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

**Editorial Board**

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

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## CONTENTS

<b>Table 1: Basic Macroeconomic Indicators for the Croatian Economy</b>	4
Macroeconomic trends	5
<b>CROLEI - Leading indicator of industrial production</b>	5
<b>Consolidated Central Government - January-October 2007 period</b>	9
<b>Table 2: Budgetary Central Government Revenue</b>	12
<b>Table 3: Budgetary Central Government Expense</b>	13
<b>Table 4: Transactions in Nonfinancial Assets of Budgetary Central Government</b>	14
<b>Table 5: Transactions in Financial Assets of Budgetary Central Government</b>	15
<b>Table 6: Transactions in Liabilities of Budgetary Central Government</b>	16
<b>Table 7: Transactions in Financial Assets and Liabilities, by sectors</b>	17
<b>Table 8: Statement of Budgetary Central Government Operations</b>	18
<b>Table 8A/8B: Measures of Budgetary Central Government deficit/surplus</b>	19
<b>Table 9: The Croatian Waters Transactions</b>	20
<b>Table 10: The Environment Protection Fund Transactions</b>	21
<b>Table 11: The Croatian Motorways Ltd. Transactions</b>	22
<b>Table 12: The Croatian Roads Ltd. Transactions</b>	23
<b>Table 13: The State Agency for Deposit Insurance and Banks Rehabilitation Transactions</b>	24
<b>Table 14: The Croatian Privatization Fund Transactions</b>	25
<b>Table 15: Consolidated Central Government by Economic Category</b>	26
<b>Table 16: Consolidated Central Government According to Government Level</b>	27
<b>Table 16A/16B: Measures of Consolidated Central Government deficit/surplus</b>	28
<b>Table 20: General Government Debt Stock</b>	29
<b>Public Debt at the end of October 2007</b>	30
<b>Table 21: Consolidated Central Government Domestic Debt</b>	31
<b>Table 22: Results of the Treasury Bill's Auctions held by the Ministry of Finance</b>	32
<b>Treasury Bills</b>	33
<b>Notes on Methodology</b>	34
<b>Management of the Ministry of Finance</b>	41
<b>Advance Release Calendar</b>	42

TABLE 1: BASIC MACROECONOMIC INDICATORS FOR THE CROATIAN ECONOMY

	2002	2003	2004	2005	2006	2007	2007				2007						
							Q1	Q2	Q3	Q4	VI	VII	VIII	IX	X	XI	XII
GDP, current prices (mil. HRK)	181 231	198 422	214 983	231 349	250 590	-	62 561	68 473	75 494	-	-	-	-	-	-	-	-
GDP, real growth rates	5,6	5,3	4,3	4,3	4,8	-	7,0	6,6	5,1	-	-	-	-	-	-	-	-
Total volume of industrial production, growth rate as %	5,4	4,1	3,7	5,1	4,5	5,6	8,0	7,1	4,5	3,2	4,4	8,5	2,8	2,1	5,5	2,5	1,4
Retail sales turnover, real growth rate as %	12,5	3,7	2,6	2,8	2,1	-	7,7	5,6	5,3	-	4,1	6,0	10,7	-1,1	4,6	3,0	-
Total volume of construction projects, growth rate as %	12,8	22,8	2,0	-0,8	9,3	-	6,5	0,0	1,7	-	-3,8	3,5	2,7	-1,0	4,2	0,0	-
Nights spent by tourists, growth rate as %	3,0	4,0	2,0	7,6	3,1	5,6	7,2	6,9	5,3	4,1	5,3	6,6	5,7	1,1	0,2	13,7	8,3
Producer's prices, period average, %	-0,4	1,9	3,5	3,0	2,9	3,4	1,9	2,5	3,8	5,5	2,9	3,0	3,6	4,5	4,9	5,4	5,8
Consumer prices, period average, %	1,7	1,8	2,1	3,3	3,2	2,9	1,6	2,1	2,9	5,0	1,9	2,1	2,6	3,9	4,3	4,6	5,8
Total persons in employment, end of period	1 351 364	1 387 910	1 397 416	1 417 158	1 467 398	1 480 972	1 461 135	1 498 892	1 503 246	1 480 972	1 498 892	1 510 942	1 511 007	1 503 246	1 495 220	1 491 143	1 480 972
Unemployed persons, end of period	366 162	318 684	317 577	307 851	293 153	254 484	291 642	249 548	246 191	254 484	249 548	245 768	242 851	246 191	250 087	253 183	254 484
Unemployment rate, end of period	21,5	19,1	18,5	17,8	16,7	14,7	16,6	14,3	14,1	14,7	14,3	14,0	13,8	14,1	14,3	14,5	14,7
Unemployment rate - ILO comparable, period average, %	14,8	14,3	13,8	12,7	11,2	-	11,2	9,1	8,4	-	-	-	-	-	-	-	-
Average monthly gross wages and salaries, growth rate as %	6,0	4,8	6,4	4,4	6,2	-	6,2	5,7	6,6	-	5,7	7,9	6,3	5,5	7,6	6,0	-
Average monthly gross wages and salaries paid off in HRK	5 366	5 623	5 985	6 248	6 634	-	6 854	7 023	7 015	-	7 065	7 067	7 089	6 890	7 096	7 521	-
Exchange rate HRK/USD, period average	7,87	6,70	6,03	5,95	5,84	5,36	5,62	5,46	5,32	5,06	5,47	5,32	5,37	5,28	5,15	5,00	5,02
Exchange rate HRK/EUR, period average	7,41	7,56	7,50	7,40	7,32	7,34	7,36	7,35	7,31	7,33	7,33	7,29	7,31	7,31	7,32	7,34	7,32
Trade Balance (mil. USD)	-5 818	-8 022	-8 565	-9 788	-11 126	-13 469	-2 965	-3 532	-3 297	-3 675	-1 050	-1 140	-1 104	-1 053	-1 306	-1 260	-1 109
Exports (mil. USD)	4 904	6 187	8 024	8 773	10 377	12 360	2 633	3 053	3 164	3 509	1 033	1 211	912	1 042	1 292	1 151	1 067
Imports (mil. USD)	10 722	14 209	16 589	18 560	21 502	25 829	5 598	6 585	6 461	7 184	2 083	2 351	2 015	2 095	2 598	2 411	2 175
Current Account Balance (mil. EUR)	-2 099	-1 889	-1 454	-1 988	-2 644	-	-2 042	-1 358	2 097	-	-	-	-	-	-	-	-
Current Account Balance (as % of GDP)	-8,6	-7,2	-5,1	-6,4	-7,7	-	-24,0	-14,6	20,3	-	-	-	-	-	-	-	-
International reserves of CNB, end of period (mil. EUR)	5 651	6 554	6 436	7 438	8 725	9 307	9 520	9 170	8 795	9 307	9 170	9 412	9 223	8 795	8 974	9 112	9 307
Total outstanding external debt, end of period (mil. EUR)	15 143	19 884	22 933	25 748	29 258	-	30 107	30 996	31 113	-	30 996	31 142	30 982	31 113	31 568	31 924	-
Internal debt of consolidated central government, eop. (mil. HRK)	23 597	26 261	35 789	47 243	52 290	-	54 675	53 311	55 108	-	53 311	54 733	54 858	55 108	55 025	-	-
Commercial bank's loans, growth rate as %	33,6	16,8	13,1	20,3	22,7	13,4	20,0	17,2	16,4	13,4	17,2	18,1	17,4	16,4	14,4	13,2	13,4
Interest rates on treasury bills of 91 days maturity, end of period	2,00%	4,00%	3,80%	3,70%	3,00%	3,60%	3,00%	3,00%	3,35%	3,60%	3,00%	3,20%	3,20%	3,35%	3,65%	3,60%	3,60%
ZIBOR (3 m), average	4,60%	5,50%	7,35%	6,19%	4,46%	5,63%	4,35%	4,95%	6,28%	6,97%	5,60%	7,37%	5,58%	5,84%	6,49%	7,19%	7,30%

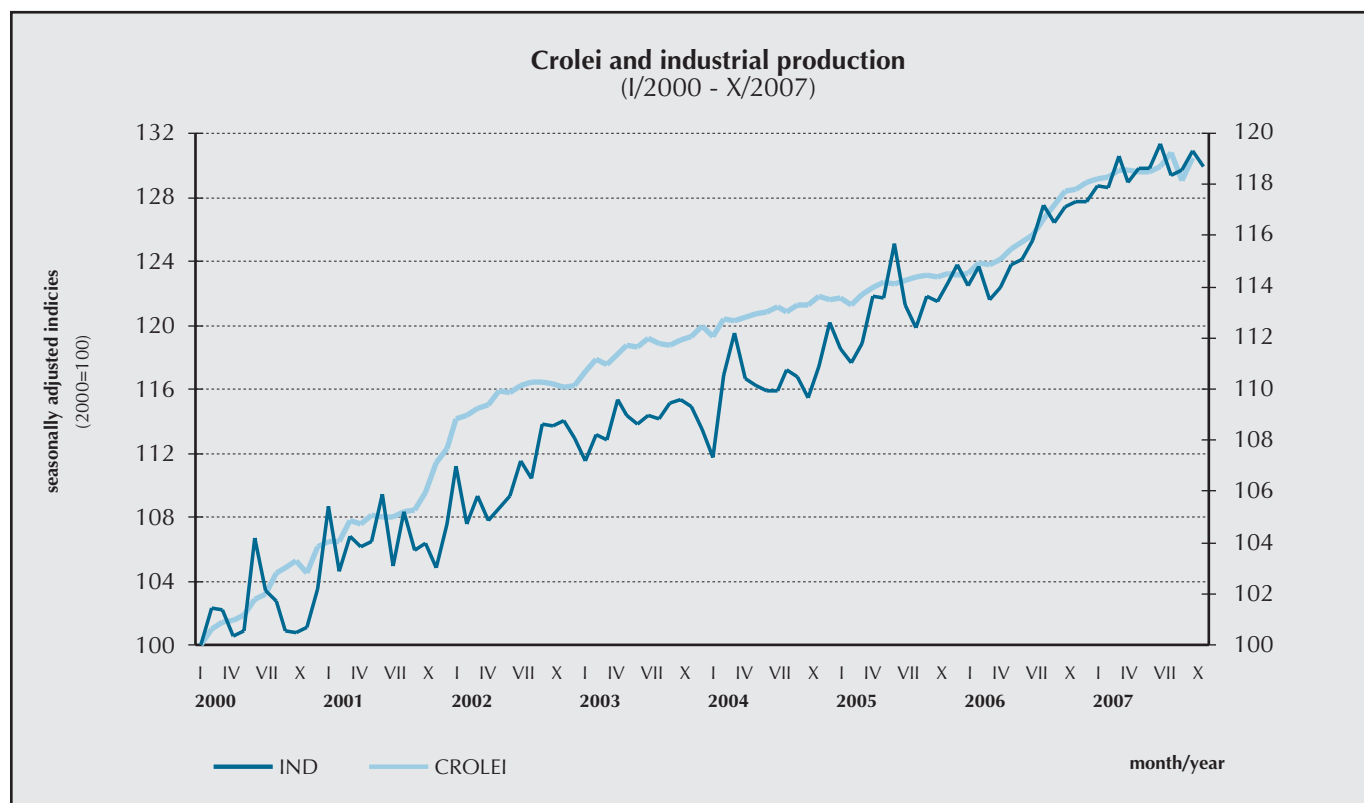
Source: Central Bureau of Statistics, Croatian National Bank, Ministry of Finance

## MACROECONOMIC TRENDS

### CROLEI - LEADING INDICATOR OF INDUSTRIAL PRODUCTION

The value of CROLEI index rose by 1.38 percentage points in October 2007 compared with September, which is its highest increase in the last six years. As the value of CROLEI recorded declines in August and September, its increase in October suggests that, after the period of somewhat slower growth of industrial production, the second quarter of 2008 could see a moderate acceleration of industrial production. The value of the diffusive index, representing the share of the number of increasing components (deflated and seasonally adjusted) in the overall number of components, stood at 72 percent in October. Hence, both the value of CROLEI index and the value of the diffusive index indicate that a moderate speeding up of economic activity can be expected in the second quarter of 2008.

Of the eleven deflated and seasonally adjusted components included in the calculation of the index, eight went up at monthly level, thus positively contributing to the growth of CROLEI index in October. These components are: net wage, registered persons employed, real retail trade turnover, 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 unconsolidated budget revenues. Only three components recorded a monthly decline in October and they are: imports of machinery and transportation equipment, total tourist bed-nights and cash market interest rate on other loans (inverse indicator).



## REAL SECTOR

Real annual GDP growth amounted to 5.1 percent in the third quarter of 2007. This represents deceleration of growth in comparison with the first and the second quarter of 2007, when GDP increased by 7.0 and 6.6 percent, respectively. In the first three quarters of 2007 GDP growth equaled 6.2 percent. GDP deflator growth amounted to 3.6 percent in the first three quarters and along with annual nominal growth of 10.0 percent, nominal GDP reached the level of HRK 206.528 billion in the first three quarters.

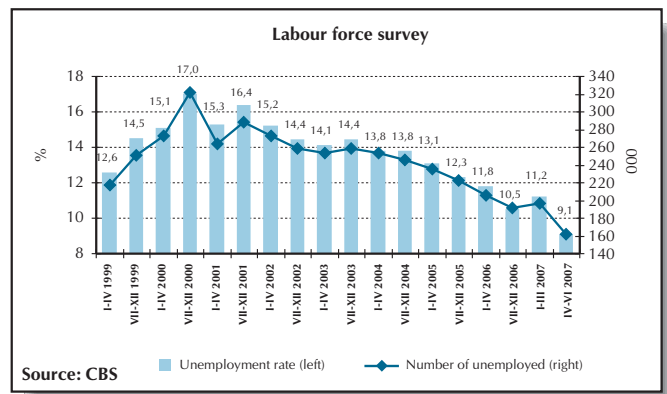
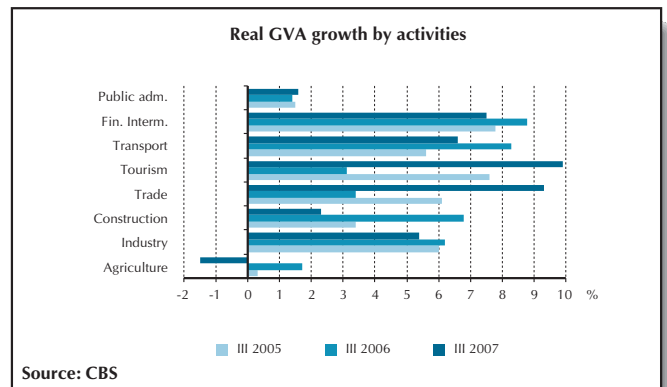
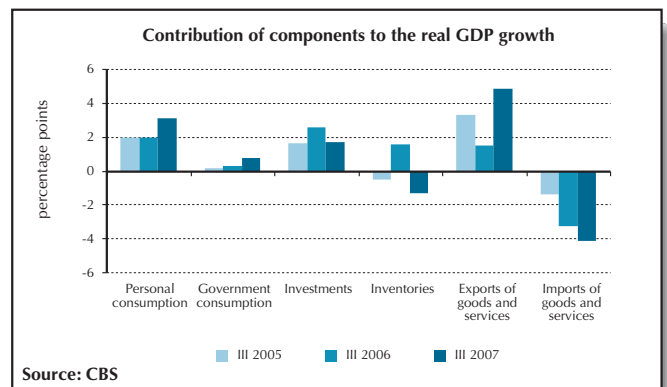
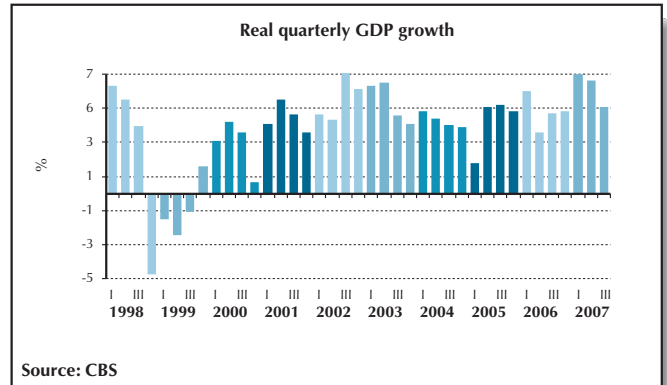
When observing GDP by expenditure categories, the highest real growth rate in the third quarter of 2007, same as in the second, recorded exports of goods and services, which increased by 7.3 percent. Following is imports of goods and services, which real growth rate amounted to 7.0 percent in the third quarter, and personal consumption with the real growth rate of 6.2 percent. Investment increased really by 5.7 percent, while the government consumption accelerated to 4.4 percent. The highest positive contribution to the GDP growth in the third quarter of 2007 came again from the exports of goods and services, in the amount of 4.9 percentage points, and from personal consumption, whose contribution equaled 3.1 percentage points. Investments contributed to the GDP growth with 1.7 percentage points, government consumption with 0.8 percentage points, while the contribution of inventories (which include statistical discrepancy), was negative and equaled -1.3 percentage points. The negative contribution of imports of goods and services to the GDP growth of -4.2 percentage points and strong positive contribution of exports of goods and services resulted in positive contribution of net exports of 0.7 percentage points in the third quarter of 2007.

The production side calculation of GDP shows that the highest real growth of value added in the third quarter was recorded in hotels and restaurants (9.9 percent), trade (9.3 percent) and financial intermediation (7.5 percent). Real growth of value added of transport amounted to 6.6 percent, industry 5.4 percent, construction 2.3 percent, public administration 1.6 percent, while real growth of value added of agriculture recorded a decline of 1.5 percent. Real growth of total value added equaled 5.3 percent in the third quarter.

Starting from year 2007 Central Bureau of Statistics publishes quarterly results on the Labour Force Survey. Labour Force Survey show that in the second quarter of 2007 unemployment rate decreased by 2.1 percentage points, that is, from 11.2 percent in the first quarter to 9.1 percent in the second quarter. Number of unemployed persons decreased in the second quarter by 35,000 in comparison to the first quarter, while number of employed went up by 46,000.

Observing the average of the first and the second quarter of 2007, working age population accounted for 3,644,500 persons. Of that number 48.5 percent were persons that worked or were actively looking for work and could be classified as labour force. When compared to the first half of 2006, working age population increased by 13,500 and labour force increased by 10,500. Total number of employed in the first half of 2007 amounted to 1,586,000, which represents an increase of 38,000 compared to the first half of 2006. Number of unemployed persons decreased by 26,500, to the level of 179,500. Described developments determined the unemployment rate which was at level of 10.2 percent in the first half of 2007 and decreased by 1.7 percentage points

compared to the first half of 2006, to the lowest level of unemployment rate. Registered unemployment rate of average 16.0 percent in the first half of 2007 was still significantly higher than Labour Force Survey unemployment rate.



