 187	15 098	-64 038	-42 949	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331-332)	3 466 080	4 077 793	2 441 653	312 464	589 450	1 737 000	170 311	664 968	862 556	27 277	
331	Domestic	530 000	379 709	1 698 272	211 126	370 225	1 396 026	0	621 289	730 026	108 737	
332	Foreign	2 936 080	3 698 084	743 381	101 338	219 225	340 974	170 311	43 679	132 530	-81 460	

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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	1 379 782	1 417 787	1 474 714	438 649	392 474	1 825 700	297 684	449 184	926 772	179 904	50,76
11	Taxes	1 317 361	1 342 121	1 380 732	411 083	357 233	0	0	0	0	0	
1142	Excises	1 317 361	1 342 121	1 380 732	411 083	357 233	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	1 780 000	285 424	425 664	887 559	176 471	49,86
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	1 780 000	285 424	425 664	887 559	176 471	49,86
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	1 780 000	285 424	425 664	887 559	176 471	49,86
14	Other revenue	62 421	75 666	93 982	27 566	35 241	45 700	12 260	23 520	39 213	3 433	85,81
2	EXPENSE (21+22+24+25+26+27+28)	840 372	934 630	1 062 405	282 333	248 254	1 219 700	245 294	315 601	650 781	89 886	53,36
21	Compensation of employees (211+212)	45 037	51 590	61 054	17 136	15 347	69 800	16 787	17 187	42 216	8 242	60,48
211	Wages and salaries	38 733	44 349	52 452	14 674	13 241	59 927	14 389	14 786	36 224	7 049	60,45
212	Social contributions	6 304	7 241	8 602	2 462	2 106	9 873	2 398	2 401	5 992	1 193	60,69
22	Use of goods and services	592 492	696 421	726 456	227 316	138 804	867 580	161 786	247 998	470 677	60 893	54,25
24	Interest	928	4 306	16 060	5 640	2 078	37 200	5 078	11 873	16 976	25	45,63
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	0	0	0	0	0	0	0	0	0	0	
28	Other expense	201 915	182 313	258 835	32 241	92 025	245 120	61 643	38 543	120 912	20 726	49,33
Net-gross operating balance (1-2)		539 410	483 157	412 309	156 316	144 220	606 000	52 390	133 583	275 991	90 018	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	736 943	834 631	923 171	311 434	136 320	1 331 400	178 952	592 387	868 306	96 967	65,22
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	738 092	835 907	926 359	311 648	136 446	1 331 400	179 225	592 531	868 805	97 049	65,25
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	1 149	1 276	3 188	214	126	0	273	144	499	82	
311	Fixed assets (311,1-311,2-311,3)	0	742 582	833 817	287 319	114 209	1 230 000	155 785	561 944	803 566	85 837	65,33
311,1	Acquisitions: fixed assets	0	743 858	837 005	287 533	114 335	1 230 000	156 058	562 088	804 065	85 919	65,37
311,2	Disposals: fixed assets	0	1 276	3 188	214	126	0	273	144	499	82	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	0	92 049	89 354	24 115	22 111	101 400	23 167	30 443	64 740	11 130	63,85
314,1	Acquisitions: nonproduced assets	0	92 049	89 354	24 115	22 111	101 400	23 167	30 443	64 740	11 130	63,85
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
Net lending - borrowing (1-2-31)		-197 533	-351 474	-510 862	-155 118	7 900	-725 400	-126 562	-458 804	-592 315	-6 949	
Financing (33-32)		197 533	351 474	510 862	155 118	-7 900	725 400	126 562	458 804	592 315	6 949	
32	Net acquisition of financial assets (321+322)	-167 248	296	50 297	-27 959	37 472	0	-19 255	-26 445	-52 649	-6 949	
321	Domestic	-167 248	296	50 297	-27 959	37 472	0	-19 255	-26 445	-52 649	-6 949	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	30 285	351 770	561 159	127 159	29 572	725 400	107 307	432 359	539 666	0	
331	Domestic	0	100 000	302 376	78 383	-4 325	445 400	0	399 918	399 918	0	
332	Foreign	30 285	251 770	258 783	48 776	33 897	280 000	107 307	32 441	139 748	0	