## MONETARY TRENDS

Money (M1) amounted to HRK 53.2 billion at the end of October 2007 and went up at monthly level by HRK 3.3 billion or 6.6 percent. The highest contribution to the increase of money came from the rise of demand deposits by HRK 3.3 billion, while the currency outside banks fell by HRK 67 million. The annual growth rate of money accelerated in October compared to September by 3.6 percentage points and stood at 16.9 percent.

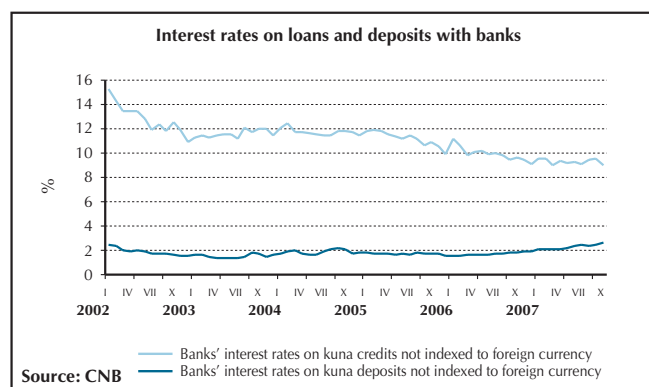
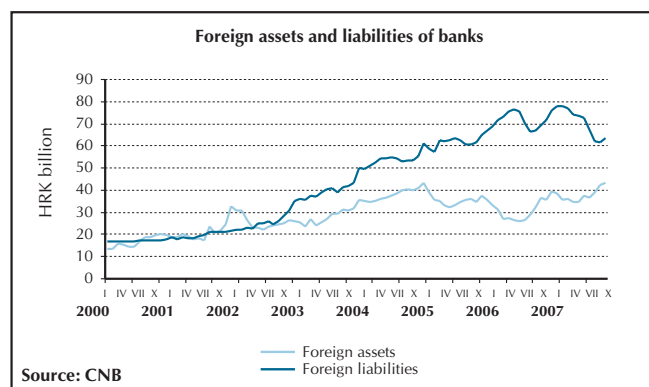
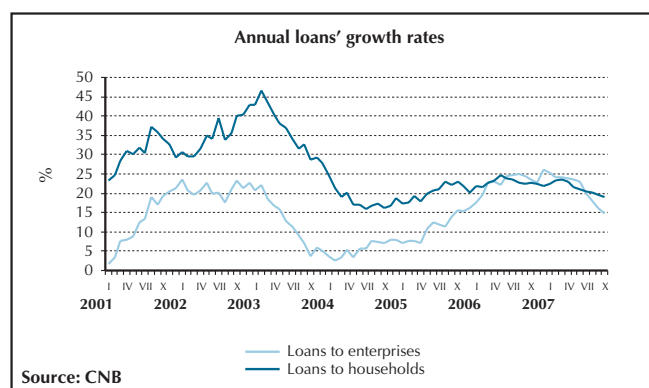
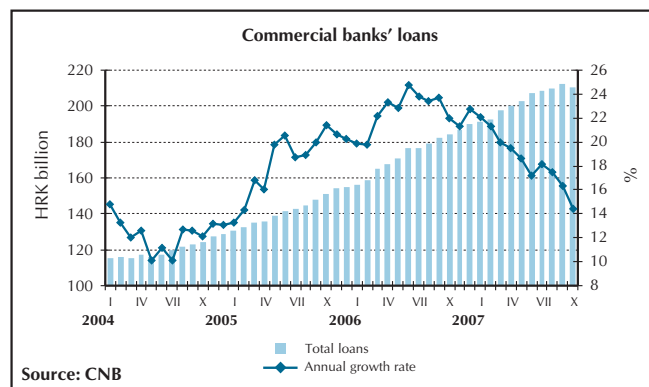
Total loans of commercial banks equaled HRK 210.6 billion at the end of October and decreased by HRK 1.9 billion at monthly level. This has been their first monthly decrease since July 2006. The annual growth rate of total loans decelerated in October by 2.0 percentage point and equaled 14.4 percent, which is the lowest growth rate of total loans since February 2005. Kuna loans recorded a monthly increase of HRK 349 million, while foreign currency loans declined by HRK 2.2 billion. Loans to households went up in October by HRK 1.5 billion at monthly level, while loans to enterprises rose by HRK 82 million. The loans to central government experienced a large decline of HRK 3.4 billion at monthly level in October. For the fourth consecutive month, the loans to households recorded a higher annual growth rate than the loans to enterprises. They increased by 19.1 percent compared to October 2006, while the loans to enterprises rose by 14.9 percent, their lowest annual growth rate since September 2005. The annual growth rate of housing loans decelerated in October to 23.2 percent, which is 0.9 percentage points less than in September and also the lowest rate since April 2005. The loans to central government decreased by 16.0 percent in October compared to the same month of the previous year.

Total deposits with commercial banks stood at level of HRK 187.8 billion at the end of October and increased at monthly level by HRK 6.3 billion. The annual growth rate of total deposits equaled 13.6 percent in October and accelerated by 0.9 percentage points compared with September. In October, a rise in both kuna and foreign currency deposits was recorded, whereas kuna deposits increased by HRK 2.8 billion and foreign currency deposits by HRK 105 million. The highest monthly increase in kuna deposits in October was recorded by the deposits of enterprises (HRK 890 million) and other banking institutions (HRK 788 million). The rise in foreign currency deposits was entirely due to the increase in deposits of households (HRK 1.1 billion) as the deposits of all the other sectors recorded a monthly decline. The annual growth rate of kuna deposits amounted to 7.5 percent and of foreign currency deposits to 14.8 percent.

Foreign assets of commercial banks amounted to HRK 43.4 billion at the end of October and increased by HRK 948 million at monthly level. Observing the annual change, foreign assets has recorded an increase for the eleventh consecutive month, in the amount of HRK 6.9 billion or 18.9 percent. Foreign liabilities of commercial banks stood at the level of HRK 63.4 billion at the end of October and increased by HRK 1.9 billion compared with September. At annual level foreign liabilities declined by HRK 5.8 billion or 8.4 percent. Net foreign assets leveled HRK -20.0 billion at the end of October.

The average bank interest rates on kuna credits not indexed to foreign currency declined from 9.53 percent in September to 9.02 percent in October. At the same time, the average

bank interest rates on kuna deposits not indexed to foreign currency rose from 2.50 percent to 2.60 percent. Thereby, the difference between the active and the passive interest rates not indexed to foreign currency in October decreased to 6.42 percentage points.

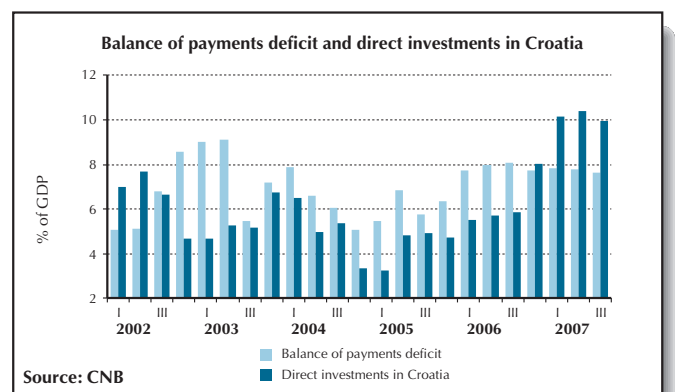
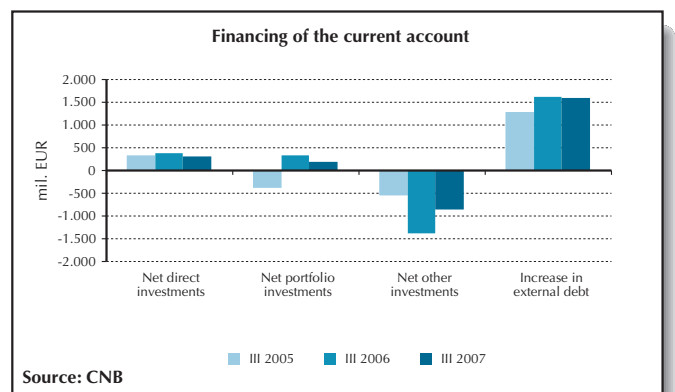
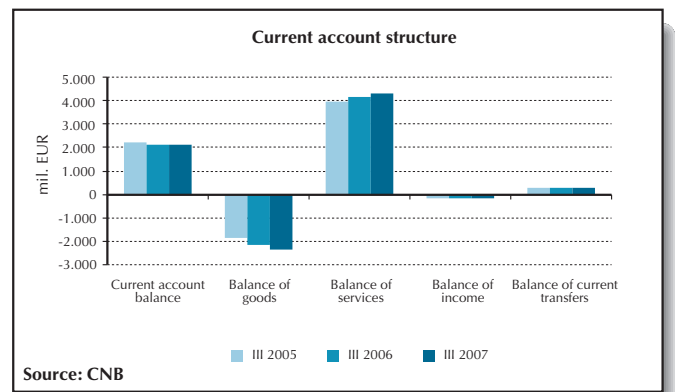
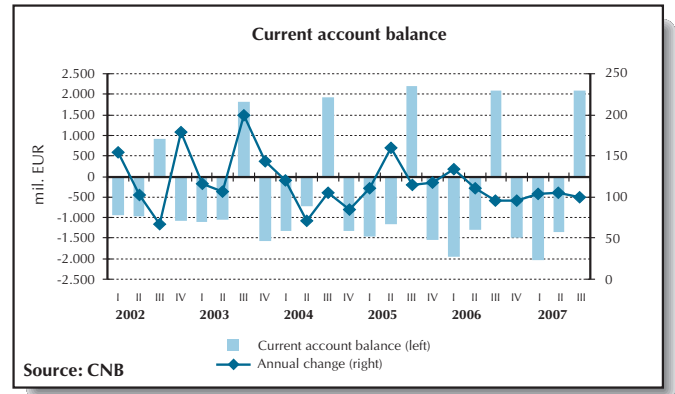


## INTERNATIONAL SECTOR

According to the Croatian National Bank data, in the third quarter of 2007 current account of balance of payments recorded a surplus of EUR 2.097 billion. Compared to the same period of 2006, surplus decreased by EUR 2.7 million or 0.1 percent. This achievement is mostly the result of increase in negative balance in the goods account, despite stronger annual growth in exports (10.7 percent) than in imports of goods (10.0 percent) in the third quarter. Goods account deficit equalled EUR 2.3 billion in the third quarter and went up by 9.3 percent at annual level. The current transfers account recorded decrease in surplus to EUR 263 million, which is 3.9 percent less than in the same period of the previous year. The income account recorded negative balance of EUR 158 million, which decreased by 8.1 percent at annual level. The biggest part of the income account deficit made debit from other investment, in amount of EUR 216 million, and debit based on reinvested earnings, in the amount of EUR 103 million. The services account recorded surplus in amount of EUR 4.3 billion that increased by 4.7 percent in comparison with the same period of 2006. Tourism revenues amounted to EUR 4.3 billion in the third quarter and in comparison with the same quarter of 2006 went up by 4.0 percent. The coverage of imports of goods and services by exports of goods and services was at level of 134.7 percent in the third quarter.

Observing the financial account of the balance of payment, the most significant item were direct investments. They equalled net EUR 306 million in the third quarter and in comparison with the same period of 2006 declined by 21.9 percent. The portfolio investments' account recorded a net inflow in the amount of EUR 196 million, while other investments' account recorded a net outflow in the amount of EUR 861 million in the third quarter. Net outflow in the other investments' account was recorded by banks, in the amount of EUR 2.2 billion, while other sectors recorded net inflow of EUR 1.3 billion and government net inflow of EUR 42 million. Foreign reserves decreased by EUR 311 million in the third quarter, while net errors and omissions amounted to EUR -2.1 billion.

In the first three quarters of 2007, the current account deficit was at the level of EUR 1.3 billion, EUR 150 million or 13.1 percent more than in the same period of 2006. This was the result of a EUR 688 million annual increase in the goods account deficit and EUR 84 million decline in the current transfers account surplus, which was just partially covered by increase in services account surplus of EUR 565 million and decline in the income account deficit of EUR 56 million. When observed as percentage of GDP, current account deficit (calculated on current and three previous quarters) declined to 7.6 percent. The coverage of imports of goods and services by exports of goods and services was at level of 92.3 percent in the first three quarters. Financial account was characterised by increase in direct investments from EUR 1.7 billion in the first three quarters of 2006 to EUR 2.5 billion in the first three quarters of 2007. The portfolio investments account recorded net outflow of EUR 148 million in the first three quarters, while in the other investments account inflow of EUR 494 million was recorded. Net errors and omissions were at level of EUR -1.4 billion in the first three quarters and foreign reserves rose by EUR 161 million.





# CONSOLIDATED CENTRAL GOVERNMENT - JANUARY-OCTOBER 2007 PERIOD

## REVENUES

In January - October 2007 period, total revenues of consolidated central government amounted to HRK 93.6 billion which represents an annual increase of high 13.7 percent. The realization of revenues is still above expectations.

Observing consolidated central government according to government level, it can be seen that 95.6 percent of total revenues refers to budgetary central government and the rest refers to extrabudgetary funds and agencies. Among the extrabudgetary funds and agencies the highest level of revenues was recorded by Croatian Waters (HRK 1.6 billion) and Croatian Motorways (HRK 1.2 billion). It is worth mentioning that since January 2007 social security funds (Croatian Institute for Pension Insurance, Croatian Health Insurance Institute and Croatian Employment Service) have been included in the coverage of budgetary central government.

Tax revenues make 57.7 percent of the overall revenues collected and therefore represent the most important revenues category of consolidated central government. They recorded an annual increase of 11.7 percent in the January - October 2007 period. Among tax revenues, the largest amount is generated through value added tax. Revenues from value added tax, which are in their entirety collected by the budgetary central government, were realized above expectations, in the amount of HRK 31.5 billion with an annual growth rate of 9.4 percent.

Revenues from excises amounted to HRK 7.7 billion which makes an annual rise of 5.3 percent. It is worth mentioning that the road charges, which have been integrated in excises on petroleum products since 2006, are excluded in this comparison.

All the excises were realized in the higher amount then in the same period of last year. Highest annual growth rates were recorded by the excises on luxury products (15.2 percent), excises on personal cars (13.9 percent), excises on tobacco and tobacco products (8.2 percent) and excises on beer (5 percent). The high recorded growth rate of excises on personal cars was solely due to increased car sales in the observed period.

Revenues from excises on oil derivatives make 37.4 percent of total revenues from excises and thereby have the strongest influence on the overall developments of excises revenues. They amounted to HRK 2.9 billion representing an annual growth rate of 0.4 percent.

With 32 percent, revenues from excises on tobacco and tobacco products have the second largest share in total revenues from excises. They were realized in the amount of HRK 2.5 billion. Since August 2005, customs have maintained strict checks of production and trade of tobacco products which resulted in greater excises revenues from tobacco and narrowing of unofficial economy.

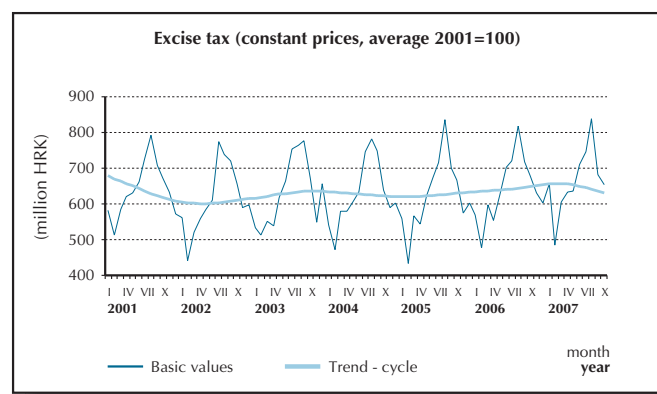
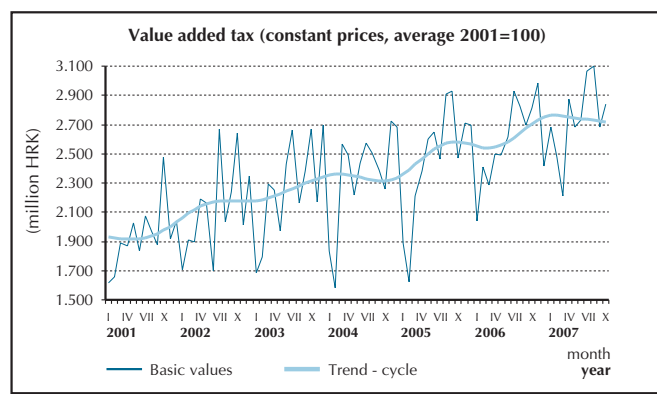
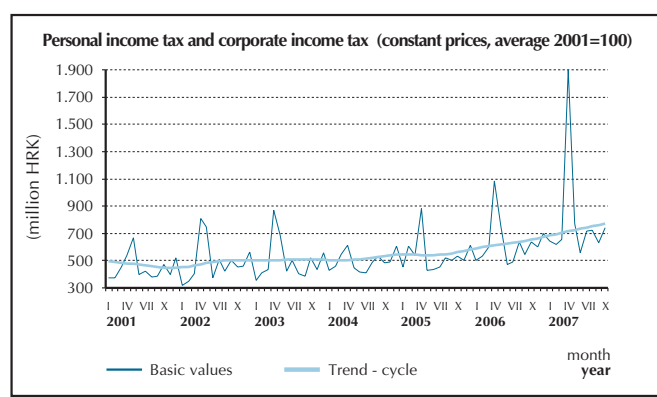
Income tax revenues were realized in the amount of HRK 1.3 billion, representing an annual decline of 50.1 percent. As a result of decentralization, part of budgetary central government income tax revenues now belong to local government as a substitute for subtracted revenues from profit tax. Changes in the Law on financing of local government will provide rightful distribution of tax revenues within all areas of Republic of

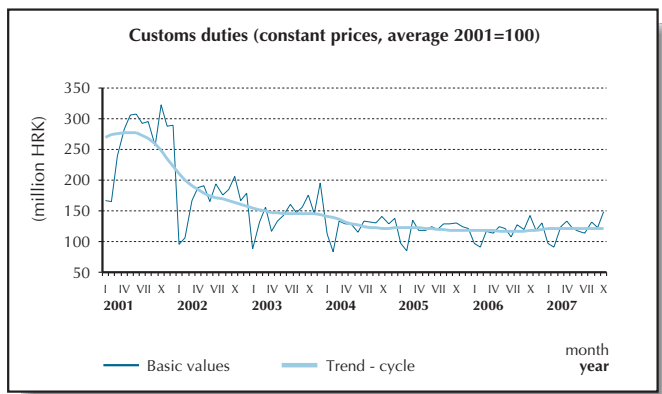
Croatia (especially areas of special state concern) and also a higher liquidity of overall system of financing of local government.

Revenues from profit tax amounted to HRK 7.8 billion while in the same period of last year they leveled HRK 4.3 billion. To explain this, revenues from profit tax, as a result of decentralization, are now entirely collected by the budgetary central government.

Revenues from taxes on property stood at HRK 461.9 million with an annual increase of high 21 percent.

Revenues from taxes on international trade and transactions were collected entirely by the budgetary central government. They amounted to HRK 1.4 billion which represents an annual rise of 6.1 percent.





Other taxes stood at HRK 269.8 million.

Social contributions are the second most important revenues category of consolidated central government with 32.9 percent of total generated revenues. They amounted to HRK 30.8 billion which represents an annual increase of 10.7 percent. Within the structure of social contributions, the largest part refers to employer contributions (HRK 16.5 billion) and employee contributions (HRK 13.7 billion). The remaining HRK 645.5 million refers to contributions of self-employed and unemployed persons.

Grants reached the amount of HRK 306.2 million. The largest part of this amount (87.1 percent) refers to grants from international organizations, 11.1 percent refers to grants from other general government units and the remaining 1.8 percent refers to grants from foreign governments.

Other revenues were realized in the amount of HRK 8.4 billion which represents an annual growth of high 37.9 percent. The largest part of other revenues was realized through sales of goods and services (43.7 percent), followed by property income (26.5 percent), miscellaneous and unidentified revenues (25.2 percent) and the rest of the collected sum refers to fines, penalties and forfeits and voluntary transfers other than grants. Sales of goods and services stood at HRK 3.7 billion, 94.7 percent of which refers to administrative fees mostly realized by extrabudgetary funds and agencies. Property income stood at HRK 2.2 billion which makes an annual growth of high 93.3 percent. Miscellaneous and unidentified revenues were realized in the amount of HRK 2.1 billion, representing an annual rise of 13.3 percent, while fines, penalties and forfeits amounted to HRK 363.1 million with an annual growth of 11.8 percent.

## EXPENSE

Total expense of consolidated central government in January - October 2007 period amounted to HRK 87.5 billion which represents an annual increase of 9.8 percent. Observing consolidated central government according to government level, HRK 83.1 billion refers to budgetary central government and HRK 4.5 billion refers to extrabudgetary funds and agencies.

The largest share of total expense of consolidated central government (45.5 percent) refers to social benefits, followed by compensation of employees (26.5 percent), use of goods and services (9.1 percent), subsidies (5.9 percent), other expense (5.2 percent), interest (5.2 percent) and grants (2.7 percent).

Social benefits stood at HRK 39.8 billion, representing an annual increase of 9.3 percent. Observing the structure of social benefits, 71 percent refers to social security benefits, 28.6 percent refers to social assistance benefits, while the remaining 0.4 percent refers to employer social benefits. Social benefits are mostly related to the following categories: expenses for pensions, health care system, maternity leave allowances, child allowance, expenses for unemployment etc. Expenses for pensions stood at HRK 24.7 billion, whereat HRK 10.7 billion refers to expenses for old age pensions, HRK 3.8 billion refers to pensions for disabled persons, HRK 2.9 billion refers to family pensions and HRK 3.4 billion refers to veterans' pensions.

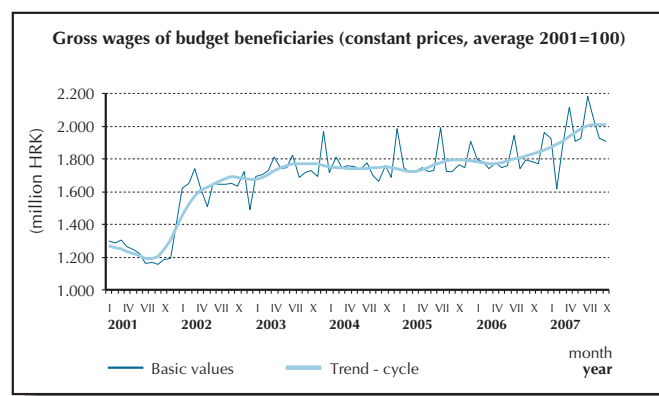
Expenses for healthcare system amounted to HRK 13.7 billion. Within their structure, expenses for hospital health care amounted to HRK 6.2 billion, for primary health care to HRK 2.4 billion and expenses for medicaments on prescription amounted to HRK 1.9 billion. Among other social benefits, the important items are child allowance (HRK 1.6 billion), expenses for additional maternity leave (HRK 720.5 million) and expenses for unemployment (HRK 614.5 million).

Compensation of employees stood at HRK 23.2 billion which represents an annual rise of 10.2 percent. This is the result of an increase in both wages and salaries (annual rise of 9.1 percent) and social contributions (annual rise of 16.4 percent). In absolute terms, wages and salaries amounted to 19.6 billion and social contributions to HRK 3.7 billion.

Expense for use of goods and services amounted to HRK 7.9 billion representing an annual increase of 17.8 percent. Expense for use of goods and services refer mostly to different types of services like telephone service, post and transportation services etc.

Expense for subsidies stood at the level of HRK 5.1 billion which makes 5.9 percent of total expenses. Subsidies to public corporations make 47.5 percent of total subsidies (in the amount of HRK 2.4 billion) and their largest part refers to subsidies to Croatian Railways (in the amount of HRK 1.4 billion). Subsidies to private enterprises make the remaining 52.5 percent of total subsidies (in the amount of HRK 2.7 billion).

Expense for interest payments amounted to HRK 4.5 billion. 56.7 percent of expense for interest payments refers to interests to residents other than general government, and the remaining 43.3 percent to interests to nonresidents. In absolute terms, interests to residents other than general government stood at HRK 2.6 billion and interests to nonresidents at HRK 2 billion.



Grants amounted to HRK 2.3 billion. The largest part of that amount (HRK 1.7 billion or 70.8 percent) refers to current grants to other general government units, 24.1 percent refers to capital grants to other general government units, 2.8 percent to grants to foreign governments and the remaining 2.3 percent refers to current grants to international organizations.

Other expenses stood at HRK 4.6 billion which represents 5.2 percent of total expenses and 67.9 percent of the planned amount for 2007. Among other expenses, capital expenses amounted to HRK 2.5 billion, current expenses to HRK 2.1 billion and the rest of the sum (HRK 2.4 million) refers to property expense other than interest.

#### TRANSACTION IN NON-FINANCIAL ASSETS

Net acquisition of non-financial assets of consolidated central government amounted to HRK 5.8 billion as the acquisition of non-financial assets (HRK 6.2 billion) surpassed the disposal of non-financial assets (HRK 468.6 million). This amount accounts for 63.6 percent of the planned amount for 2007. The acquisition of non-financial assets refers mostly (93.6 percent) to acquisition of fixed assets, mainly buildings and structures. According to government level, 68.6 percent of total acquisition refers to extrabudgetary funds and agencies and the rest to budgetary central government. On the other hand, the disposal of non-financial assets refers mostly to disposals of fixed assets and disposals of inventories at the budgetary central government level.

#### TRANSACTIONS IN FINANCIAL ASSETS

In the observed period, net acquisition of financial assets of consolidated central government amounted to HRK 827 million as a result of an increase in domestic financial assets of HRK 819 million and an increase in foreign financial assets of HRK 8 million. Currency and deposits of consolidated central government reached HRK 2.3 billion. According to government level, currency and deposits of budgetary central government amounted to HRK 2.2 billion and currency and deposits of extrabudgetary funds and agencies to HRK 128.7 million.

Net loans recorded an increase of HRK 555.2 million as a result of greater acquisition (HRK 777.2 million) than disposal (HRK 222 million). According to government level, net loans of budgetary central government amounted to HRK 440.6 million and net loans of extrabudgetary funds and agencies to HRK 114.6 million. Furthermore, net domestic shares and other

equity amounted to HRK -2 billion as a result of greater disposal (HRK 2.1 billion) than acquisition (HRK 129.7 million).

Foreign financial assets stood at the level of HRK 8 million, solely as a result of acquisition of shares and other equity at the budgetary central government level.

#### TRANSACTIONS IN LIABILITIES

Net incurrence of liabilities of consolidated central government amounted to HRK 500.2 million. Net domestic liabilities amounted to HRK 2.5 billion as a result of a greater increase in net incurrence of liabilities on the basis of securities other than shares than a decrease in net incurrence of liabilities on the basis of loans. Domestic incurrence of liabilities on the basis of securities other than shares amounted to HRK 7 billion and entirely refers to budgetary central government. Repayments on the same basis, also at the level of budgetary central government, amounted to HRK 3.3 billion. Net domestic incurrence of liabilities on the basis of loans amounted to HRK -1.2 billion as a result of repayments in the amount of HRK 992.3 million and incurrence of liabilities in the amount of HRK -173.2 million.

Net foreign liabilities were realized at the level of HRK -2 billion as a result of a decrease in net incurrence of liabilities on the basis of securities other than shares and a decrease in net incurrence of liabilities on the basis of loans. Net foreign incurrence of liabilities on the basis of securities other than shares amounted to HRK -1.8 billion solely as a result of repayments at the budgetary central government level. Net foreign incurrence of liabilities on the basis of loans amounted to HRK -203 million as a result of greater repayments (HRK 2.2 billion) than incurrence of liabilities (HRK 2 billion).

#### NET LENDING/BORROWING

Net operating balance of consolidated central government, defined as the difference between total revenue and total expense, stood at the level of HRK 6.1 billion. By subtracting net acquisition of non-financial assets from net operating balance, a category of net lending/borrowing is obtained. In the observed period net lending/borrowing amounted to HRK 326.8 million.

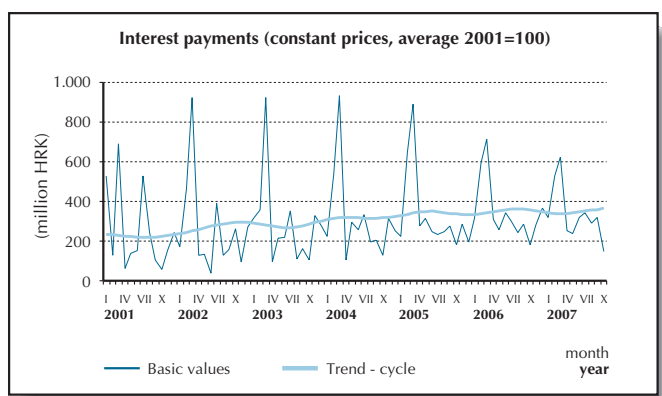


TABLE 2: BUDGETARY CENTRAL GOVERNMENT REVENUE

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>80 463 518</b>	<b>85 653 010</b>	<b>95 235 557</b>	<b>25 132 226</b>	<b>108 501 515</b>	<b>23 851 140</b>	<b>27 711 935</b>	<b>28 742 434</b>	<b>89 515 848</b>	<b>9 210 339</b>	<b>82,50</b>
<b>11</b>	<b>Taxes (111+113+114+115+116)</b>	<b>47 149 862</b>	<b>50 687 564</b>	<b>58 469 091</b>	<b>15 345 731</b>	<b>64 148 604</b>	<b>14 017 755</b>	<b>17 286 246</b>	<b>17 074 213</b>	<b>54 034 073</b>	<b>5 655 859</b>	<b>84,23</b>
<b>111</b>	<b>Taxes of income and profits and capital gains (1111+1112)</b>	<b>6 259 713</b>	<b>7 057 112</b>	<b>8 515 615</b>	<b>2 179 950</b>	<b>10 078 339</b>	<b>2 188 372</b>	<b>3 729 640</b>	<b>2 392 630</b>	<b>9 179 711</b>	<b>869 070</b>	<b>91,08</b>
1111	Payable by individuals	3 128 273	3 106 476	3 459 649	1 073 829	1 650 551	543 857	100 460	512 363	1 349 567	192 887	81,76
1112	Payable by corporations and other enterprises	3 131 440	3 950 636	5 055 966	1 106 121	8 427 788	1 644 515	3 629 180	1 880 267	7 830 145	676 183	92,91
<b>113</b>	<b>Taxes on property</b>	<b>355 823</b>	<b>375 501</b>	<b>482 331</b>	<b>151 774</b>	<b>533 685</b>	<b>126 963</b>	<b>135 671</b>	<b>136 652</b>	<b>461 907</b>	<b>62 621</b>	<b>86,55</b>
<b>114</b>	<b>Taxes on goods and services (1141+...+1146)</b>	<b>38 602 221</b>	<b>41 323 002</b>	<b>47 546 223</b>	<b>12 485 941</b>	<b>51 584 380</b>	<b>11 263 242</b>	<b>12 906 488</b>	<b>14 045 023</b>	<b>42 734 993</b>	<b>4 520 240</b>	<b>82,84</b>
1141	General taxes on goods and services (11411+11412)	30 013 661	32 399 952	35 091 381	9 308 224	38 387 622	8 440 180	9 622 975	10 264 706	31 667 729	3 339 868	82,49
11411	Value-added taxes	29 864 905	32 243 372	34 931 750	9 268 244	38 212 839	8 399 864	9 578 712	10 221 678	31 525 122	3 324 868	82,50
11412	Sales taxes	148 757	156 580	159 631	39 980	174 784	40 316	44 264	43 027	142 607	15 000	81,59
1142	Excises (11421+11422+11423+11424+11425+11426+11427+11428)	7 941 554	8 177 659	11 564 709	2 916 506	12 208 771	2 620 967	3 037 455	3 518 737	10 276 685	1 099 526	84,17
11421	- on cars, other motor vehicles, boats and planes	945 209	1 080 926	1 270 422	319 623	1 453 306	336 254	405 715	347 942	1 208 415	118 504	83,15
11422	- on petroleum products	3 325 659	3 337 501	6 316 440	1 645 220	6 512 945	1 389 712	1 574 308	1 872 154	5 484 006	647 833	84,20
11423	- on alcohol	230 796	228 386	230 178	62 501	230 978	47 732	57 159	81 958	203 339	16 490	88,03
11424	- on beer	718 278	702 386	716 167	156 524	755 407	126 630	187 928	274 121	648 232	59 553	85,81
11425	- on nonalcoholic beverages	132 984	141 905	140 404	31 021	145 274	26 679	33 921	50 582	121 502	10 320	83,64
11426	- on tobacco products	2 430 843	2 518 801	2 710 348	654 136	2 921 855	649 797	734 127	841 391	2 453 261	227 945	83,96
11427	- on coffee	135 437	145 334	156 666	41 579	163 147	37 237	38 574	42 120	134 548	16 617	82,47
11428	- on luxury goods	22 348	22 420	24 084	5 902	25 859	6 927	5 724	8 468	23 383	2 263	90,42
<b>115</b>	<b>Taxes on international trade and transactions</b>	<b>1 590 727</b>	<b>1 562 930</b>	<b>1 588 456</b>	<b>439 962</b>	<b>1 615 059</b>	<b>357 299</b>	<b>430 257</b>	<b>426 464</b>	<b>1 387 701</b>	<b>173 682</b>	<b>85,92</b>
<b>116</b>	<b>Other taxes</b>	<b>341 377</b>	<b>369 019</b>	<b>336 466</b>	<b>88 104</b>	<b>337 141</b>	<b>81 879</b>	<b>84 192</b>	<b>73 444</b>	<b>269 761</b>	<b>30 246</b>	<b>80,01</b>
<b>12</b>	<b>Social contributions</b>	<b>29 477 597</b>	<b>31 301 340</b>	<b>33 877 148</b>	<b>8 916 196</b>	<b>37 115 946</b>	<b>8 741 858</b>	<b>9 302 667</b>	<b>9 612 662</b>	<b>30 829 775</b>	<b>3 172 588</b>	<b>83,06</b>
121	Social security contributions (1211+1212+1213+1214)	29 477 597	31 301 340	33 877 148	8 916 196	37 115 946	8 741 858	9 302 667	9 612 662	30 829 775	3 172 588	83,06
1211	Employee contributions	13 139 274	13 857 360	15 084 349	3 942 085	16 502 518	3 897 464	4 140 993	4 278 086	13 725 736	1 409 194	83,17
1212	Employer contributions	15 737 707	16 695 492	18 051 382	4 754 269	18 707 820	4 669 683	4 968 661	5 127 825	16 458 530	1 692 361	87,98
1213	Self-employed or unemployed contributions	600 616	748 487	741 418	219 842	1 905 609	174 712	193 013	206 751	645 509	71 033	33,87
1214	Unallocable contributions	0	0	0	0	0	0	0	0	0	0	
<b>13</b>	<b>Grants</b>	<b>10 122</b>	<b>27 505</b>	<b>195 984</b>	<b>177 761</b>	<b>863 561</b>	<b>12 330</b>	<b>102 253</b>	<b>83 696</b>	<b>272 061</b>	<b>73 783</b>	<b>31,50</b>
<b>14</b>	<b>Other revenue (141+142+143+144+145)</b>	<b>3 825 938</b>	<b>3 636 601</b>	<b>2 693 335</b>	<b>692 539</b>	<b>6 373 403</b>	<b>1 079 197</b>	<b>1 020 769</b>	<b>1 971 863</b>	<b>4 379 939</b>	<b>308 110</b>	<b>68,72</b>
<b>141</b>	<b>Property income (1411+1412+1413+1415)</b>	<b>2 667 701</b>	<b>2 226 647</b>	<b>832 400</b>	<b>247 887</b>	<b>3 440 079</b>	<b>207 803</b>	<b>310 753</b>	<b>1 246 882</b>	<b>1 831 681</b>	<b>66 243</b>	<b>53,25</b>
1411	Interest	35 752	62 784	108 232	20 820	116 374	65 872	26 931	21 802	139 729	25 124	120,07
1412	Dividends	1 868 841	1 123 346	17 835	3 051	976 938	16	86 916	1 079 977	1 167 677	769	119,52
1413	Withdrawals from income of quasi-corporations	146 820	192 516	288 113	77 707	180 552	0	104 840	12 523	117 394	31	65,02
1415	Rent	616 289	848 001	418 220	146 309	2 166 215	141 916	92 066	132 581	406 882	40 319	18,78
<b>142</b>	<b>Sales of goods and services (1422+1423)</b>	<b>676 951</b>	<b>782 428</b>	<b>1 209 296</b>	<b>290 563</b>	<b>1 527 298</b>	<b>401 891</b>	<b>391 403</b>	<b>396 422</b>	<b>1 320 760</b>	<b>131 044</b>	<b>86,48</b>
1421	Sales of market establishments	0	0	0	0	0	0	0	0	0	0	
1422	Administrative fees	312 994	397 066	821 741	234 166	1 420 002	342 440	341 192	353 916	1 151 673	114 126	81,10
1423	Incidental sales by nonmarket establishments	363 957	385 362	387 555	56 397	1 072 296	59 451	50 211	42 506	169 087	16 918	157,59
<b>143</b>	<b>Fines, penalties, and forfeits</b>	<b>342 371</b>	<b>360 707</b>	<b>391 616</b>	<b>101 876</b>	<b>421 307</b>	<b>107 144</b>	<b>107 640</b>	<b>109 270</b>	<b>363 052</b>	<b>38 999</b>	<b>86,17</b>
<b>144</b>	<b>Voluntary transfers other than grants</b>	<b>249</b>	<b>5 653</b>	<b>6 737</b>	<b>2 013</b>	<b>4 316</b>	<b>5 644</b>	<b>-184</b>	<b>1 451</b>	<b>6 937</b>	<b>26</b>	<b>160,73</b>
<b>145</b>	<b>Miscellaneous and unidentified revenue</b>	<b>138 667</b>	<b>261 166</b>	<b>253 286</b>	<b>50 200</b>	<b>980 404</b>	<b>356 716</b>	<b>211 157</b>	<b>217 838</b>	<b>857 509</b>	<b>71 799</b>	<b>87,46</b>