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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	581 931	575 893	367 438	94 534	91 966	390 280	112 078	83 974	206 492	10 440	52,91
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	390 280	112 078	83 974	206 492	10 440	52,91
2	EXPENSE (21+22+24+25+26+27+28)	251 360	314 474	182 993	51 903	60 976	32 989	10 509	3 933	16 544	2 102	50,15
21	Compensation of employees (211+212)	4 110	4 678	5 621	1 378	1 656	8 502	1 360	1 351	3 360	649	39,52
211	Wages and salaries	3 507	4 010	4 821	1 178	1 421	7 280	1 163	1 157	2 882	562	39,59
212	Social contributions	603	668	800	200	235	1 222	197	194	478	87	39,12
22	Use of goods and services	7 915	10 664	21 092	4 516	11 670	13 377	3 360	1 422	5 877	1 095	43,93
24	Interest	187 360	136 971	121 940	0	60 134	510	0	0	239	239	46,86
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	5 000	648	280	952	24	19,04
28	Other expense	0	0	32 829	45 610	-12 781	5 600	5 141	880	6 116	95	109,21
Net-gross operating balance (1-2)		330 571	261 419	184 445	42 631	30 990	357 291	101 569	80 041	189 948	8 338	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	-94	27 624	14 131	-84	12 787	-30 980	334	128	462	0	
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	2 464	27 624	14 232	7	12 797	1 540	399	135	534	0	34,68
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	2 558	0	101	91	10	32 520	65	7	72	0	0,22
311	Fixed assets (311,1-311,2-311,3)	0	27 624	11 115	-84	9 771	-25 980	334	128	462	0	
311,1	Acquisitions: fixed assets	0	27 624	11 216	7	9 781	1 540	399	135	534	0	34,68
311,2	Disposals: fixed assets	0	0	101	91	10	27 520	65	7	72	0	0,26
Net lending - borrowing (1-2-31)		330 665	233 795	170 314	42 715	18 203	388 271	101 235	79 913	189 486	8 338	
Financing (33-32)		-330 665	-233 795	-170 314	-42 715	-18 203	-388 271	-101 235	-79 913	-189 486	-8 338	
32	Net acquisition of financial assets (321+322)	330 665	-134 228	-349 252	42 715	-381 797	388 271	101 235	79 913	189 486	8 338	
321	Domestic	330 665	-134 228	-349 252	42 715	-381 797	388 271	101 235	79 913	189 486	8 338	
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1	REVENUE (11+12+13+14)	125 991	62 946	237 044	192 864	9 206	46 300	10 954	5 939	21 317	4 424	46,04
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	125 991	62 946	237 044	192 864	9 206	46 300	10 954	5 939	21 317	4 424	46,04
2	EXPENSE (21+22+24+25+26+27+28)	51 685	60 141	182 119	15 551	18 397	89 193	16 840	21 580	43 609	5 189	48,89
21	Compensation of employees (211+212)	28 942	31 044	35 996	8 580	9 295	39 965	9 119	8 880	20 307	2 308	50,81
211	Wages and salaries	24 794	26 721	31 273	7 571	8 139	35 038	8 140	7 662	17 777	1 975	50,74
212	Social contributions	4 148	4 323	4 723	1 009	1 156	4 927	979	1 218	2 530	333	51,35
22	Use of goods and services	22 655	29 097	33 545	6 789	7 131	32 557	5 189	7 347	14 525	1 989	44,61
24	Interest	88	0	0	0	0	16 671	2 532	5 353	8 777	892	52,65
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	0	0	0	0	0	0	0	0	0	0	
28	Other expense	0	0	112 578	182	1 971	0	0	0	0	0	
Net-gross operating balance (1-2)		74 306	2 805	54 925	177 313	-9 191	-42 893	-5 886	-15 641	-22 292	-765	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	-15 603	-24 444	-40 272	-22 033	-2 932	1 674	-45 262	-6 829	-52 043	48	
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	1 541	248	1,92
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	53 584	200	68,09
311	Fixed assets (311,1-311,2-311,3)	0	-24 444	-40 272	-22 033	-2 932	1 674	-45 262	-6 829	-52 043	48	
311,1	Acquisitions: fixed assets	0	725	2 061	1 162	136	80 374	691	602	1 541	248	1,92
311,2	Disposals: fixed assets	0	25 169	42 333	23 195	3 068	78 700	45 953	7 431	53 584	200	68,09
Net lending - borrowing (1-2-31)		89 909	27 249	95 197	199 346	-6 259	-44 567	39 376	-8 812	29 751	-813	
Financing (33-32)		-89 909	-27 249	-95 197	-199 346	6 259	44 567	-39 376	8 812	-29 751	813	
32	Net acquisition of financial assets (321+322)	280 272	15 293	100 403	167 136	-15 980	-410 000	29 745	-100 893	-78 111	-6 963	
321	Domestic	280 272	15 293	100 403	167 136	-15 980	-410 000	29 745	-100 893	-78 111	-6 963	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	190 363	-11 956	5 206	-32 210	-9 721	-365 433	-9 631	-92 081	-107 862	-6 150	
331	Domestic	190 363	-11 956	5 206	-32 210	-9 721	-360 987	-9 631	-92 081	-107 862	-6 150	
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	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1 REVENUE (11+12+13+14)	80 786 555	87 019 284	92 642 473	24 552 447	25 622 637	100 180 790	22 066 880	25 173 056	55 996 062	8 756 125	55,90
11 Taxes (111+113+114+115+116)	47 912 180	49 833 666	53 449 049	14 739 793	14 158 184	57 860 444	12 578 899	14 916 276	32 697 288	5 202 113	56,51