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

**TABLE 3: BUDGETARY CENTRAL GOVERNMENT EXPENSE**

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>83 131 114</b>	<b>87 857 465</b>	<b>95 949 951</b>	<b>26 151 642</b>	<b>108 447 435</b>	<b>24 963 473</b>	<b>24 738 509</b>	<b>27 048 355</b>	<b>85 905 173</b>	<b>9 154 836</b>	<b>79,21</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>22 268 287</b>	<b>23 182 586</b>	<b>24 313 867</b>	<b>6 217 675</b>	<b>27 477 952</b>	<b>6 507 526</b>	<b>6 875 961</b>	<b>7 110 217</b>	<b>22 728 897</b>	<b>2 235 194</b>	<b>82,72</b>
211	Wages and salaries	18 888 605	19 699 216	20 663 890	5 283 304	23 113 401	5 509 421	5 867 563	5 853 724	19 128 676	1 897 967	82,76
212	Social contributions	3 379 682	3 483 370	3 649 977	934 371	4 364 550	998 105	1 008 397	1 256 493	3 600 222	337 227	82,49
<b>22</b>	<b>Use of goods and services</b>	<b>4 358 721</b>	<b>4 951 917</b>	<b>6 069 116</b>	<b>2 259 303</b>	<b>7 702 325</b>	<b>1 450 705</b>	<b>1 584 541</b>	<b>1 649 811</b>	<b>5 336 968</b>	<b>651 912</b>	<b>69,29</b>
<b>24</b>	<b>Interest (241+242+243)</b>	<b>3 972 466</b>	<b>4 387 010</b>	<b>4 713 615</b>	<b>935 215</b>	<b>4 586 817</b>	<b>1 680 283</b>	<b>936 070</b>	<b>1 099 955</b>	<b>3 890 916</b>	<b>174 608</b>	<b>84,83</b>
241	To nonresidents	1 976 502	2 053 588	1 863 999	158 394	1 686 209	966 120	355 550	190 488	1 560 958	48 800	92,57
242	To residents other than general government	1 995 964	2 333 422	2 849 616	776 820	2 900 608	714 163	580 520	909 467	2 329 958	125 808	80,33
<b>25</b>	<b>Subsidies (251+252)</b>	<b>4 968 069</b>	<b>5 248 744</b>	<b>5 670 789</b>	<b>1 582 148</b>	<b>6 017 759</b>	<b>1 652 902</b>	<b>1 265 675</b>	<b>1 561 834</b>	<b>5 126 146</b>	<b>645 735</b>	<b>85,18</b>
251	To public corporations	2 783 462	2 784 825	2 692 785	705 855	2 827 516	768 664	598 057	753 682	2 438 054	317 651	86,23
252	To private enterprises	2 184 606	2 463 919	2 978 004	876 293	3 190 243	884 238	667 618	808 152	2 688 092	328 083	84,26
<b>26</b>	<b>Grants (261+262+263)</b>	<b>3 420 327</b>	<b>3 796 847</b>	<b>6 652 994</b>	<b>2 181 858</b>	<b>8 513 643</b>	<b>1 217 303</b>	<b>1 432 151</b>	<b>1 713 360</b>	<b>5 087 810</b>	<b>724 996</b>	<b>59,76</b>
261	To foreign governments (2611+2612)	76 464	73 639	64 795	31 759	93 950	685	12 753	37 956	64 981	13 588	69,17
2611	Current	46 500	49 174	37 760	15 381	69 650	685	7 650	35 378	52 650	8 938	75,59
2612	Capital	29 964	24 465	27 035	16 378	24 300	0	5 103	2 578	12 331	4 650	50,75
262	To international organizations (2621+2622)	83 434	93 832	89 619	3 202	73 440	28 625	12 463	10 410	53 128	1 630	72,34
2621	Current	83 434	93 832	89 619	3 202	73 440	28 625	12 463	10 410	53 128	1 630	72,34
2622	Capital	0	0	0	0	0	0	0	0	0	0	
263	To other general government units (2631+2632)	3 260 429	3 629 376	6 498 581	2 146 897	8 346 253	1 187 993	1 406 936	1 664 994	4 969 701	709 778	59,54
2631	Current	2 498 598	2 623 246	2 663 156	855 149	2 451 058	455 959	501 945	483 278	1 658 302	217 120	67,66
2632	Capital	761 831	1 006 130	3 835 425	1 291 748	5 895 195	732 035	904 991	1 181 716	3 311 399	492 658	56,17
<b>27</b>	<b>Social benefits (271+272+273)</b>	<b>39 730 887</b>	<b>41 358 455</b>	<b>43 444 589</b>	<b>11 180 892</b>	<b>48 538 710</b>	<b>11 556 319</b>	<b>11 410 432</b>	<b>12 723 374</b>	<b>39 802 542</b>	<b>4 112 418</b>	<b>82,00</b>
271	Social security benefits	28 189 472	29 308 716	30 535 396	7 810 670	34 499 553	8 143 186	8 057 629	9 242 698	28 245 207	2 801 693	81,87
272	Social assistance benefits	11 177 315	11 792 075	12 786 632	3 331 241	13 919 090	3 345 735	3 312 140	3 441 643	11 393 607	1 294 088	81,86
273	Employer social benefits	364 100	257 663	122 561	38 982	120 067	67 397	40 663	39 033	163 729	16 636	136,36
<b>28</b>	<b>Other expense (281+282)</b>	<b>4 412 359</b>	<b>4 931 907</b>	<b>5 084 980</b>	<b>1 794 553</b>	<b>5 610 231</b>	<b>898 437</b>	<b>1 233 678</b>	<b>1 189 805</b>	<b>3 931 894</b>	<b>609 973</b>	<b>70,08</b>
281	Property expense other than interest	3 955	4 920	7 600	3 504	0	1 226	676	578	2 438	-42	
282	Miscellaneous other expense (2821+2822)	4 408 404	4 926 987	5 077 381	1 791 049	5 610 231	897 211	1 233 003	1 189 228	3 929 456	610 015	70,04
2821	Current	1 842 516	2 154 806	2 304 214	657 548	2 618 498	474 697	657 747	663 904	2 041 873	245 525	77,98
2822	Capital	2 565 888	2 772 181	2 773 167	1 133 500	2 991 733	422 514	575 255	525 324	1 887 583	364 490	63,09

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)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>31</b>	<b>NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 419 467</b>	<b>1 553 668</b>	<b>1 555 792</b>	<b>829 004</b>	<b>2 954 080</b>	<b>84 367</b>	<b>352 807</b>	<b>720 258</b>	<b>1 541 978</b>	<b>384 546</b>	<b>52,20</b>
<b>31,1</b>	<b>Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)</b>	<b>1 663 868</b>	<b>1 828 818</b>	<b>1 908 482</b>	<b>924 386</b>	<b>3 436 026</b>	<b>332 408</b>	<b>430 381</b>	<b>785 850</b>	<b>1 956 355</b>	<b>407 717</b>	<b>56,94</b>
<b>31,2</b>	<b>Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)</b>	<b>244 401</b>	<b>275 149</b>	<b>352 690</b>	<b>95 381</b>	<b>481 947</b>	<b>248 041</b>	<b>77 574</b>	<b>65 591</b>	<b>414 377</b>	<b>23 171</b>	<b>85,98</b>
<b>311</b>	<b>Fixed assets (3111+3112+3113)</b>	<b>1 384 609</b>	<b>1 516 968</b>	<b>1 595 121</b>	<b>822 767</b>	<b>2 999 099</b>	<b>249 141</b>	<b>333 946</b>	<b>705 830</b>	<b>1 650 918</b>	<b>362 000</b>	<b>55,05</b>
311,1	Acquisitions: fixed assets (3111,1+3112,1+3113,1)	1 624 051	1 781 347	1 844 783	891 815	3 271 645	319 581	401 007	766 866	1 869 985	382 531	57,16
311,2	Disposals: fixed assets (3111,2+3112,2+3113,2)	239 442	264 379	249 663	69 048	272 547	70 440	67 061	61 036	219 068	20 531	80,38
<b>3111</b>	<b>Buildings and structures (3111,1-3111,2)</b>	<b>811 477</b>	<b>867 663</b>	<b>831 377</b>	<b>407 273</b>	<b>1 385 069</b>	<b>105 825</b>	<b>179 963</b>	<b>232 802</b>	<b>700 077</b>	<b>181 487</b>	<b>50,54</b>
3111,1	Acquisitions: buildings and structures	1 050 315	1 131 302	1 080 074	476 074	1 654 965	175 062	246 166	293 633	916 841	201 981	55,40
3111,2	Disposals: buildings and structures	238 838	263 639	248 698	68 801	269 897	69 237	66 203	60 830	216 764	20 494	80,31
<b>3112</b>	<b>Machinery and equipment (3112,1-3112,2)</b>	<b>518 941</b>	<b>557 320</b>	<b>656 733</b>	<b>359 602</b>	<b>1 395 879</b>	<b>131 215</b>	<b>133 891</b>	<b>453 292</b>	<b>888 043</b>	<b>169 646</b>	<b>63,62</b>
3112,1	Acquisitions: machinery and equipment	519 545	558 060	657 696	359 848	1 398 529	132 418	134 748	453 497	890 346	169 683	63,66
3112,2	Disposals: machinery and equipment	604	740	964	246	2 650	1 203	858	205	2 304	38	86,93
<b>3113</b>	<b>Other fixed assets (3113,1-3113,2)</b>	<b>54 191</b>	<b>91 986</b>	<b>107 011</b>	<b>55 893</b>	<b>218 151</b>	<b>12 101</b>	<b>20 093</b>	<b>19 736</b>	<b>62 798</b>	<b>10 867</b>	<b>28,79</b>
3113,1	Acquisitions: other fixed assets	54 191	91 986	107 012	55 894	218 151	12 101	20 093	19 736	62 798	10 867	28,79
3113,2	Disposals: other fixed assets	0	0	1	1	0	0	0	0	0	0	
<b>312</b>	<b>Inventories</b>	<b>0</b>	<b>0</b>	<b>-80 226</b>	<b>-19 519</b>	<b>-168 139</b>	<b>-173 789</b>	<b>-1 891</b>	<b>-1 900</b>	<b>-163 057</b>	<b>14 523</b>	
312,1	Acquisitions: inventories	0	0	1 048	551	21 861	601	1 694	530	18 833	16 009	86,15
312,2	Disposals: inventories	0	0	81 274	20 070	190 000	174 390	3 586	2 429	181 890	1 485	95,73
<b>313</b>	<b>Valuables (313,1-313,2)</b>	<b>7 518</b>	<b>7 220</b>	<b>7 826</b>	<b>3 217</b>	<b>7 704</b>	<b>1 256</b>	<b>4 416</b>	<b>1 387</b>	<b>8 144</b>	<b>1 086</b>	<b>105,71</b>
313,1	Acquisitions: valuables	7 518	7 220	7 826	3 217	7 704	1 256	4 416	1 387	8 144	1 086	105,71
313,2	Disposals: valuables	0	0	0	0	0	0	0	0	0	0	
<b>314</b>	<b>Nonproduced assets (314,1-314,2-314,3-314,4)</b>	<b>27 340</b>	<b>29 480</b>	<b>33 072</b>	<b>22 539</b>	<b>115 416</b>	<b>7 759</b>	<b>16 336</b>	<b>14 941</b>	<b>45 974</b>	<b>6 937</b>	<b>39,83</b>
314,1	Acquisitions: nonproduced assets (3141,1+3142,1+3143,1+3144,1)	32 299	40 251	54 826	28 803	134 816	10 970	23 264	17 068	59 393	8 091	44,05
314,2	Disposals: nonproduced assets (3141,2+3142,2+3143,2+3144,2)	4 959	10 771	21 754	6 264	19 400	3 211	6 928	2 127	13 419	1 154	69,17
<b>3141</b>	<b>Land (3141,1-3141,2)</b>	<b>7 062</b>	<b>-10 282</b>	<b>-21 650</b>	<b>-6 264</b>	<b>-16 310</b>	<b>-3 183</b>	<b>-6 890</b>	<b>-2 127</b>	<b>-13 354</b>	<b>-1 154</b>	<b>81,87</b>
3141,1	Acquisitions: land	12 021	489	81	0	3 090	28	29	0	58	0	1,86
3141,2	Disposals: land	4 959	10 771	21 732	6 264	19 400	3 211	6 919	2 127	13 411	1 154	69,13
<b>3142</b>	<b>Subsoil assets</b>	<b>0</b>	<b>0</b>	<b>-22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
3142,1	Acquisitions: subsoil assets	0	0	0	0	0	0	0	0	0	0	
3142,2	Disposals: subsoil assets	0	0	22	0	0	0	0	0	0	0	
<b>3143</b>	<b>Other naturally occurring assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>3144</b>	<b>Intangible nonproduced assets (3144,1-3144,2)</b>	<b>20 278</b>	<b>39 762</b>	<b>54 744</b>	<b>28 803</b>	<b>131 726</b>	<b>10 942</b>	<b>23 227</b>	<b>17 068</b>	<b>59 327</b>	<b>8 091</b>	<b>45,04</b>
3144,1	Acquisitions: intangible nonproduced assets	20 278	39 762	54 744	28 803	131 726	10 942	23 235	17 068	59 335	8 091	45,04
3144,2	Disposals: intangible nonproduced assets	0	0	0	0	0	0	8	0	8	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)	2004	2005	2006	X - XII 2006.	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>221 977</b>	<b>1 752 825</b>	<b>-3 047 174</b>	<b>-2 813 142</b>	<b>-595 028</b>	<b>345 952</b>	<b>897 297</b>	<b>574 909</b>	<b>640 681</b>	<b>-1 177 477</b>
<b>32,1 Acquisition of financial assets (321,1+322,1)</b>	<b>1 787 080</b>	<b>1 264 131</b>	<b>1 285 738</b>	<b>385 159</b>	<b>1 206 107</b>	<b>247 097</b>	<b>213 744</b>	<b>165 651</b>	<b>695 733</b>	<b>69 242</b>
<b>32,2 Disposals of financial assets (321,2+322,2)</b>	<b>450 839</b>	<b>199 491</b>	<b>2 883 242</b>	<b>2 734 733</b>	<b>1 801 135</b>	<b>124 318</b>	<b>54 886</b>	<b>38 541</b>	<b>2 205 784</b>	<b>1 988 039</b>
<b>Currency and deposits (3212+3222)</b>	<b>-1 114 264</b>	<b>688 185</b>	<b>-1 449 670</b>	<b>-463 568</b>	<b>0</b>	<b>223 173</b>	<b>738 439</b>	<b>447 799</b>	<b>2 150 732</b>	<b>741 321</b>
<b>321 Domestic (3212+3213+3214+3215+3216+3217+3218)</b>	<b>212 192</b>	<b>1 757 681</b>	<b>-3 063 855</b>	<b>-2 827 142</b>	<b>-608 456</b>	<b>345 952</b>	<b>889 264</b>	<b>574 909</b>	<b>632 648</b>	<b>-1 177 477</b>
<b>321,1 Acquisition of domestic financial assets (3213,1+...+3218,1)</b>	<b>1 777 294</b>	<b>1 261 432</b>	<b>1 269 058</b>	<b>371 159</b>	<b>1 192 679</b>	<b>247 097</b>	<b>205 711</b>	<b>165 651</b>	<b>687 700</b>	<b>69 242</b>
<b>321,2 Disposals of domestic financial assets (3213,2+...+3218,2)</b>	<b>450 839</b>	<b>191 935</b>	<b>2 883 242</b>	<b>2 734 733</b>	<b>1 801 135</b>	<b>124 318</b>	<b>54 886</b>	<b>38 541</b>	<b>2 205 784</b>	<b>1 988 039</b>
3212 Currency and deposits	-1 114 264	688 185	-1 449 670	-463 568	0	223 173	738 439	447 799	2 150 732	741 321
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)	1 002 955	847 590	832 321	247 251	675 244	169 587	96 882	116 120	440 585	57 997
3214,1 Acquisition: Loans	1 328 794	1 026 367	1 037 701	308 949	966 379	202 097	151 701	154 661	577 700	69 242
3214,2 Disposals: Loans	325 839	178 776	205 380	61 698	291 135	32 510	54 819	38 541	137 115	11 245
3215 Shares and other equity (3215,1-3215,2)	323 500	221 906	-2 446 505	-2 610 825	-1 283 700	-46 808	53 943	10 990	-1 958 669	-1 976 795
3215,1 Acquisition: Shares and other equity	448 500	235 065	231 357	62 210	226 300	45 000	54 010	10 990	110 000	0
3215,2 Disposals: Shares and other equity	125 000	13 159	2 677 862	2 673 035	1 510 000	91 808	67	0	2 068 669	1 976 795
<b>322 Foreign (3222+3223+3224+3225+3226+3227+3228)</b>	<b>9 786</b>	<b>-4 857</b>	<b>16 681</b>	<b>14 000</b>	<b>13 428</b>	<b>0</b>	<b>8 033</b>	<b>0</b>	<b>8 033</b>	<b>0</b>
<b>322,1 Acquisition of foreign financial assets (3223,1+...+3228,1)</b>	<b>9 786</b>	<b>2 699</b>	<b>16 681</b>	<b>14 000</b>	<b>13 428</b>	<b>0</b>	<b>8 033</b>	<b>0</b>	<b>8 033</b>	<b>0</b>
<b>322,2 Disposals of foreign financial assets (3223,2+...+3228,2)</b>	<b>0</b>	<b>7 556</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
3222 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3225 Shares and other equity (3225,1-3225,2)	9 786	-4 857	16 681	14 000	13 428	0	8 033	0	8 033	0
3225,1 Acquisition: Shares and other equity	9 786	2 699	16 681	14 000	13 428	0	8 033	0	8 033	0
3225,2 Disposals: Shares and other equity	0	7 556	0	0	0	0	0	0	0	0
<b>323 Monetary gold and SDRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

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

(000 HRK)	2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>4 309 040</b>	<b>5 510 948</b>	<b>-776 988</b>	<b>-964 721</b>	<b>2 304 972</b>	<b>1 542 653</b>	<b>-1 723 323</b>	<b>-398 912</b>	<b>-1 428 016</b>	<b>-848 434</b>
<b>33,1 Repayments (331,1+332,1)</b>	<b>13 717 082</b>	<b>10 253 489</b>	<b>10 056 697</b>	<b>1 978 123</b>	<b>8 677 243</b>	<b>821 372</b>	<b>1 129 621</b>	<b>5 489 404</b>	<b>7 658 154</b>	<b>217 758</b>
<b>33,2 Incurrences (331,2+332,2)</b>	<b>18 026 122</b>	<b>15 764 437</b>	<b>9 279 708</b>	<b>1 013 402</b>	<b>10 982 215</b>	<b>2 364 024</b>	<b>-593 702</b>	<b>5 090 492</b>	<b>6 230 138</b>	<b>-630 677</b>
<b>Currency and deposits (3312+3322)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>331 Domestic (3312+3313+3314+3316+3317+3318)</b>	<b>4 038 705</b>	<b>10 591 560</b>	<b>3 166 260</b>	<b>-903 376</b>	<b>4 245 541</b>	<b>2 114 689</b>	<b>-1 429 551</b>	<b>1 717 456</b>	<b>1 554 427</b>	<b>-848 167</b>
<b>331,1 Domestic repayments (3313,1+3314,1+3315,1+3316,1+3317,1+3318,1)</b>	<b>9 009 705</b>	<b>4 389 323</b>	<b>4 250 184</b>	<b>1 572 942</b>	<b>4 740 993</b>	<b>249 335</b>	<b>651 967</b>	<b>3 174 155</b>	<b>4 205 535</b>	<b>130 078</b>
<b>331,2 Domestic incurrences (3313,2+3314,2+3315,2+3316,2+3317,2+3318,2)</b>	<b>13 048 410</b>	<b>14 980 882</b>	<b>7 416 444</b>	<b>669 566</b>	<b>8 986 534</b>	<b>2 364 024</b>	<b>-777 584</b>	<b>4 891 611</b>	<b>5 759 962</b>	<b>-718 089</b>
3312 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3313 Securities other than shares (3313,2-3313,1)	6 357 476	9 636 343	5 648 934	1 732 333	5 430 740	3 256 264	-747 209	-817 313	3 626 462	1 934 720
3313,1 Repayments: Securities other than shares	5 025 194	2 844 601	550 859	167 186	3 555 794	118 211	172 524	3 043 639	3 334 374	0
3313,2 Incurrences: Securities other than shares	11 382 670	12 480 944	6 199 793	1 899 519	8 986 534	3 374 475	-574 686	2 226 326	6 960 836	1 934 720
3314 Loans (3314,2-3314,1)	-2 318 771	955 217	-2 482 674	-2 635 709	-1 185 199	-1 141 575	-682 342	2 534 768	-2 072 035	-2 782 886
3314,1 Repayments: Loans	3 984 511	1 544 722	3 699 325	1 405 756	1 185 199	131 124	479 443	130 516	871 161	130 078
3314,2 Incurrences: Loans	1 665 740	2 499 938	1 216 651	-1 229 952	0	-1 010 451	-202 899	2 665 285	-1 200 874	-2 652 809
<b>332 Foreign (3322+3323+3324+3326+3327+3328)</b>	<b>270 335</b>	<b>-5 080 612</b>	<b>-3 943 248</b>	<b>-61 345</b>	<b>-1 940 569</b>	<b>-572 037</b>	<b>-293 772</b>	<b>-2 116 367</b>	<b>-2 982 443</b>	<b>-268</b>
<b>332,1 Foreign repayments (3323,1+3324,1+3325,1+3326,1+3327,1+3328,1)</b>	<b>4 707 377</b>	<b>5 864 167</b>	<b>5 806 513</b>	<b>405 181</b>	<b>3 936 250</b>	<b>572 037</b>	<b>477 654</b>	<b>2 315 249</b>	<b>3 452 619</b>	<b>87 680</b>
<b>332,2 Foreign incurrences (3323,2+3324,2+3325,2+3326,2+3327,2+3328,2)</b>	<b>4 977 712</b>	<b>783 554</b>	<b>1 863 264</b>	<b>343 836</b>	<b>1 995 681</b>	<b>0</b>	<b>183 882</b>	<b>198 881</b>	<b>470 176</b>	<b>87 412</b>
3322 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3323 Securities other than shares (3323,2-3323,1)	1 215 439	-3 713 935	-3 480 781	0	-1 850 000	0	0	-1 757 723	-1 757 723	0
3323,1 Repayments: Securities other than shares	2 526 876	3 713 935	3 480 781	0	1 850 000	0	0	1 757 723	1 757 723	0
3323,2 Incurrences: Securities other than shares	3 742 315	0	0	0	0	0	0	0	0	0
3324 Loans (3324,2-3324,1)	-945 104	-1 366 677	-462 468	-61 345	-90 569	-572 037	-293 772	-358 644	-1 224 720	-268
3324,1 Repayments: Loans	2 180 501	2 150 232	2 325 732	405 181	2 086 250	572 037	477 654	557 525	1 694 896	87 680
3324,2 Incurrences: Loans	1 235 397	783 554	1 863 264	343 836	1 995 681	0	183 882	198 881	470 176	87 412

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 - X 2007		
	Budgetary Central Government	Extrabudgetary funds	Consolidated Central Government
<b>82 (=32) NET ACQUISITION OF FINANCIAL ASSETS</b>	<b>640 681</b>	<b>186 305</b>	<b>826 986</b>
Acquisition of financial assets	2 903 796	347 874	3 251 670
Disposals of financial assets	2 263 115	161 569	2 424 684
<b>821 (=321) Domestic</b>	<b>632 648</b>	<b>186 305</b>	<b>818 953</b>
Acquisition of domestic financial assets	2 895 763	347 874	3 243 637
Disposals of domestic financial assets	2 263 115	161 569	2 424 684
8211 General government	0	0	0
Acquisitions: General Government	0	0	0
Disposals: General Government	0	0	0
8212 Central bank	1 826 044	0	1 826 044
Acquisitions: Central bank	1 827 529	0	1 827 529
Disposals: Central bank	1 485	0	1 485
8213 Other depositary institutions	432 688	128 669	561 357
Acquisitions: Other depositary institutions	488 533	128 669	617 202
Disposals: Other depositary institutions	55 845	0	55 845
8215 Nonfinancial institutions	-1 662 717	57 636	-1 605 081
Acquisitions: Nonfinancial institutions	507 027	219 205	726 232
Disposals: Nonfinancial institutions	2 169 744	161 569	2 331 313
8216 Households and nonprofit institutions serving households	36 633	0	36 633
Acquisitions: Hholds and nonprofit institutions serving hholds	72 673	0	72 673
Disposals: Hholds and nonprofit institutions serving hholds	36 040	0	36 040
<b>822 (=322) Foreign</b>	<b>8 033</b>	<b>0</b>	<b>8 033</b>
Acquisition of foreign financial assets	8 033	0	8 033
Disposals of foreign financial assets	0	0	0
8227 International organizations	8 033	0	8 033
Acquisitions: International organizations	8 033	0	8 033
Disposals: International organizations	0	0	0
8229 Other nonresidents	0	0	0
Acquisitions: Other nonresidents	0	0	0
Disposals: Other nonresidents	0	0	0
<b>83 (=33) NET INCURRENCE OF LIABILITIES</b>	<b>-1 428 016</b>	<b>1 928 181</b>	<b>500 165</b>
Repayments: liabilities	7 658 154	604 620	8 262 774
Incurrences: liabilities	6 230 138	2 532 801	8 762 939
<b>831 (=331) Domestic</b>	<b>1 554 427</b>	<b>906 480</b>	<b>2 460 907</b>
Repayments: domestic liabilities	4 205 535	121 163	4 326 698
Incurrences: domestic liabilities	5 759 962	1 027 643	6 787 605
8311 General government	0	0	0
Repayments: General Government	0	0	0
Incurrences: General Government	0	0	0
8313 Other depositary institutions	1 537 809	906 480	2 444 289
Repayments: Other depositary institutions	4 202 930	121 163	4 324 093
Incurrences: Other depositary institutions	5 740 739	1 027 643	6 768 382
8314 Financial institutions not elsewhere classified	19 223	0	19 223
Repayments: Financial institutions not elsewhere classified	0	0	0
Incurrences: Financial institutions not elsewhere classified	19 223	0	19 223
8315 Nonfinancial institutions	-2 605	0	-2 605
Repayments: Nonfinancial institutions	2 605	0	2 605
Incurrences: Nonfinancial institutions	0	0	0
<b>832 (=332) Foreign</b>	<b>-2 982 443</b>	<b>1 021 701</b>	<b>-1 960 742</b>
Repayments: foreign liabilities	3 452 619	483 457	3 936 076
Incurrences: foreign liabilities	470 176	1 505 158	1 975 334
8321 General government	-375 225	0	-375 225
Repayments: General Government	375 225	0	375 225
Incurrences: General Government	0	0	0
8327 International organizations	-236 644	0	-236 644
Repayments: International organizations	652 012	0	652 012
Incurrences: International organizations	415 368	0	415 368
8328 Financial institutions other than international organizations	-2 370 575	1 021 701	-1 348 874
Repayments: Financial institutions other than international organizations	2 425 383	483 457	2 908 840
Incurrences: Financial institutions other than international organizations	54 808	1 505 158	1 559 966
8329 Other nonresidents	0	0	0
Repayments: Other nonresidents	0	0	0
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)	2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007
<b>TRANSACTIONS AFFECTING NET WORTH</b>										
<b>1 REVENUE (11+12+13+14)</b>	<b>80 463 518</b>	<b>85 653 010</b>	<b>95 235 557</b>	<b>25 132 226</b>	<b>108 501 515</b>	<b>23 851 140</b>	<b>27 711 935</b>	<b>28 742 434</b>	<b>89 515 848</b>	<b>9 210 339</b>
11 Taxes	47 149 862	50 687 564	58 469 091	15 345 731	64 148 604	14 017 755	17 286 246	17 074 213	54 034 073	5 655 859
12 Social contributions	29 477 597	31 301 340	33 877 148	8 916 196	37 115 946	8 741 858	9 302 667	9 612 662	30 829 775	3 172 588
13 Grants	10 122	27 505	195 984	177 761	863 561	12 330	102 253	83 696	272 061	73 783
14 Other revenue	3 825 938	3 636 601	2 693 335	692 539	6 373 403	1 079 197	1 020 769	1 971 863	4 379 939	308 110
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>83 131 114</b>	<b>87 857 465</b>	<b>95 949 951</b>	<b>26 151 642</b>	<b>108 447 435</b>	<b>24 963 473</b>	<b>24 738 509</b>	<b>27 048 355</b>	<b>85 905 173</b>	<b>9 154 836</b>
21 Compensation of employees	22 268 287	23 182 586	24 313 867	6 217 675	27 477 952	6 507 526	6 875 961	7 110 217	22 728 897	2 235 194
22 Use of goods and services	4 358 721	4 951 917	6 069 116	2 259 303	7 702 325	1 450 705	1 584 541	1 649 811	5 336 968	651 912
24 Interest	3 972 466	4 387 010	4 713 615	935 215	4 586 817	1 680 283	936 070	1 099 955	3 890 916	174 608
25 Subsidies	4 968 069	5 248 744	5 670 789	1 582 148	6 017 759	1 652 902	1 265 675	1 561 834	5 126 146	645 735
26 Grants	3 420 327	3 796 847	6 652 994	2 181 858	8 513 643	1 217 303	1 432 151	1 713 360	5 087 810	724 996
27 Social benefits	39 730 887	41 358 455	43 444 589	11 180 892	48 538 710	11 556 319	11 410 432	12 723 374	39 802 542	4 112 418
28 Other expense	4 412 359	4 931 907	5 084 980	1 794 553	5 610 231	898 437	1 233 678	1 189 805	3 931 894	609 973
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>-2 667 596</b>	<b>-2 204 455</b>	<b>-714 394</b>	<b>-1 019 416</b>	<b>54 080</b>	<b>-1 112 333</b>	<b>2 973 426</b>	<b>1 694 079</b>	<b>3 610 676</b>	<b>55 504</b>
<b>CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>-2 667 596</b>	<b>-2 204 455</b>	<b>-714 394</b>	<b>-1 019 416</b>	<b>54 080</b>	<b>-1 112 333</b>	<b>2 973 426</b>	<b>1 694 079</b>	<b>3 610 676</b>	<b>55 504</b>
<b>TRANSACTIONS IN NONFINANCIAL ASSETS</b>										
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 419 467</b>	<b>1 553 668</b>	<b>1 555 792</b>	<b>829 004</b>	<b>2 954 080</b>	<b>84 367</b>	<b>352 807</b>	<b>720 258</b>	<b>1 541 978</b>	<b>384 546</b>
311 Fixed assets	1 384 609	1 516 968	1 595 121	822 767	2 999 099	249 141	333 946	705 830	1 650 918	362 000
312 Change in inventories	0	0	-80 226	-19 519	-168 139	-173 789	-1 891	-1 900	-163 057	14 523
313 Valuables	7 518	7 220	7 826	3 217	7 704	1 256	4 416	1 387	8 144	1 086
314 Nonproduced assets	27 340	29 480	33 072	22 539	115 416	7 759	16 336	14 941	45 974	6 937
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-4 087 063</b>	<b>-3 758 123</b>	<b>-2 270 186</b>	<b>-1 848 421</b>	<b>-2 900 000</b>	<b>-1 196 700</b>	<b>2 620 619</b>	<b>973 821</b>	<b>2 068 697</b>	<b>-329 042</b>
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>										
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322)</b>	<b>221 977</b>	<b>1 752 825</b>	<b>-3 047 174</b>	<b>-2 813 142</b>	<b>-595 028</b>	<b>345 952</b>	<b>897 297</b>	<b>574 909</b>	<b>640 681</b>	<b>-1 177 477</b>
321 Domestic	212 192	1 757 681	-3 063 855	-2 827 142	-608 456	345 952	889 264	574 909	632 648	-1 177 477
322 Foreign	9 786	-4 857	16 681	14 000	13 428	0	8 033	0	8 033	0
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>4 309 040</b>	<b>5 510 948</b>	<b>-776 988</b>	<b>-964 721</b>	<b>2 304 972</b>	<b>1 542 653</b>	<b>-1 723 323</b>	<b>-398 912</b>	<b>-1 428 016</b>	<b>-848 434</b>
331 Domestic	4 038 705	10 591 560	3 166 260	-903 376	4 245 541	2 114 689	-1 429 551	1 717 456	1 554 427	-848 167
332 Foreign	270 335	-5 080 612	-3 943 248	-61 345	-1 940 569	-572 037	-293 772	-2 116 367	-2 982 443	-268

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
X 2005	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
VIII	8 465 491	7 701 843	763 647	273 643	1 037 290
IX	8 054 253	7 741 990	312 263	319 183	631 446
X	8 363 146	8 176 028	187 118	203 148	390 266
XI	8 406 749	7 993 898	412 850	318 984	731 834
XII	8 362 630	9 903 664	-1 541 034	413 083	-1 127 951
I-XII 2006	95 235 856	95 871 899	-636 043	4 713 615	4 077 573
I 2007	8 250 839	7 726 608	524 231	362 483	886 715
II	7 797 109	8 533 344	-736 235	602 320	-133 914
III	7 803 192	8 703 522	-900 330	715 479	-184 851
IV	10 346 796	8 511 501	1 835 294	291 798	2 127 093
V	8 757 769	8 076 340	681 429	273 681	955 110
VI	8 607 371	8 150 668	456 703	370 591	827 293
VII	9 334 284	8 599 048	735 236	392 963	1 128 199
VIII	9 705 393	9 442 172	263 221	333 341	596 562
IX	9 702 758	9 007 136	695 622	373 651	1 069 273
X	9 210 339	9 154 836	55 504	174 608	230 111
I-X 2007	89 515 848	85 905 173	3 610 676	3 890 916	7 501 591

Note: See notes on methodology

## MEASURES OF BUDGETARY CENTRAL GOVERNMENT DEFICIT/SURPLUS

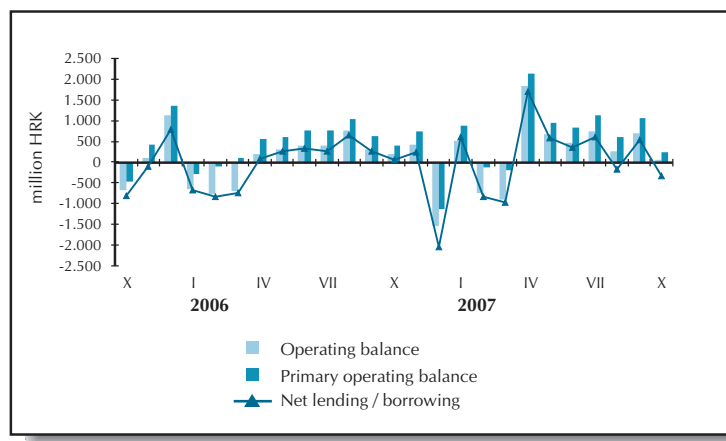


TABLE 8B: NET LENDING / BORROWING (000 HRK)