111 Taxes of income and profits and capital gains	6 189 047	6 259 713	7 057 112	1 604 643	1 816 718	7 916 839	1 840 833	2 615 396	5 008 672	552 443	63,27
113 Taxes on property	289 926	355 823	375 501	88 978	113 849	431 835	107 699	105 479	249 031	35 854	57,67
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	47 359 427	10 198 817	11 705 493	26 368 808	4 464 497	55,68
1141 General taxes on goods and services (11411+11412)	28 260 009	30 013 661	32 399 952	9 075 964	8 730 447	35 002 420	7 594 838	8 652 541	19 553 741	3 306 362	55,86
11411 Value-added taxes	28 129 300	29 864 905	32 243 372	9 034 765	8 691 261	34 830 264	7 555 385	8 610 250	19 457 443	3 291 808	55,86
11412 Sales taxes	130 709	148 757	156 580	41 198	39 185	172 156	39 453	42 291	96 299	14 554	55,94
1142 Excises	10 482 097	10 625 358	10 939 144	3 272 530	2 748 336	11 539 801	2 428 385	2 832 982	6 324 912	1 063 545	54,81
115 Taxes on international trade and transactions	1 810 866	1 590 727	1 562 930	412 010	415 178	1 562 367	341 984	407 670	870 679	121 025	55,73
116 Other taxes	340 089	341 377	369 019	106 412	95 758	589 976	89 566	82 240	200 099	28 294	33,92
12 Social contributions	27 424 608	29 477 597	31 301 340	7 945 580	8 186 879	33 496 961	7 954 297	8 376 921	19 243 646	2 912 428	57,45
13 Grants	11 841	10 122	27 505	6 524	6 897	521 813	3 544	11 036	15 974	1 393	3,06
14 Other revenue	5 437 926	7 697 900	7 864 579	1 860 550	3 270 677	8 301 572	1 530 140	1 868 823	4 039 154	640 191	48,66
2 EXPENSE (21+22+24+25+26+27+28)	80 715 286	86 941 437	92 332 140	21 951 845	24 419 672	99 013 142	23 715 252	23 860 320	55 667 411	8 091 840	56,22
21 Compensation of employees (211+212)	22 068 463	23 265 724	24 300 115	6 210 560	6 276 879	25 602 273	6 246 182	6 271 406	14 817 417	2 299 830	57,88
211 Wages and salaries	18 762 897	19 750 868	20 665 832	5 286 232	5 364 673	21 793 727	5 308 671	5 330 377	12 620 355	1 981 307	57,91
212 Social contributions	3 305 566	3 514 856	3 634 283	924 328	912 206	3 808 546	937 511	941 029	2 197 062	318 523	57,69
22 Use of goods and services	6 291 714	6 327 741	7 100 232	1 707 529	1 974 831	9 218 091	1 786 706	2 051 775	4 533 305	694 824	49,18
24 Interest	3 955 966	4 343 680	5 004 650	922 483	995 692	5 368 560	1 937 036	1 227 045	3 554 910	390 829	66,22
25 Subsidies	4 292 712	4 968 069	5 253 933	971 650	1 523 295	5 475 456	1 644 880	1 379 048	3 412 876	388 948	62,33
26 Grants	1 737 217	2 162 993	2 804 760	600 619	896 215	2 847 864	545 104	533 269	1 324 531	246 159	46,51
27 Social benefits	37 939 553	40 645 794	41 930 232	10 433 630	10 512 473	44 303 913	10 583 235	11 139 583	25 355 123	3 632 305	57,23
28 Other expense	4 429 661	5 227 438	5 938 219	1 105 374	2 240 286	6 196 986	972 108	1 258 195	2 669 249	438 947	43,07
NET-GROSS OPERATING BALANCE (1-2)	71 268	77 847	310 333	2 600 603	1 202 965	1 167 649	-1 648 372	1 312 737	328 650	664 286	
3 CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)	71 268	77 847	310 333	2 600 603	1 202 965	1 167 649	-1 648 372	1 312 737	328 650	664 286	
31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)	7 996 014	8 373 463	6 699 416	1 784 793	1 865 279	6 091 998	793 432	1 699 893	2 966 979	473 654	48,70
311 Fixed assets	7 867 051	8 158 064	6 439 709	1 700 597	1 783 146	6 058 147	734 087	1 644 156	2 809 538	431 295	46,38
312 Inventories	0	0	0	0	0	-275 354	-11 785	-37 430	-58 209	-8 994	21,14
313 Valuables	5 303	7 518	7 220	804	1 757	6 018	1 600	1 468	4 009	941	66,61
314 Nonproduced assets	123 659	207 881	252 487	83 393	80 376	303 187	69 530	91 700	211 642	50 412	69,81
NET LENDING-BORROWING (1-2-31)	-7 924 745	-8 295 616	-6 389 083	815 810	-662 314	-4 924 349	-2 441 804	-387 156	-2 638 329	190 631	
TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)	7 924 745	8 295 616	6 389 083	-815 810	662 314	4 924 349	2 441 804	387 156	2 638 329	-190 631	
32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)	-963 228	28 384	1 609 760	853 491	-67 900	-3 277 995	-440 490	-89 403	-523 200	6 693	
321 Domestic	-973 154	18 598	1 614 616	853 491	-67 900	-3 294 762	-440 490	-92 084	-525 881	6 693	
322 Foreign	9 926	9 786	-4 857	0	0	16 768	0	2 681	2 681	0	
323 Monetary gold and SDRs	0	0	0	0	0	0	0	0	0	0	
33 NET INCURRENCE OF LIABILITIES (331+332)	6 961 518	8 324 000	7 998 843	37 681	594 414	1 646 355	2 001 314	297 753	2 115 129	-183 938	
331 Domestic	948 884	4 107 680	12 041 678	206 315	567 127	4 628 959	4 859 419	444 760	5 801 823	497 645	
332 Foreign	6 012 634	4 216 320	-4 042 835	-168 634	27 287	-2 982 605	-2 858 105	-147 007	-3 686 695	-681 583	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 19: CONSOLIDATED CENTRAL GOVERNMENT ACCORDING TO GOVERNMENT LEVEL