	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)
X 2005	-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
VIII	763 647	117 573	646 075	-646 075	435 927	-210 148
IX	312 263	50 598	261 665	-261 665	-218 017	-479 682
X	187 118	138 082	49 037	-49 037	80 804	31 767
XI	412 850	178 288	234 563	-234 563	652 822	418 259
XII	-1 541 034	512 635	-2 053 669	2 053 669	-3 468 424	-1 414 755
I-XII 2006	-636 043	1 555 792	-2 191 835	2 191 835	-2 968 831	-776 996
I 2007	524 231	-81 868	606 100	-606 100	150 000	-456 099
II	-736 235	96 780	-833 015	833 015	981 566	1 814 581
III	-900 330	69 455	-969 785	969 785	-785 614	184 171
IV	1 835 294	139 868	1 695 426	-1 695 426	1 306 773	-388 654
V	681 429	106 710	574 719	-574 719	-176 337	-751 056
VI	456 703	106 229	350 474	-350 474	-233 139	-583 613
VII	735 236	122 206	613 030	-613 030	-683 706	-1 296 737
VIII	263 221	430 038	-166 817	166 817	568 214	735 031
IX	695 622	168 015	527 607	-527 607	690 402	162 795
X	55 504	384 546	-329 042	329 042	-1 177 477	-848 434
I-X 2007	3 610 676	1 541 978	2 068 697	-2 068 697	640 681	-1 428 016

\* GFS 2001

Note: See notes on methodology

TABLE 9: THE CROATIAN WATERS TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 658 435</b>	<b>1 715 607</b>	<b>1 971 613</b>	<b>797 616</b>	<b>2 447 990</b>	<b>430 742</b>	<b>494 590</b>	<b>657 402</b>	<b>1 878 794</b>	<b>296 060</b>	<b>76,75</b>
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants (131+132+133)	434 004	487 813	444 762	209 197	577 990	39 575	41 090	141 550	316 963	94 748	54,84
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
132	From international organizations	0	0	0	0	39 500	0	3 501	6 965	10 790	324	27,32
133	From other general government units (1331+1332)	434 004	487 813	444 762	209 197	538 490	39 575	37 589	134 585	306 173	94 424	56,86
1331	Current	105 340	203 499	89 259	7 162	3 000	0	0	0	0	0	
1332	Capital	328 664	284 314	355 503	202 035	535 490	39 575	37 589	134 585	306 173	94 424	57,18
14	Other revenue	1 224 431	1 227 794	1 526 851	588 419	1 870 000	391 167	453 500	515 852	1 561 831	201 312	83,52
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 426 283</b>	<b>1 489 465</b>	<b>1 779 088</b>	<b>695 834</b>	<b>2 138 990</b>	<b>332 546</b>	<b>378 906</b>	<b>554 351</b>	<b>1 453 665</b>	<b>187 862</b>	<b>67,96</b>
21	Compensation of employees (211+212)	93 675	99 418	111 293	35 750	126 750	27 911	29 523	28 583	94 844	8 827	74,83
211	Wages and salaries	80 618	85 524	96 298	31 321	109 050	24 167	25 295	24 488	81 526	7 576	74,76
212	Social contributions	13 057	13 894	14 995	4 429	17 700	3 744	4 228	4 095	13 318	1 251	75,24
22	Use of goods and services	743 383	790 683	1 072 478	366 614	1 169 902	163 653	286 905	353 350	901 148	97 240	77,03
24	Interest	37 907	33 734	31 692	8 590	32 560	8 214	7 700	9 119	27 468	2 435	84,36
25	Subsidies	0	0	0	0	0	0	0	0	0	0	
26	Grants	0	0	53 751	28 072	60 500	2 977	3 556	17 512	29 464	5 419	48,70
27	Social benefits	0	0	0	0	0	0	0	0	0	0	
28	Other expense	551 318	565 630	509 874	256 808	749 278	129 791	51 222	145 787	400 741	73 941	53,48
<b>Net-gross operating balance (1-2)</b>		<b>232 152</b>	<b>226 142</b>	<b>192 525</b>	<b>101 782</b>	<b>309 000</b>	<b>98 196</b>	<b>115 684</b>	<b>103 051</b>	<b>425 129</b>	<b>108 198</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	282 527	230 292	223 123	165 886	279 000	60 510	25 509	75 465	192 272	30 788	68,91
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	282 797	230 588	224 983	166 907	281 500	62 235	25 978	75 501	194 838	31 124	69,21
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	270	296	1 860	1 021	2 500	1 725	469	36	2 566	336	102,64
311	Fixed assets (311,1-311,2-311,3)	277 053	224 415	208 532	158 468	271 000	59 582	22 244	58 420	157 446	17 200	58,10
311,1	Acquisitions: fixed assets	277 323	224 711	210 392	159 489	273 500	61 307	22 713	58 456	160 012	17 536	58,51
311,2	Disposals: fixed assets	270	296	1 860	1 021	2 500	1 725	469	36	2 566	336	102,64
314	Nonproduced assets (314,1-314,2-314,3-314,4)	5 474	5 877	14 591	7 418	8 000	928	3 265	17 045	34 826	13 588	238,68
314,1	Acquisitions: nonproduced assets	5 474	5 877	14 591	7 418	8 000	928	3 265	17 045	34 826	13 588	238,68
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-50 375</b>	<b>-4 150</b>	<b>-30 598</b>	<b>-64 104</b>	<b>30 000</b>	<b>37 686</b>	<b>90 175</b>	<b>27 586</b>	<b>232 857</b>	<b>77 410</b>	
<b>Financing (33-32)</b>		<b>50 375</b>	<b>4 150</b>	<b>30 598</b>	<b>64 104</b>	<b>-30 000</b>	<b>-37 686</b>	<b>-90 175</b>	<b>-27 586</b>	<b>-232 857</b>	<b>-77 410</b>	
32	Net acquisition of financial assets (321+322)	-11 385	5 284	-32 316	11 723	70 000	21 936	68 061	19 224	178 713	69 492	
321	Domestic	-11 385	5 284	-32 316	11 723	70 000	21 936	68 061	19 224	178 713	69 492	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	38 990	9 434	-1 718	75 827	40 000	-15 750	-22 114	-8 362	-54 144	-7 918	
331	Domestic	42 859	-26 179	12 778	74 619	-8 000	-19 010	-25 335	-21 973	-74 236	-7 918	
332	Foreign	-3 869	35 613	-14 496	1 208	48 000	3 260	3 221	13 611	20 092	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 10: THE ENVIRONMENT PROTECTION FUND TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>172 273</b>	<b>214 737</b>	<b>660 190</b>	<b>268 398</b>	<b>965 400</b>	<b>174 533</b>	<b>241 675</b>	<b>299 453</b>	<b>820 168</b>	<b>104 507</b>	<b>84,96</b>
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants (131+132+133)	1 525	0	350	350	0	0	0	0	0	0	
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
132	From international organizations	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	1 525	0	350	350	0	0	0	0	0	0	
1331	Current	1 525	0	350	350	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	0	0	0	0	0	
14	Other revenue	170 748	214 737	659 840	268 048	965 400	174 533	241 675	299 453	820 168	104 507	84,96
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>32 443</b>	<b>172 045</b>	<b>734 764</b>	<b>274 515</b>	<b>888 271</b>	<b>194 299</b>	<b>222 644</b>	<b>264 728</b>	<b>806 918</b>	<b>125 247</b>	<b>90,84</b>
21	Compensation of employees (211+212)	1 905	3 966	6 843	2 396	12 941	2 450	3 048	3 004	9 996	1 494	77,25
211	Wages and salaries	1 633	3 407	5 864	2 041	11 085	2 103	2 633	2 570	8 584	1 278	77,44
212	Social contributions	272	559	979	355	1 856	347	415	434	1 412	216	76,10
22	Use of goods and services	2 734	12 162	608 913	216 588	695 260	171 623	206 089	220 881	714 377	115 784	102,75
24	Interest	0	0	0	0	0	0	0	0	0	0	
25	Subsidies	0	5 189	13 803	303	45 300	3 672	2 629	5 524	12 007	182	26,51
26	Grants	0	149 780	102 355	53 471	120 900	15 902	10 126	34 009	66 656	6 619	55,13
27	Social benefits	0	0	0	0	0	0	0	0	0	0	
28	Other expense	27 804	948	2 850	1 757	13 871	652	752	1 310	3 882	1 168	27,99
<b>Net-gross operating balance (1-2)</b>		<b>139 830</b>	<b>42 692</b>	<b>-74 574</b>	<b>-6 117</b>	<b>77 129</b>	<b>-19 766</b>	<b>19 031</b>	<b>34 725</b>	<b>13 250</b>	<b>-20 740</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	1 786	12 917	14 151	12 063	27 563	13 505	2 252	3 808	19 803	238	71,85
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	1 786	12 917	14 287	12 063	27 563	13 522	2 302	3 808	19 870	238	72,09
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	0	136	0	0	17	50	0	67	0	
311	Fixed assets (311,1-311,2-311,3)	1 553	12 742	2 520	1 585	15 550	5 322	1 590	847	7 759	0	49,90
311,1	Acquisitions: fixed assets	1 553	12 742	2 656	1 585	15 550	5 339	1 640	847	7 826	0	50,33
311,2	Disposals: fixed assets	0	0	136	0	0	17	50	0	67	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	233	175	11 631	10 478	12 013	8 183	662	2 961	12 044	238	100,26
314,1	Acquisitions: nonproduced assets	233	175	11 631	10 478	12 013	8 183	662	2 961	12 044	238	100,26
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>138 044</b>	<b>29 775</b>	<b>-88 725</b>	<b>-18 180</b>	<b>49 566</b>	<b>-33 271</b>	<b>16 779</b>	<b>30 917</b>	<b>-6 553</b>	<b>-20 978</b>	
<b>Financing (33-32)</b>		<b>-138 044</b>	<b>-29 775</b>	<b>88 725</b>	<b>18 180</b>	<b>-49 566</b>	<b>33 271</b>	<b>-16 779</b>	<b>-30 917</b>	<b>6 553</b>	<b>20 978</b>	
32	Net acquisition of financial assets (321+322)	138 044	29 775	-88 725	-18 180	109 566	-33 271	16 779	30 917	-6 553	-20 978	
321	Domestic	138 044	29 775	-88 725	-18 180	109 566	-33 271	16 779	30 917	-6 553	-20 978	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	0	0	0	0	60 000	0	0	0	0	0	
331	Domestic	0	0	0	0	30 000	0	0	0	0	0	
332	Foreign	0	0	0	0	30 000	0	0	0	0	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 11: THE CROATIAN MOTORWAYS Ltd. TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII -IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>2 295 423</b>	<b>2 547 003</b>	<b>2 721 483</b>	<b>672 928</b>	<b>4 304 065</b>	<b>554 476</b>	<b>729 978</b>	<b>981 840</b>	<b>2 531 688</b>	<b>265 394</b>	<b>58,82</b>
<b>11</b>	<b>Taxes</b>	<b>1 341 683</b>	<b>1 380 753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
1142	Excises	1 341 683	1 380 753	0	0	0	0	0	0	0	0	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+132+133)</b>	<b>0</b>	<b>0</b>	<b>1 450 358</b>	<b>379 589</b>	<b>3 025 107</b>	<b>316 773</b>	<b>374 169</b>	<b>450 041</b>	<b>1 286 241</b>	<b>145 258</b>	<b>42,52</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
132	From international organizations	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	1 450 358	379 589	3 025 107	316 773	374 169	450 041	1 286 241	145 258	42,52
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	1 450 358	379 589	3 025 107	316 773	374 169	450 041	1 286 241	145 258	42,52
<b>14</b>	<b>Other revenue</b>	<b>953 740</b>	<b>1 166 250</b>	<b>1 271 125</b>	<b>293 339</b>	<b>1 278 958</b>	<b>237 703</b>	<b>355 809</b>	<b>531 799</b>	<b>1 245 447</b>	<b>120 136</b>	<b>97,38</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>756 796</b>	<b>1 088 687</b>	<b>1 574 490</b>	<b>535 714</b>	<b>1 793 580</b>	<b>343 052</b>	<b>514 269</b>	<b>343 805</b>	<b>1 359 654</b>	<b>158 528</b>	<b>75,81</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>236 353</b>	<b>289 866</b>	<b>320 097</b>	<b>84 287</b>	<b>363 418</b>	<b>82 595</b>	<b>83 694</b>	<b>98 706</b>	<b>291 188</b>	<b>26 193</b>	<b>80,12</b>
211	Wages and salaries	203 955	250 374	276 180	72 520	314 257	71 317	72 044	84 598	250 432	22 473	79,69
212	Social contributions	32 398	39 492	43 917	11 767	49 161	11 278	11 650	14 108	40 756	3 720	82,90
<b>22</b>	<b>Use of goods and services</b>	<b>258 509</b>	<b>314 534</b>	<b>301 452</b>	<b>93 961</b>	<b>266 109</b>	<b>63 067</b>	<b>100 011</b>	<b>82 947</b>	<b>282 859</b>	<b>36 834</b>	<b>106,29</b>
<b>24</b>	<b>Interest</b>	<b>191 132</b>	<b>445 185</b>	<b>589 173</b>	<b>237 175</b>	<b>811 028</b>	<b>116 150</b>	<b>280 254</b>	<b>74 985</b>	<b>541 771</b>	<b>70 382</b>	<b>66,80</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>4 542</b>	<b>3 610</b>	<b>301 777</b>	<b>87 805</b>	<b>282 555</b>	<b>68 562</b>	<b>48 620</b>	<b>82 062</b>	<b>218 333</b>	<b>19 089</b>	<b>77,27</b>
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>66 260</b>	<b>35 492</b>	<b>61 991</b>	<b>32 486</b>	<b>70 471</b>	<b>12 678</b>	<b>1 690</b>	<b>5 105</b>	<b>25 503</b>	<b>6 030</b>	<b>36,19</b>
	<b>Net-gross operating balance (1-2)</b>	<b>1 538 627</b>	<b>1 458 316</b>	<b>1 146 993</b>	<b>137 214</b>	<b>2 510 485</b>	<b>211 424</b>	<b>215 709</b>	<b>638 035</b>	<b>1 172 034</b>	<b>106 866</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>5 778 694</b>	<b>3 942 727</b>	<b>2 949 761</b>	<b>769 336</b>	<b>4 547 325</b>	<b>582 659</b>	<b>823 712</b>	<b>1 003 657</b>	<b>2 683 832</b>	<b>273 804</b>	<b>59,02</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	5 778 694	3 942 727	3 249 761	1 069 336	4 547 325	595 911	823 712	1 003 657	2 697 084	273 804	59,31
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	0	300 000	300 000	0	13 252	0	0	13 252	0	
311	Fixed assets (311,1-311,2-311,3)	5 697 892	3 825 950	2 748 525	745 447	4 217 962	548 763	787 927	915 816	2 578 930	326 424	61,14
311,1	Acquisitions: fixed assets	5 697 892	3 825 950	3 048 525	1 045 447	4 217 962	562 015	787 927	915 816	2 592 182	326 424	61,46
311,2	Disposals: fixed assets	0	0	300 000	300 000	0	13 252	0	0	13 252	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	80 802	116 777	201 236	23 889	329 363	33 896	35 785	87 841	104 902	-52 620	31,85
314,1	Acquisitions: nonproduced assets	80 802	116 777	201 236	23 889	329 363	33 896	35 785	87 841	104 902	-52 620	31,85
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
	<b>Net lending - borrowing (1-2-31)</b>	<b>-4 240 067</b>	<b>-2 484 411</b>	<b>-1 802 768</b>	<b>-632 122</b>	<b>-2 036 840</b>	<b>-371 235</b>	<b>-608 003</b>	<b>-365 622</b>	<b>-1 511 798</b>	<b>-166 938</b>	
	<b>Financing (33-32)</b>	<b>4 240 067</b>	<b>2 484 411</b>	<b>1 802 768</b>	<b>632 122</b>	<b>2 036 840</b>	<b>371 235</b>	<b>608 003</b>	<b>365 622</b>	<b>1 511 798</b>	<b>166 938</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-162 274</b>	<b>-42 758</b>	<b>248 366</b>	<b>48 562</b>	<b>9 880</b>	<b>-234 657</b>	<b>101 490</b>	<b>-43 950</b>	<b>-196 966</b>	<b>-19 849</b>	
321	Domestic	-162 274	-42 758	248 366	48 562	9 880	-234 657	101 490	-43 950	-196 966	-19 849	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331-332)</b>	<b>4 077 793</b>	<b>2 441 653</b>	<b>2 051 134</b>	<b>680 684</b>	<b>2 046 720</b>	<b>136 578</b>	<b>709 493</b>	<b>321 672</b>	<b>1 314 832</b>	<b>147 089</b>	
331	Domestic	379 709	1 698 272	1 758 422	662 262	325 256	220 507	221 496	0	442 003	0	
332	Foreign	3 698 084	743 381	292 712	18 422	1 721 464	-83 929	487 997	321 672	872 829	147 089	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 12: THE CROATIAN ROADS Ltd. TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 417 787</b>	<b>1 474 714</b>	<b>1 804 019</b>	<b>494 235</b>	<b>1 883 282</b>	<b>390 128</b>	<b>458 531</b>	<b>558 460</b>	<b>1 581 306</b>	<b>174 187</b>	<b>83,97</b>
<b>11</b>	<b>Taxes</b>	<b>1 342 121</b>	<b>1 380 732</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
1142	Excises	1 342 121	1 380 732	0	0	0	0	0	0	0	0	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+132+133)</b>	<b>0</b>	<b>0</b>	<b>1 739 270</b>	<b>474 764</b>	<b>1 805 107</b>	<b>378 314</b>	<b>414 852</b>	<b>532 658</b>	<b>1 496 702</b>	<b>170 878</b>	<b>82,91</b>
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
132	From international organizations	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	0	1 739 270	474 764	1 805 107	378 314	414 852	532 658	1 496 702	170 878	82,91
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	0	1 739 270	474 764	1 805 107	378 314	414 852	532 658	1 496 702	170 878	82,91
<b>14</b>	<b>Other revenue</b>	<b>75 666</b>	<b>93 982</b>	<b>64 749</b>	<b>19 471</b>	<b>78 175</b>	<b>11 814</b>	<b>43 679</b>	<b>25 802</b>	<b>84 604</b>	<b>3 309</b>	<b>108,22</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>934 630</b>	<b>1 062 405</b>	<b>1 226 934</b>	<b>379 965</b>	<b>1 446 960</b>	<b>225 415</b>	<b>253 328</b>	<b>347 133</b>	<b>952 484</b>	<b>126 608</b>	<b>65,83</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>51 590</b>	<b>61 054</b>	<b>70 786</b>	<b>17 535</b>	<b>81 511</b>	<b>16 892</b>	<b>19 162</b>	<b>22 252</b>	<b>64 421</b>	<b>6 115</b>	<b>79,03</b>
211	Wages and salaries	44 349	52 452	60 787	15 112	70 107	14 483	16 482	19 057	55 265	5 243	78,83
212	Social contributions	7 241	8 602	9 999	2 423	11 404	2 409	2 680	3 195	9 156	872	80,29
<b>22</b>	<b>Use of goods and services</b>	<b>696 421</b>	<b>726 456</b>	<b>850 772</b>	<b>230 867</b>	<b>1 038 521</b>	<b>155 946</b>	<b>159 113</b>	<b>260 528</b>	<b>653 905</b>	<b>78 318</b>	<b>62,97</b>
<b>24</b>	<b>Interest</b>	<b>4 306</b>	<b>16 060</b>	<b>43 374</b>	<b>22 492</b>	<b>70 868</b>	<b>5 315</b>	<b>28 204</b>	<b>5 460</b>	<b>53 197</b>	<b>14 218</b>	<b>75,06</b>
<b>25</b>	<b>Subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>26</b>	<b>Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9 300</b>	<b>0</b>	<b>1 300</b>	<b>2 801</b>	<b>5 461</b>	<b>1 360</b>	<b>58,72</b>
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>182 313</b>	<b>258 835</b>	<b>262 002</b>	<b>109 071</b>	<b>246 760</b>	<b>47 262</b>	<b>45 549</b>	<b>56 092</b>	<b>175 500</b>	<b>26 597</b>	<b>71,12</b>
<b>Net-gross operating balance (1-2)</b>		<b>483 157</b>	<b>412 309</b>	<b>577 085</b>	<b>114 270</b>	<b>436 322</b>	<b>164 713</b>	<b>205 203</b>	<b>211 327</b>	<b>628 822</b>	<b>47 579</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>834 631</b>	<b>923 171</b>	<b>1 350 834</b>	<b>260 260</b>	<b>1 278 246</b>	<b>202 981</b>	<b>328 829</b>	<b>713 392</b>	<b>1 357 754</b>	<b>112 552</b>	<b>106,22</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	835 907	926 359	1 351 622	260 454	1 278 506	203 226	329 009	713 722	1 358 562	112 605	106,26
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	1 276	3 188	788	194	260	245	180	330	808	53	310,77
311	Fixed assets (311,1-311,2-311,3)	742 582	833 817	1 227 447	229 215	1 164 842	165 761	262 943	679 761	1 199 556	91 091	102,98
311,1	Acquisitions: fixed assets	743 858	837 005	1 228 235	229 409	1 165 102	166 006	263 123	680 091	1 200 364	91 144	103,03
311,2	Disposals: fixed assets	1 276	3 188	788	194	260	245	180	330	808	53	310,77
314	Nonproduced assets (314,1-314,2-314,3-314,4)	92 049	89 354	123 387	31 045	113 404	37 220	65 886	33 631	158 198	21 461	139,50
314,1	Acquisitions: nonproduced assets	92 049	89 354	123 387	31 045	113 404	37 220	65 886	33 631	158 198	21 461	139,50
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-351 474</b>	<b>-510 862</b>	<b>-773 749</b>	<b>-145 990</b>	<b>-841 924</b>	<b>-38 268</b>	<b>-123 626</b>	<b>-502 065</b>	<b>-728 932</b>	<b>-64 973</b>	
<b>Financing (33-32)</b>		<b>351 474</b>	<b>510 862</b>	<b>773 749</b>	<b>145 990</b>	<b>841 924</b>	<b>38 268</b>	<b>123 626</b>	<b>502 065</b>	<b>728 932</b>	<b>64 973</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>296</b>	<b>50 297</b>	<b>-29 083</b>	<b>44 762</b>	<b>0</b>	<b>-41 091</b>	<b>-96 066</b>	<b>98 966</b>	<b>-103 164</b>	<b>-64 973</b>	
321	Domestic	296	50 297	-29 083	44 762	0	-41 091	-96 066	98 966	-103 164	-64 973	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>351 770</b>	<b>561 159</b>	<b>744 666</b>	<b>190 752</b>	<b>841 924</b>	<b>-2 823</b>	<b>27 560</b>	<b>601 031</b>	<b>625 768</b>	<b>0</b>	
331	Domestic	100 000	302 376	471 685	69 451	526 454	-7 033	0	491 270	484 237	0	
332	Foreign	251 770	258 783	272 981	121 301	315 470	4 210	27 560	109 761	141 531	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 13: THE STATE AGENCY FOR DEPOSIT INSURANCE AND BANKS REHABILITATION TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>575 893</b>	<b>367 438</b>	<b>409 581</b>	<b>126 133</b>	<b>771 585</b>	<b>91 675</b>	<b>99 803</b>	<b>98 018</b>	<b>317 612</b>	<b>28 116</b>	<b>41,16</b>
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants (131+132+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	
132	From international organizations	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	575 893	367 438	409 581	126 133	771 585	91 675	99 803	98 018	317 612	28 116	41,16
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>314 474</b>	<b>182 993</b>	<b>27 354</b>	<b>7 432</b>	<b>57 079</b>	<b>22 070</b>	<b>14 328</b>	<b>6 820</b>	<b>44 830</b>	<b>1 612</b>	<b>78,54</b>
21	Compensation of employees (211+212)	4 678	5 621	5 713	1 536	7 511	1 306	1 393	1 699	4 872	474	64,86
211	Wages and salaries	4 010	4 821	4 896	1 315	6 420	1 118	1 192	1 461	4 177	406	65,06
212	Social contributions	668	800	817	221	1 091	188	201	238	695	68	63,70
22	Use of goods and services	10 664	21 092	12 472	5 235	24 368	5 734	10 777	1 896	19 278	871	79,11
24	Interest	136 971	121 940	239	0	500	0	320	12	332	0	66,40
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	162 161	1 511	1 357	376	2 000	118	186	14	319	1	15,95
28	Other expense	0	32 829	7 573	285	22 700	14 912	1 652	3 199	20 029	266	88,23
<b>Net-gross operating balance (1-2)</b>		<b>261 419</b>	<b>184 445</b>	<b>382 227</b>	<b>118 701</b>	<b>714 506</b>	<b>69 605</b>	<b>85 475</b>	<b>91 198</b>	<b>272 782</b>	<b>26 504</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	27 624	14 131	493	31	-14 935	-19 998	74	961	-18 963	0	126,97
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	27 624	14 232	565	31	6 665	102	74	1 022	1 198	0	17,97
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	101	72	0	21 600	20 100	0	61	20 161	0	93,34
311	Fixed assets (311,1-311,2-311,3)	27 624	11 115	493	31	5 065	-19 998	74	961	-18 963	0	
311,1	Acquisitions: fixed assets	27 624	11 216	565	31	6 665	102	74	1 022	1 198	0	17,97
311,2	Disposals: fixed assets	0	101	72	0	1 600	20 100	0	61	20 161	0	1 260,06
<b>Net lending - borrowing (1-2-31)</b>		<b>233 795</b>	<b>170 314</b>	<b>381 734</b>	<b>118 670</b>	<b>729 441</b>	<b>89 603</b>	<b>85 401</b>	<b>90 237</b>	<b>291 745</b>	<b>26 504</b>	
<b>Financing (33-32)</b>		<b>-233 795</b>	<b>-170 314</b>	<b>-381 734</b>	<b>-118 670</b>	<b>-729 441</b>	<b>-89 603</b>	<b>-85 401</b>	<b>-90 237</b>	<b>-291 745</b>	<b>-26 504</b>	
32	Net acquisition of financial assets (321+322)	-134 228	-349 252	381 734	118 670	729 441	89 603	85 401	90 237	291 745	26 504	
321	Domestic	-134 228	-349 252	381 734	118 670	729 441	89 603	85 401	90 237	291 745	26 504	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	-368 023	-519 566	0	0	0	0	0	0	0	0	
331	Domestic	-368 023	-519 566	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 14: THE CROATIAN PRIVATIZATION FUND TRANSACTIONS