(000 HRK)	2004	2005	VII - IX 2005	X - XII 2005	New Plan 2006	I - III 2006	IV - VI 2006	I - VII 2006	VII 2006	I - VII 2006 New Plan 2006
1 REVENUE (A+B)	87 019 284	92 642 473	24 552 447	25 622 637	100 180 790	22 066 880	25 173 056	55 996 062	8 756 125	55,90
A) Budgetary Central Government	80 463 518	85 653 010	22 386 379	23 659 783	94 894 623	21 155 653	24 126 654	53 583 588	8 301 280	56,47
B) Extrabudgetary users (1+...+9)	6 555 766	6 989 463	2 166 068	1 962 854	5 286 167	911 227	1 046 402	2 412 474	454 845	45,64
1. Croatian Institute for Pension Insurance	129 892	38 010	9 081	8 921	125 000	39 735	13 880	54 669	1 054	43,74
2. Croatian Health Insurance Institute	663 139	863 868	225 757	286 094	820 614	200 497	225 446	489 472	63 529	59,65
3. Croatian Employment Service	15 507	18 855	4 052	4 237	14 983	2 015	1 800	4 038	223	26,95
4. Croatian Waters	1 224 431	1 227 794	321 339	446 556	1 686 690	225 785	268 579	667 102	172 738	39,55
5. Environment Protection Fund	170 748	214 737	57 136	50 768	1 003 600	94 166	119 113	255 225	41 946	25,43
6. Croatian motorways Ltd.	2 295 423	2 547 003	822 656	672 632	1 153 000	213 737	304 151	674 946	157 058	58,54
7. Croatian roads Ltd.	1 417 787	1 474 714	438 649	392 474	45 700	12 260	23 520	39 213	3 433	85,81
8. State Agency for Deposit Insurance and Bank Rehabilitation	575 893	367 438	94 534	91 966	390 280	112 078	83 974	206 492	10 440	52,91
9. Croatian Privatization Fund	62 946	237 044	192 864	9 206	46 300	10 954	5 939	21 317	4 424	46,04
2 EXPENSE (A+B)	86 941 437	92 332 140	21 951 845	24 419 672	99 013 142	23 715 252	23 860 320	55 667 411	8 091 840	56,22
A) Budgetary Central Government	81 861 164	86 715 598	20 708 049	22 521 453	91 890 937	22 545 008	22 266 675	52 363 643	7 551 961	56,98
B) Extrabudgetary funds and agencies (1+...+9)	5 080 273	5 616 542	1 243 796	1 898 219	7 122 205	1 170 244	1 593 645	3 303 768	539 879	46,39
1. Croatian Institute for Pension Insurance	587 420	382 162	91 870	110 407	466 000	94 813	104 689	235 811	36 309	50,60
2. Croatian Health Insurance Institute	831 295	914 345	222 319	268 776	982 110	220 561	241 176	541 377	79 640	55,12
3. Croatian Employment Service	141 333	145 931	36 457	41 006	163 580	38 045	38 267	89 526	13 214	54,73
4. Croatian Waters	1 426 283	1 489 465	369 764	621 438	1 963 206	238 830	322 642	731 969	170 497	37,28
5. Environment Protection Fund	32 443	172 045	-86 083	161 865	870 259	72 949	180 071	307 185	54 165	35,30
6. Croatian motorways Ltd.	752 254	1 085 077	259 682	367 100	1 335 168	232 403	365 686	686 966	88 877	51,45
7. Croatian roads Ltd.	934 630	1 062 405	282 333	248 254	1 219 700	245 294	315 601	650 781	89 886	53,36
8. State Agency for Deposit Insurance and Bank Rehabilitation	314 474	182 993	51 903	60 976	32 989	10 509	3 933	16 544	2 102	50,15
9. Croatian Privatization Fund	60 141	182 119	15 551	18 397	89 193	16 840	21 580	43 609	5 189	48,89
NET-GROSS OPERATING BALANCE (1-2)	77 847	310 333	2 600 603	1 202 965	1 167 649	-1 648 372	1 312 737	328 650	664 286	
3 CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)	77 847	310 333	2 600 603	1 202 965	1 167 649	-1 648 372	1 312 737	328 650	664 286	
31 NET ACQUISITION OF NONFINANCIAL ASSETS	8 373 463	6 699 416	1 784 793	1 865 279	6 091 998	793 432	1 699 893	2 966 979	473 654	48,70
Acquisition (A+B)	8 648 383	7 024 180	1 863 233	1 939 746	6 760 394	910 076	1 823 210	3 238 773	505 487	47,91
A) Budgetary Central Government	1 663 868	1 828 818	439 188	758 291	2 274 090	235 510	350 556	771 453	185 387	33,92
B) Extrabudgetary users	6 984 515	5 195 362	1 424 045	1 181 455	4 486 304	674 566	1 472 654	2 467 320	320 100	55,00
Disposals (A+B)	274 920	324 763	78 439	74 467	668 396	116 644	123 317	271 794	31 833	40,66
A) Budgetary Central Government	244 401	275 149	53 877	70 393	552 782	69 256	112 050	212 836	31 530	38,50
B) Extrabudgetary users	30 519	49 614	24 562	4 074	115 614	47 388	11 267	58 958	303	51,00
NET LENDING-BORROWING (1-2-31)	-8 295 616	-6 389 083	815 810	-662 314	-4 924 349	-2 441 804	-387 156	-2 638 329	190 631	
TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)	8 295 616	6 389 083	-815 810	662 314	4 924 349	2 441 804	387 156	2 638 329	-190 631	
32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)	28 384	1 609 760	853 491	-67 900	-3 277 995	-440 490	-89 403	-523 200	6 693	
321 Domestic (A+B)	18 599	1 614 616	853 491	-67 900	-3 294 762	-440 490	-92 084	-525 881	6 693	
A) Budgetary Central Government	138 578	1 747 681	828 815	190 010	-3 392 644	-517 178	12 579	-454 623	49 976	
B) Extrabudgetary users	-119 979	-133 065	24 676	-257 910	97 882	76 688	-104 663	-71 258	-43 283	
322 Foreign (A+B)	9 786	-4 857	0	0	16 768	0	2 681	2 681	0	
A) Budgetary Central Government	9 786	-4 857	0	0	16 768	0	2 681	2 681	0	
B) Extrabudgetary users	0	0	0	0	0	0	0	0	0	
323 Monetary gold and SDRs	0	0	0	0	0	0	0	0	0	
33 NET INCURRENCE OF LIABILITIES (331+332)	8 324 000	7 998 843	37 681	594 414	1 646 355	2 001 314	297 753	2 115 129	-183 938	
331 Domestic (A+B)	4 107 680	12 041 678	206 315	567 127	4 628 959	4 859 419	444 760	5 801 823	497 645	
A) Budgetary Central Government	4 038 705	10 591 560	-38 935	575 035	3 241 520	4 883 826	-456 347	4 822 536	395 058	
B) Extrabudgetary users	68 975	1 450 118	245 250	-7 908	1 387 439	-24 407	901 107	979 287	102 587	
332 Foreign (A+B)	4 216 320	-4 042 835	-168 634	27 287	-2 982 605	-2 858 105	-147 007	-3 686 695	-681 583	
A) Budgetary Central Government	270 335	-5 080 612	-328 789	-255 489	-3 723 363	-3 130 083	-213 088	-3 944 974	-601 803	
B) Extrabudgetary users	3 945 985	1 037 777	160 155	282 776	740 758	271 978	66 081	258 279	-79 780	

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
VII	8 756 125	8 091 840	664 286	390 829	1 055 114
I-VII 2006	55 996 062	55 667 411	328 650	3 554 910	3 883 560

Note: See notes on methodology

MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT / SURPLUS

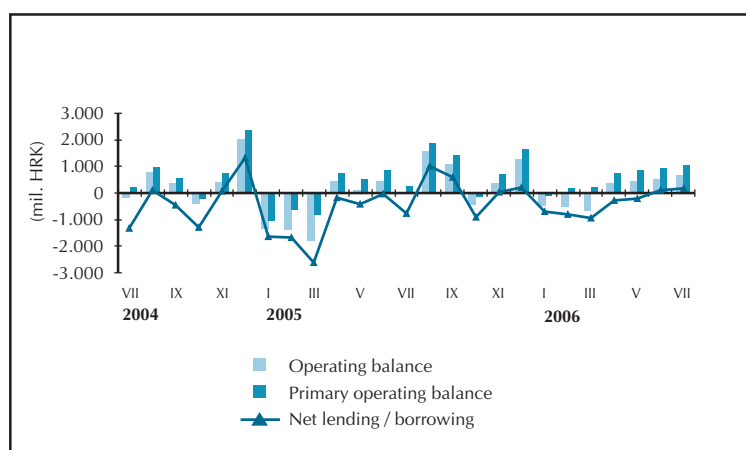


TABLE 19B: NET LENDING / BORROWING (000 HRK)

	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
VII	664 286	473 654	190 631	-190 631	6 693	-183 938
I-VII 2006	328 650	2 966 979	-2 638 329	2 638 329	-523 200	2 115 129