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>62 946</b>	<b>237 044</b>	<b>65 871</b>	<b>10 276</b>	<b>44 400</b>	<b>12 623</b>	<b>9 660</b>	<b>7 760</b>	<b>34 431</b>	<b>4 388</b>	<b>77,55</b>
11	Taxes	0	0	0	0	0	0	0	0	0	0	
12	Social security contributions	0	0	0	0	0	0	0	0	0	0	
13	Grants (131+132+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	
132	From international organizations	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	62 946	237 044	65 871	10 276	44 400	12 623	9 660	7 760	34 431	4 388	77,55
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>60 141</b>	<b>182 119</b>	<b>78 375</b>	<b>22 877</b>	<b>86 720</b>	<b>17 416</b>	<b>25 200</b>	<b>19 708</b>	<b>69 131</b>	<b>6 807</b>	<b>79,72</b>
21	Compensation of employees (211+212)	31 044	35 996	31 920	6 793	38 965	7 772	10 438	8 769	29 659	2 680	76,12
211	Wages and salaries	26 721	31 273	27 508	5 605	34 038	6 689	9 031	7 634	25 545	2 191	75,05
212	Social contributions	4 323	4 723	4 412	1 188	4 927	1 083	1 407	1 135	4 114	489	83,50
22	Use of goods and services	29 097	33 545	30 039	11 408	33 239	8 282	8 453	6 794	26 572	3 043	79,94
24	Interest	0	0	16 416	4 676	14 516	1 362	6 309	4 145	12 900	1 084	88,87
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	112 578	0	0	0	0	0	0	0	0	
<b>Net-gross operating balance (1-2)</b>		<b>2 805</b>	<b>54 925</b>	<b>-12 504</b>	<b>-12 601</b>	<b>-42 320</b>	<b>-4 793</b>	<b>-15 540</b>	<b>-11 948</b>	<b>-34 700</b>	<b>-2 419</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	-24 444	-40 272	-51 175	6 197	-15 413	-12 730	1 414	-2 354	-15 505	-1 835	100,60
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	725	2 061	2 907	1 325	83 287	325	1 556	20	1 909	8	2,29
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	25 169	42 333	54 082	-4 872	98 700	13 055	142	2 374	17 414	1 843	17,64
311	Fixed assets (311,1-311,2-311,3)	-24 444	-40 272	-51 175	6 197	-15 413	-12 730	1 414	-2 354	-15 505	-1 835	100,60
311,1	Acquisitions: fixed assets	725	2 061	2 907	1 325	83 287	325	1 556	20	1 909	8	2,29
311,2	Disposals: fixed assets	25 169	42 333	54 082	-4 872	98 700	13 055	142	2 374	17 414	1 843	17,64
<b>Net lending - borrowing (1-2-31)</b>		<b>27 249</b>	<b>95 197</b>	<b>38 671</b>	<b>-18 798</b>	<b>-26 907</b>	<b>7 937</b>	<b>-16 954</b>	<b>-9 594</b>	<b>-19 195</b>	<b>-584</b>	
<b>Financing (33-32)</b>		<b>-27 249</b>	<b>-95 197</b>	<b>-38 671</b>	<b>18 798</b>	<b>26 907</b>	<b>-7 937</b>	<b>16 954</b>	<b>9 594</b>	<b>19 195</b>	<b>584</b>	
32	Net acquisition of financial assets (321+322)	15 293	100 403	-87 682	-24 904	-133 392	-246	-4 087	14 947	22 530	11 916	
321	Domestic	15 293	100 403	-87 682	-24 904	-133 392	-246	-4 087	14 947	22 530	11 916	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	-11 956	5 206	-126 353	-6 106	-106 485	-8 183	12 867	24 541	41 725	12 500	
331	Domestic	-11 956	5 206	-126 353	-6 106	-88 779	-8 183	18 081	32 078	54 476	12 500	
332	Foreign	0	0	0	0	-17 707	0	-5 214	-7 537	-12 751	0	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 15: CONSOLIDATED CENTRAL GOVERNMENT BY ECONOMIC CATEGORY

(000 HRK)	2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1 REVENUE (11+12+13+14)</b>	<b>87 019 284</b>	<b>92 642 473</b>	<b>100 392 605</b>	<b>26 909 367</b>	<b>113 587 978</b>	<b>24 768 255</b>	<b>28 917 282</b>	<b>30 248 790</b>	<b>93 614 067</b>	<b>9 679 740</b>	<b>82,42</b>
<b>11 Taxes (111+113+114+115+116)</b>	<b>49 833 666</b>	<b>53 449 049</b>	<b>58 469 091</b>	<b>15 345 731</b>	<b>64 148 605</b>	<b>14 017 755</b>	<b>17 286 246</b>	<b>17 074 213</b>	<b>54 034 073</b>	<b>5 655 859</b>	<b>84,23</b>
111 Taxes of income and profits and capital gains	6 259 713	7 057 112	8 515 615	2 179 950	10 078 339	2 188 372	3 729 640	2 392 630	9 179 711	869 070	91,08
113 Taxes on property	355 823	375 501	482 331	151 774	533 685	126 963	135 671	136 652	461 907	62 621	86,55
114 Taxes on goods and services (1141+1142+1144+1145+1146)	41 286 025	44 084 487	47 546 223	12 485 941	51 584 380	11 263 242	12 906 488	14 045 023	42 734 993	4 520 240	82,84
1141 General taxes on goods and services (11411+11412)	30 013 661	32 399 952	35 091 381	9 308 224	38 387 622	8 440 180	9 622 975	10 264 706	31 667 729	3 339 868	82,49
11411 Value-added taxes	29 864 905	32 243 372	34 931 750	9 268 244	38 212 839	8 399 864	9 578 712	10 221 678	31 525 122	3 324 868	82,50
11412 Sales taxes	148 757	156 580	159 631	39 980	174 784	40 316	44 264	43 027	142 607	15 000	81,59
1142 Excises	10 625 358	10 939 144	11 564 709	2 916 506	12 208 771	2 620 967	3 037 455	3 518 737	10 276 685	1 099 526	84,17
115 Taxes on international trade and transactions	1 590 727	1 562 930	1 588 456	439 962	1 615 059	357 299	430 257	426 464	1 387 701	173 682	85,92
116 Other taxes	341 377	369 019	336 466	88 104	337 141	81 879	84 192	73 444	269 761	30 246	80,01
<b>12 Social contributions</b>	<b>29 477 597</b>	<b>31 301 340</b>	<b>33 877 148</b>	<b>8 916 196</b>	<b>37 115 946</b>	<b>8 741 858</b>	<b>9 302 667</b>	<b>9 612 662</b>	<b>30 829 775</b>	<b>3 172 588</b>	<b>83,06</b>
<b>13 Grants</b>	<b>10 122</b>	<b>27 505</b>	<b>194 484</b>	<b>177 761</b>	<b>941 506</b>	<b>9 930</b>	<b>103 474</b>	<b>111 368</b>	<b>306 187</b>	<b>81 416</b>	<b>32,52</b>
<b>14 Other revenue</b>	<b>7 697 900</b>	<b>7 864 579</b>	<b>7 851 883</b>	<b>2 469 680</b>	<b>11 381 921</b>	<b>1 998 712</b>	<b>2 224 895</b>	<b>3 450 547</b>	<b>8 444 032</b>	<b>769 878</b>	<b>74,19</b>
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>86 941 437</b>	<b>92 332 140</b>	<b>98 751 408</b>	<b>27 386 050</b>	<b>109 528 777</b>	<b>25 361 209</b>	<b>25 318 294</b>	<b>27 488 323</b>	<b>87 526 075</b>	<b>9 358 249</b>	<b>79,91</b>
<b>21 Compensation of employees (211+212)</b>	<b>23 265 724</b>	<b>24 300 115</b>	<b>25 512 962</b>	<b>6 533 483</b>	<b>28 109 046</b>	<b>6 646 452</b>	<b>7 023 219</b>	<b>7 273 230</b>	<b>23 223 877</b>	<b>2 280 977</b>	<b>82,62</b>
211 Wages and salaries	19 750 868	20 665 832	21 699 724	5 556 715	23 658 358	5 629 298	5 994 240	5 993 532	19 554 205	1 937 134	82,65
212 Social contributions	3 514 856	3 634 283	3 813 238	976 768	4 450 688	1 017 154	1 028 978	1 279 698	3 669 673	343 843	82,45
<b>22 Use of goods and services</b>	<b>6 327 741</b>	<b>7 100 232</b>	<b>9 193 481</b>	<b>3 259 160</b>	<b>10 929 724</b>	<b>2 019 010</b>	<b>2 355 889</b>	<b>2 576 207</b>	<b>7 935 107</b>	<b>984 002</b>	<b>72,60</b>
<b>24 Interest</b>	<b>4 343 680</b>	<b>5 004 650</b>	<b>5 397 046</b>	<b>1 208 954</b>	<b>5 516 288</b>	<b>1 811 324</b>	<b>1 258 857</b>	<b>1 193 676</b>	<b>4 526 584</b>	<b>262 727</b>	<b>82,06</b>
<b>25 Subsidies</b>	<b>4 968 069</b>	<b>5 253 933</b>	<b>5 684 592</b>	<b>1 582 451</b>	<b>6 063 059</b>	<b>1 656 574</b>	<b>1 268 304</b>	<b>1 567 358</b>	<b>5 138 153</b>	<b>645 917</b>	<b>84,75</b>
<b>26 Grants</b>	<b>2 162 993</b>	<b>2 804 760</b>	<b>2 838 842</b>	<b>1 117 694</b>	<b>3 656 639</b>	<b>567 682</b>	<b>666 863</b>	<b>753 167</b>	<b>2 341 944</b>	<b>354 232</b>	<b>64,05</b>
<b>27 Social benefits</b>	<b>40 645 794</b>	<b>41 930 232</b>	<b>44 192 851</b>	<b>11 489 318</b>	<b>48 540 710</b>	<b>11 556 437</b>	<b>11 410 618</b>	<b>12 723 388</b>	<b>39 802 861</b>	<b>4 112 419</b>	<b>82,00</b>
<b>28 Other expense</b>	<b>5 227 438</b>	<b>5 938 219</b>	<b>5 931 633</b>	<b>2 194 992</b>	<b>6 713 311</b>	<b>1 103 733</b>	<b>1 334 543</b>	<b>1 401 298</b>	<b>4 557 549</b>	<b>717 975</b>	<b>67,89</b>
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>77 847</b>	<b>310 333</b>	<b>1 641 197</b>	<b>-476 683</b>	<b>4 059 202</b>	<b>-592 954</b>	<b>3 598 988</b>	<b>2 760 467</b>	<b>6 087 993</b>	<b>321 492</b>	
<b>3 CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>77 847</b>	<b>310 333</b>	<b>1 641 197</b>	<b>-476 683</b>	<b>4 059 202</b>	<b>-592 954</b>	<b>3 598 988</b>	<b>2 760 467</b>	<b>6 087 993</b>	<b>321 492</b>	
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>8 373 463</b>	<b>6 699 416</b>	<b>6 108 627</b>	<b>2 090 019</b>	<b>9 055 866</b>	<b>911 294</b>	<b>1 534 597</b>	<b>2 515 187</b>	<b>5 761 171</b>	<b>800 093</b>	<b>63,62</b>
311 Fixed assets	8 158 064	6 439 709	5 788 654	2 005 430	8 658 105	995 841	1 410 138	2 359 281	5 560 141	794 880	64,22
312 Inventories	0	0	-80 226	-19 519	-168 139	-173 789	-1 892	-1 900	-163 057	14 523	
313 Valuables	7 518	7 220	7 826	3 217	7 704	1 256	4 416	1 387	8 144	1 086	105,71
314 Nonproduced assets	207 881	252 487	392 374	100 891	558 196	87 986	121 934	156 419	355 944	-10 396	63,77
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-8 295 616</b>	<b>-6 389 083</b>	<b>-4 467 430</b>	<b>-2 566 703</b>	<b>-4 996 665</b>	<b>-1 504 248</b>	<b>2 064 391</b>	<b>245 280</b>	<b>326 821</b>	<b>-478 601</b>	
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>	<b>8 295 616</b>	<b>6 389 083</b>	<b>4 467 430</b>	<b>2 566 703</b>	<b>4 996 665</b>	<b>1 504 248</b>	<b>-2 064 391</b>	<b>-245 280</b>	<b>-326 821</b>	<b>478 601</b>	
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>28 384</b>	<b>1 609 760</b>	<b>-2 576 689</b>	<b>-2 590 267</b>	<b>190 466</b>	<b>148 226</b>	<b>1 068 875</b>	<b>785 250</b>	<b>826 986</b>	<b>-1 175 365</b>	
321 Domestic	18 598	1 614 616	-2 593 370	-2 604 267	177 039	148 226	1 060 842	785 250	818 953	-1 175 365	
322 Foreign	9 786	-4 857	16 681	14 000	13 428	0	8 033	0	8 033	0	
323 Monetary gold and SDRs	0	0	0	0	0	0	0	0	0	0	
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>8 324 000</b>	<b>7 998 843</b>	<b>1 890 741</b>	<b>-23 564</b>	<b>5 187 131</b>	<b>1 652 475</b>	<b>-995 517</b>	<b>539 970</b>	<b>500 165</b>	<b>-696 763</b>	
331 Domestic	4 107 680	12 041 678	5 282 792	-103 150	5 030 473	2 300 970	-1 215 309	2 218 831	2 460 907	-843 585	
332 Foreign	4 216 320	-4 042 835	-3 392 051	79 586	156 658	-648 496	219 792	-1 678 860	-1 960 742	146 821	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 16: CONSOLIDATED CENTRAL GOVERNMENT ACCORDING TO GOVERNMENT LEVEL