* Deficit according to GFS 2001 methodology

Note: See notes on methodology

TABLE 23: GENERAL GOVERNMENT DEBT STOCK

	31.12. 2002 [§]		31.12. 2003 [§]		31.12. 2004 [§]		31.12. 2005 [§]		31.3. 2006 [§]		30.4. 2006 [§]		31.5. 2006 [§]		30.6. 2006 [§]		31.7. 2006 [§]	
	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
A. Foreign debt (A1+A2+A3)	40 367,0	22,3	45 860,9	23,1	50 283,5	23,6	45 358,6	19,8	41 978,4	17,0	41 394,1	16,7	41 299,7	16,7	41 329,5	16,7	40 640,9	16,4
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	32 895,6	13,3	32 398,5	13,1	32 337,9	13,1	32 380,9	13,1	31 821,4	12,9
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	8 860,2	3,6	8 773,0	3,5	8 739,2	3,5	8 732,0	3,5	8 602,9	3,5
3. Local Government foreign debt	223,3	0,1	348,9	0,2	262,5	0,1	199,2	0,1	222,6	0,1	222,6	0,1	222,6	0,1	216,6	0,1	216,6	0,1
B. Domestic debt (B1+B2+B3)	32 214,0	17,8	35 545,3	17,9	42 554,5	20,0	55 821,6	24,4	59 580,3	24,1	59 713,1	24,2	60 119,4	24,3	60 907,9	24,6	61 328,7	24,8
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	54 563,3	22,1	54 306,1	22,0	54 280,4	22,0	55 520,5	22,5	56 309,5	22,8
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	3 925,3	1,6	4 315,3	1,7	4 747,3	1,9	4 296,4	1,7	3 928,2	1,6
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	1 091,7	0,4	1 091,7	0,4	1 091,7	0,4	1 091,0	0,4	1 091,0	0,4
C. General Government total debt (C1+C2+C3)	72 581,0	40,0	81 406,2	41,0	92 838,0	43,6	101 180,2	44,2	101 558,7	41,1	101 107,2	40,9	101 419,1	41,0	102 237,4	41,4	101 969,6	41,2
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	87 458,9	35,4	86 704,6	35,1	86 618,3	35,0	87 901,4	35,6	88 130,9	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	12 785,5	5,2	13 088,3	5,3	13 486,5	5,5	13 028,4	5,3	12 531,1	5,1
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	1 314,3	0,5	1 314,3	0,5	1 314,3	0,5	1 307,6	0,5	1 307,6	0,5
Total guarantees of Republic of Croatia	15 578,8	8,6	15 326,6	7,7	12 134,5	5,7	12 383,8	5,4	12 500,6	5,1	12 954,8	5,2	12 735,2	5,2	12 754,8	5,2	12 985,5	5,3
Foreign guarantees	8 155,0	4,5	8 530,1	4,3	7 592,3	3,6	7 115,3	3,1	6 854,6	2,8	6 812,6	2,8	6 701,2	2,7	6 528,5	2,6	6 488,9	2,6
Domestic guarantees	7 423,8	4,1	6 796,5	3,4	4 542,2	2,1	5 268,5	2,3	5 646,0	2,3	6 142,2	2,5	6 034,0	2,4	6 226,3	2,5	6 496,6	2,6
Total debt of HBOR	3 816,1	2,1	4 954,0	2,5	5 745,7	2,7	7 135,4	3,1	6 850,5	2,8	6 619,2	2,7	6 450,0	2,6	6 998,8	2,8	7 409,9	3,0
Foreign debt of HBOR	3 373,7	1,9	4 625,9	2,3	5 363,5	2,5	6 601,2	2,9	6 424,9	2,6	6 210,0	2,5	6 187,0	2,5	6 338,7	2,6	7 153,3	2,9
Domestic debt of HBOR	442,3	0,2	328,1	0,2	382,2	0,2	534,2	0,2	425,6	0,2	409,2	0,2	263,0	0,1	660,1	0,3	256,6	0,1

Note: See notes on methodology

Source: Ministry of Finance, NBS for GDP

PUBLIC DEBT AT THE END OF JULY 2006

At the end of July 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 billion (88.7 percent) and total guarantees amounted to HRK 13 billion. The increase in public debt is a result of increase in domestic debt which amounted to HRK 61.3 billion, which confirms the orientation towards domestic sources of financing. On the other hand, foreign general government debt stood at HRK 40.6 billion at the end of July.

Observing the structure according government level, the largest part of the general government debt relates to central government (HRK 88.1 billion) followed by extrabudgetary funds and agencies (HRK 12.5 billion) and local government (HRK 1.3 billion). Almost 64 percent of total central government debt is created by domestic borrowing. On the other hand, most of extrabudgetary fund's borrowing (almost 69 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 9.9 percent (HRK 5.5 billion). In July a new bond was issued on the domestic market in the amount of HRK 2.5 billion with a maturity in 2013. Among other borrowings it is worth to mention the domestic bond issue

amounting HRK 2 billion used to refinance the Samurai bond repayment in February and the syndicated loan the government took in March on the domestic market in order to repay the due Eurobond. The debt of extrabudgetary funds and agencies was reduced by HRK 6.8 million and returned to the end-2005 level, while the local government debt decreased by almost 18 percent. On the other hand, foreign general government debt decreased by HRK 4.7 billion (10.4 percent) compared to December 2005. Foreign central government debt decreased by 12.7 percent, foreign debt of extrabudgetary funds and agencies decreased by 1.4 percent while foreign borrowing of local government increased by 8.7 percent.

Total guarantees issued by the Republic of Croatia amounted to HRK 13 billion i.e. 5.3 percent of GDP. Half of that amount referred to foreign guarantees. The change in structure of issued guarantees is the result of stronger growth of domestic guarantees which have increased by HRK 1.2 billion since December 2005, while foreign guarantees decreased by HRK 626 million.

In July, total debt of the HBOR amounted to HRK 7.4 billion and is almost completely (96.5 percent) created by foreign borrowing. Compared to the end of 2005, the total debt of HBOR increased by HRK 274.5 million.

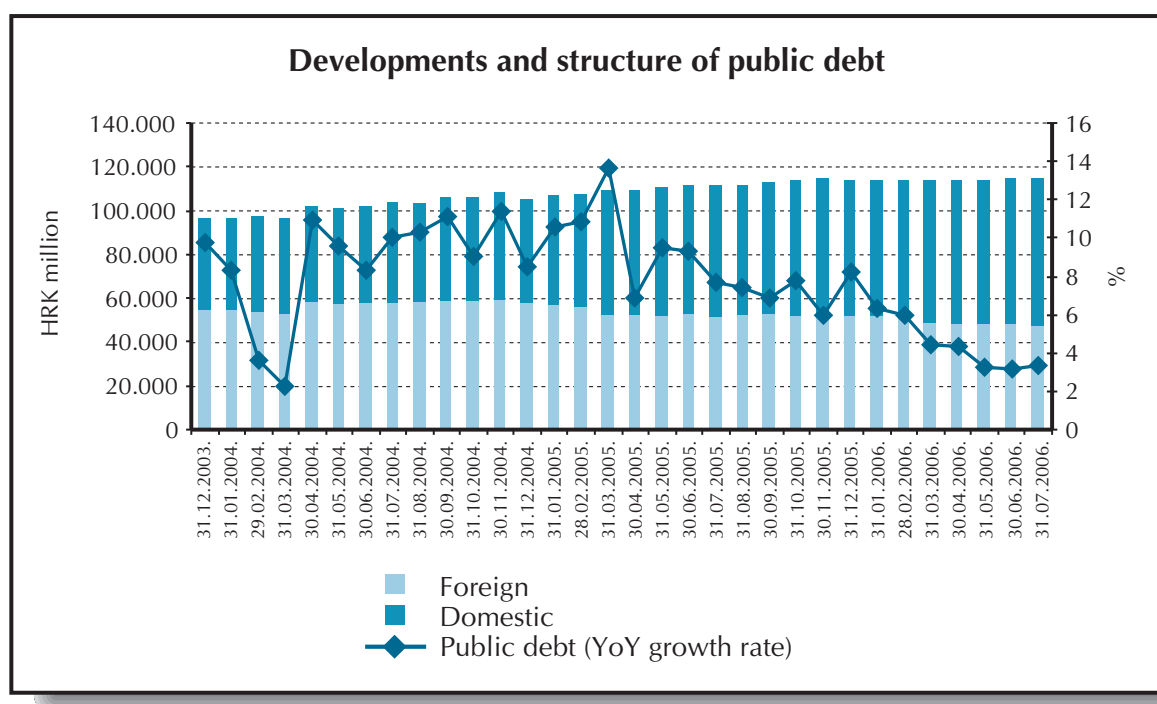


TABLE 24: CONSOLIDATED CENTRAL GOVERNMENT DOMESTIC DEBT
DOMESTIC DEBT STOCK IN 000 (31 JULY 2006)

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	395 787	2011	7,20%
Big Bonds - Series III	EUR	55 408	402 159	2012	7,20%
Bonds - Series 02 D-08	EUR	200 000	1 451 624	2008	6,875%
Bonds - Series 03 D-12	EUR	500 000	3 629 060	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	4 717 777	2014	5,50%
Bonds - Series 06 D-07	EUR	400 000	2 903 248	2007	3,875%
Bonds - Series 07 D-19	EUR	200 000	1 451 624	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	2 540 342	2015	4,25%
Bonds - Series 10 D-15	HRK	5 500 000	5 500 000	2015	5,25%
Bonds - Series 11 D-13	HRK	2 500 000	2 500 000	2013	4,50%
BRA Bonds I	EUR	29 908	217 073	2007	6,00%
BRA Bonds II	EUR	21 665	157 249	2012	5,00%
BRA Bonds III	EUR	57 454	417 007	2012	7,20%
BRA Bonds IV	EUR	29 656	215 249	2012	5,00%
BRA Bonds V-A	EUR	829	6 014	2007	6,00%
BRA Bonds V-B	EUR	68 968	500 577	2008	7,00%
Club loan	EUR	61 360	445 358	2006	3,65%
Syndicated FX loan	EUR	500 000	3 629 060	2010	2,63%
Medium and long term debt			36 957 723		
Treasury Bills	HRK	12 108 600	12 108 600		
	EUR	84 100	610 408		
Other short-term debt	HRK	419 097	419 097		
Short-term FX loan	EUR	400 000	2 903 248		
Short-term debt			16 041 352		
Total debt			52 999 075		

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

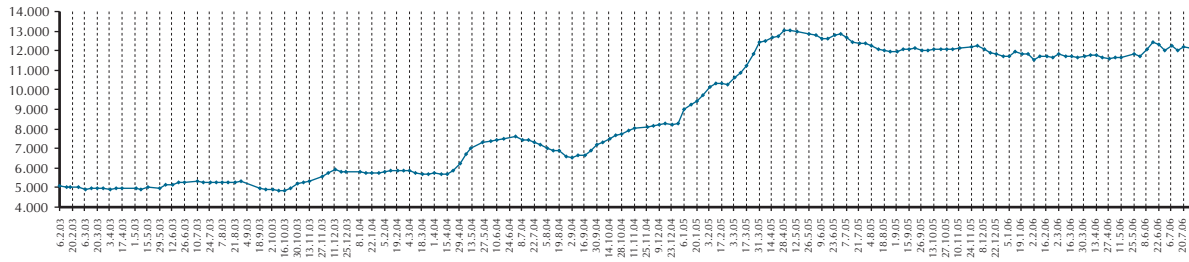
TABLE 25: RESULTS OF THE TREASURY BILL'S AUCTIONS HELD BY THE MINISTRY OF FINANCE

(000 HRK)	91 days				182 days				364 days			
	Day of Auction	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 (%)
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%
8.11.2005.	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	225 000	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%
4.7.2006.	70 000	120 000	99,207 / 3,21%	99,258 / 3,00%					490 000	650 000	96,156 / 4,01%	96,164 / 4,00%
18.7.2006.	42 500	82 500	99,256 / 3,01%	99,282 / 2,90%					423 500	866 500	96,143 / 4,02%	96,164 / 4,00%
25.7.2006.	30 000	40 000	99,266 / 2,97%	99,297 / 2,84%					494 900	716 000	96,177 / 3,99%	96,164 / 4,00%

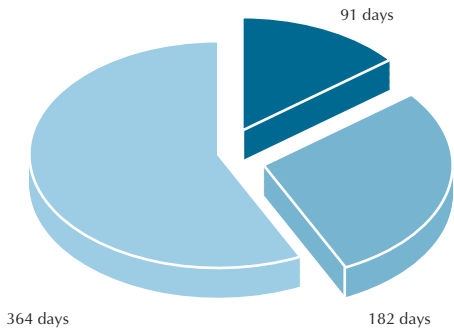
Note: See notes on methodology

Source: Ministry of Finance

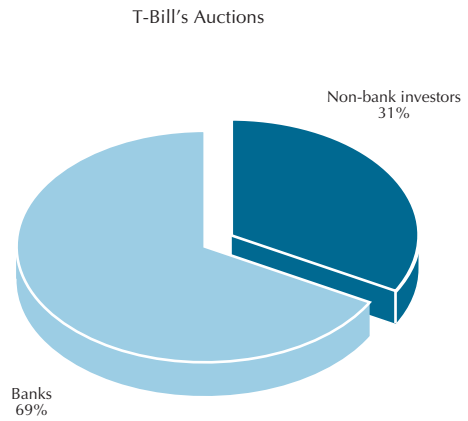
T-Bill's Outstanding Debt



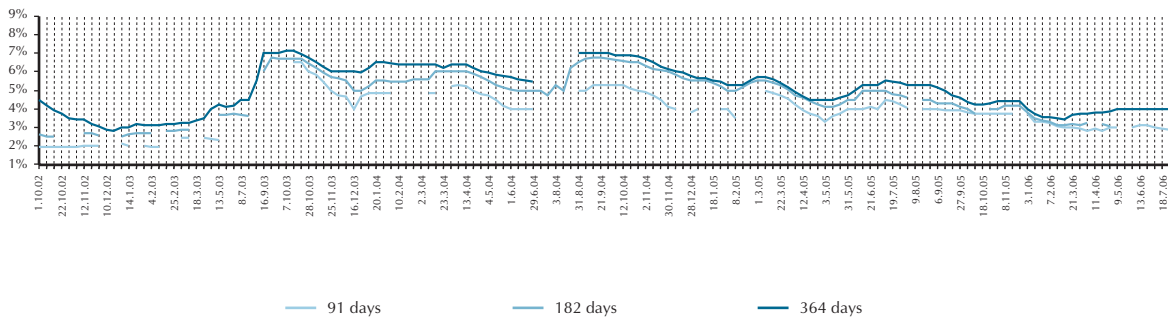
Structure of outstanding T-Bill's on 31 July 2006



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 1st 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 1st 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 1st 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 1st 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 1st 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 1st 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 1st 2002.

As of January 1st 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 1st 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>

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ADVANCE RELEASE CALENDAR

Ministry of Finance Monthly Statistical Review number	Notes	Release			
		October 06	November 06	December 06	January 07
SDDS Data Category		October 06	November 06	December 06	January 07
General Government operations	1)		09/06)		
Central Government operations	2)	(08/06)	(09/06)	(10/06)	(11/06)
Internal Central Government Debt	3)	(08/06)	(09/06)	(10/06)	(11/06)

- 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