(000 HRK)		2004	2005	2006	X - XII 2006	New Plan 2007	I - III 2007	IV - VI 2007	VII - IX 2007	I - X 2007	X 2007	I - X 2007 New Plan 2007
<b>1</b>	<b>REVENUE (A+B)</b>	<b>87 019 284</b>	<b>92 642 473</b>	<b>100 392 605</b>	<b>26 909 367</b>	<b>113 587 978</b>	<b>24 768 255</b>	<b>28 917 282</b>	<b>30 248 790</b>	<b>93 614 067</b>	<b>9 679 740</b>	<b>82,42</b>
	A) Budgetary Central Government	80 463 518	85 653 010	95 234 057	25 132 226	108 496 960	23 848 740	27 709 655	28 736 430	89 505 164	9 210 339	82,50
	B) Extrabudgetary users (1+...+9)	6 555 766	6 989 463	5 158 548	1 777 141	5 091 018	919 515	1 207 627	1 512 360	4 108 903	469 401	80,71
	1. Croatian Institute for Pension Insurance	129 892	38 010	293 485	237 659	-	-	-	-	-	-	-
	2. Croatian Health Insurance Institute	663 139	863 868	848 683	220 491	-	-	-	-	-	-	-
	3. Croatian Employment Service	15 507	18 855	18 363	13 305	-	-	-	-	-	-	-
	4. Croatian Waters	1 224 431	1 227 794	1 526 851	588 419	1 952 500	391 167	457 001	549 528	1 606 641	208 945	82,29
	5. Environment Protection Fund	170 748	214 737	659 840	268 048	965 400	174 533	241 675	299 453	820 168	104 507	84,96
	6. Croatian motorways Ltd.	2 295 423	2 547 003	1 271 125	293 339	1 278 958	237 703	355 809	531 799	1 245 447	120 136	97,38
	7. Croatian roads Ltd.	1 417 787	1 474 714	64 749	19 471	78 175	11 814	43 679	25 802	84 604	3 309	108,22
	8. State Agency for Deposit Insurance and Bank Rehabilitation	575 893	367 438	409 581	126 133	771 585	91 675	99 803	98 018	317 612	28 116	41,16
	9. Croatian Privatization Fund	62 946	237 044	65 871	10 276	44 400	12 623	9 660	7 760	34 431	4 388	77,55
<b>2</b>	<b>EXPENSE (A+B)</b>	<b>86 941 437</b>	<b>92 332 140</b>	<b>98 751 408</b>	<b>27 386 050</b>	<b>109 528 777</b>	<b>25 361 209</b>	<b>25 318 294</b>	<b>27 488 323</b>	<b>87 526 075</b>	<b>9 358 249</b>	<b>79,91</b>
	A) Budgetary Central Government	81 861 164	86 715 598	91 979 693	25 005 935	103 409 031	24 294 973	23 959 539	26 036 641	83 063 187	8 772 034	80,32
	B) Extrabudgetary funds and agencies (1+...+9)	5 080 273	5 616 542	6 771 715	2 380 115	6 119 746	1 066 236	1 358 755	1 451 682	4 462 888	586 215	72,93
	1. Croatian Institute for Pension Insurance	587 420	382 162	565 857	266 833	-	-	-	-	-	-	-
	2. Croatian Health Insurance Institute	831 295	914 345	931 628	243 803	-	-	-	-	-	-	-
	3. Croatian Employment Service	141 333	145 931	155 002	40 947	-	-	-	-	-	-	-
	4. Croatian Waters	1 426 283	1 489 465	1 779 088	695 834	2 138 990	332 546	378 906	554 351	1 453 665	187 862	67,96
	5. Environment Protection Fund	32 443	172 045	734 764	274 515	888 271	194 299	222 644	264 728	806 918	125 247	90,84
	6. Croatian motorways Ltd.	752 254	1 085 077	1 272 713	447 909	1 511 025	274 490	465 649	261 743	1 141 321	139 439	75,53
	7. Croatian roads Ltd.	934 630	1 062 405	1 226 934	379 965	1 437 660	225 415	252 028	344 332	947 023	125 248	65,87
	8. State Agency for Deposit Insurance and Bank Rehabilitation	314 474	182 993	27 354	7 432	57 079	22 070	14 328	6 820	44 830	1 612	78,54
	9. Croatian Privatization Fund	60 141	182 119	78 375	22 877	86 720	17 416	25 200	19 708	69 131	6 807	79,72
	<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>77 847</b>	<b>310 333</b>	<b>1 641 197</b>	<b>-476 683</b>	<b>4 059 202</b>	<b>-592 954</b>	<b>3 598 988</b>	<b>2 760 467</b>	<b>6 087 993</b>	<b>321 492</b>	
<b>3</b>	<b>CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>77 847</b>	<b>310 333</b>	<b>1 641 197</b>	<b>-476 683</b>	<b>4 059 202</b>	<b>-592 954</b>	<b>3 598 988</b>	<b>2 760 467</b>	<b>6 087 993</b>	<b>321 492</b>	
<b>31</b>	<b>NET ACQUISITION OF NONFINANCIAL ASSETS</b>	<b>8 373 463</b>	<b>6 699 416</b>	<b>6 108 627</b>	<b>2 090 019</b>	<b>9 055 866</b>	<b>911 294</b>	<b>1 534 597</b>	<b>2 515 187</b>	<b>5 761 171</b>	<b>800 093</b>	<b>63,62</b>
	Acquisition (A+B)	8 648 383	7 024 180	6 836 371	2 490 430	9 660 873	1 207 729	1 613 012	2 583 580	6 229 816	825 496	64,49
	A) Budgetary Central Government	1 663 868	1 828 818	1 908 482	924 386	3 436 026	332 408	430 381	785 850	1 956 355	407 717	56,94
	B) Extrabudgetary users	6 984 515	5 195 362	4 927 889	1 566 044	6 224 847	875 321	1 182 631	1 797 730	4 273 461	417 779	68,65
	Disposals (A+B)	274 920	324 763	727 744	400 410	605 007	296 435	78 415	68 392	468 645	25 403	77,46
	A) Budgetary Central Government	244 401	275 149	352 690	95 381	481 947	248 041	77 574	65 591	414 377	23 171	85,98
	B) Extrabudgetary users	30 519	49 614	375 054	305 029	123 060	48 394	841	2 801	54 268	2 232	44,10
	<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-8 295 616</b>	<b>-6 389 083</b>	<b>-4 467 430</b>	<b>-2 566 703</b>	<b>-4 996 665</b>	<b>-1 504 248</b>	<b>2 064 391</b>	<b>245 280</b>	<b>326 821</b>	<b>-478 601</b>	
	<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>	<b>8 295 616</b>	<b>6 389 083</b>	<b>4 467 430</b>	<b>2 566 703</b>	<b>4 996 665</b>	<b>1 504 248</b>	<b>-2 064 391</b>	<b>-245 280</b>	<b>-326 821</b>	<b>478 601</b>	
<b>32</b>	<b>NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>28 384</b>	<b>1 609 760</b>	<b>-2 576 689</b>	<b>-2 590 267</b>	<b>190 466</b>	<b>148 226</b>	<b>1 068 875</b>	<b>785 250</b>	<b>826 986</b>	<b>-1 175 365</b>	
<b>321</b>	<b>Domestic (A+B)</b>	<b>18 599</b>	<b>1 614 616</b>	<b>-2 593 370</b>	<b>-2 604 267</b>	<b>177 039</b>	<b>148 226</b>	<b>1 060 842</b>	<b>785 250</b>	<b>818 953</b>	<b>-1 175 365</b>	
	A) Budgetary Central Government	138 578	1 747 681	-3 063 855	-2 827 142	-608 456	345 952	889 264	574 909	632 648	-1 177 477	
	B) Extrabudgetary users	-119 979	-133 065	470 485	222 875	785 494	-197 726	171 578	210 341	186 305	2 112	
<b>322</b>	<b>Foreign (A+B)</b>	<b>9 786</b>	<b>-4 857</b>	<b>16 681</b>	<b>14 000</b>	<b>13 428</b>	<b>0</b>	<b>8 033</b>	<b>0</b>	<b>8 033</b>	<b>0</b>	
	A) Budgetary Central Government	9 786	-4 857	16 681	14 000	13 428	0	8 033	0	8 033	0	
	B) Extrabudgetary users	0	0	0	0	0	0	0	0	0	0	
<b>323</b>	<b>Monetary gold and SDRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>33</b>	<b>NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>8 324 000</b>	<b>7 998 843</b>	<b>1 890 741</b>	<b>-23 564</b>	<b>5 187 131</b>	<b>1 652 475</b>	<b>-995 517</b>	<b>539 970</b>	<b>500 165</b>	<b>-696 763</b>	
<b>331</b>	<b>Domestic (A+B)</b>	<b>4 107 680</b>	<b>12 041 678</b>	<b>5 282 792</b>	<b>-103 150</b>	<b>5 030 473</b>	<b>2 300 970</b>	<b>-1 215 309</b>	<b>2 218 831</b>	<b>2 460 907</b>	<b>-843 585</b>	
	A) Budgetary Central Government	4 038 705	10 591 560	3 166 260	-903 376	4 245 541	2 114 689	-1 429 551	1 717 456	1 554 427	-848 167	
	B) Extrabudgetary users	68 975	1 450 118	2 116 532	800 226	784 932	186 281	214 242	501 375	906 480	4 582	
<b>332</b>	<b>Foreign (A+B)</b>	<b>4 216 320</b>	<b>-4 042 835</b>	<b>-3 392 051</b>	<b>79 586</b>	<b>156 658</b>	<b>-648 496</b>	<b>219 792</b>	<b>-1 678 860</b>	<b>-1 960 742</b>	<b>146 821</b>	
	A) Budgetary Central Government	270 335	-5 080 612	-3 943 248	-61 345	-1 940 569	-572 037	-293 772	-2 116 367	-2 982 443	-268	
	B) Extrabudgetary users	3 945 985	1 037 777	551 197	140 931	2 097 227	-76 459	513 564	437 507	1 021 701	147 089	

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

## MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT/SURPLUS

TABLE 16A: 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
X 2005	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
VIII	9 012 922	7 758 067	1 254 855	298 772	1 553 627
IX	8 474 254	7 939 879	534 375	334 411	868 786
X	8 868 501	8 378 504	489 997	252 828	742 825
XI	8 916 620	8 338 893	577 726	416 064	993 790
XII	9 112 193	10 654 655	-1 542 462	541 760	-1 000 702
I-XII 2006	100 380 552	98 737 410	1 643 142	5 398 744	7 041 886
I 2007	8 548 380	7 851 090	697 291	396 552	1 093 843
II	8 143 345	8 698 195	-554 850	681 410	126 560
III	8 076 530	8 811 925	-735 395	733 361	-2 034
IV	10 701 221	8 659 319	2 041 902	388 441	2 430 344
V	9 219 592	8 271 994	947 597	349 269	1 296 866
VI	8 996 470	8 386 981	609 489	521 147	1 130 635
VII	9 855 201	8 734 931	1 120 270	444 946	1 565 216
VIII	10 259 795	9 581 029	678 766	355 011	1 033 777
IX	10 133 794	9 172 363	961 431	393 719	1 355 150
X	9 679 740	9 358 249	321 492	262 727	584 218
I-X 2007	93 614 067	87 526 075	6 087 993	4 526 584	10 614 576

Note: See notes on methodology

## MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT / SURPLUS

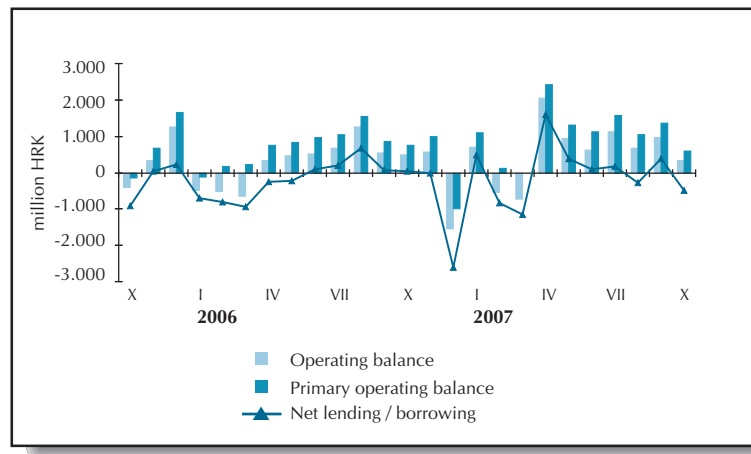


TABLE 16B: NET LENDING / BORROWING (000 HRK)

	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)
X 2005	-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
VIII	1 254 855	592 433	662 423	-662 423	628 927	-33 496
IX	534 375	459 196	75 179	-75 179	-92 149	-167 328
X	489 997	442 099	47 899	-47 899	264 848	216 949
XI	577 726	586 128	-8 402	8 402	500 484	508 885
XII	-1 542 462	1 054 144	-2 596 606	2 596 606	-3 346 076	-749 470
I-XII 2006	1 643 142	6 100 978	-4 457 836	4 457 836	-2 567 167	1 890 669
I 2007	697 291	215 838	481 453	-481 453	-71 368	-552 820
II	-554 850	283 183	-838 033	838 033	974 618	1 812 651
III	-735 395	412 273	-1 147 668	1 147 668	-755 024	392 644
IV	2 041 902	450 395	1 591 507	-1 591 507	1 267 803	-323 705
V	947 597	564 038	383 559	-383 559	-4 981	-388 540
VI	609 489	520 164	89 325	-89 325	-193 947	-283 272
VII	1 120 270	957 309	162 961	-162 961	-546 525	-709 487
VIII	678 766	967 228	-288 462	288 462	771 378	1 059 840
IX	961 431	590 651	370 780	-370 780	560 398	189 618
X	321 492	800 093	-478 601	478 601	-1 175 365	-696 763
I-X 2007	6 087 993	5 761 171	326 821	-326 821	826 986	500 165

\* Deficit according to GFS 2001 methodology

Note: See notes on methodology

TABLE 20: GENERAL GOVERNMENT DEBT STOCK

	31.12.2002 <sup>§</sup>		31.12.2003 <sup>§</sup>		31.12.2004 <sup>§</sup>		31.12.2005 <sup>§</sup>		31.12.2006 <sup>§</sup>		31.3.2007 <sup>§</sup>		30.6.2007 <sup>§</sup>		30.9.2007 <sup>§</sup>		31.10.2007 <sup>§</sup>	
	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP
<b>A. Foreign debt (A1+A2+A3)</b>	<b>40 240,4</b>	<b>22,2</b>	<b>45 676,4</b>	<b>23,0</b>	<b>50 240,7</b>	<b>23,4</b>	<b>45 363,6</b>	<b>19,6</b>	<b>41 635,6</b>	<b>16,6</b>	<b>40 749,2</b>	<b>14,9</b>	<b>40 504,4</b>	<b>14,8</b>	<b>38 604,2</b>	<b>14,1</b>	<b>39 104,0</b>	<b>14,3</b>
1. Central Government foreign debt	37 432,1	20,7	41 041,9	20,7	42 231,2	19,6	36 414,5	15,7	32 556,6	13,0	31 798,4	11,6	31 191,3	11,4	29 001,7	10,6	29 317,1	10,7
2. Foreign debt of Extrabudgetary funds	2 585,1	1,4	4 285,6	2,2	7 747,0	3,6	8 749,8	3,8	8 913,3	3,6	8 885,7	3,2	9 244,5	3,4	9 548,3	3,5	9 732,9	3,6
3. Local Government foreign debt	223,3	0,1	348,9	0,2	262,5	0,1	199,2	0,1	165,7	0,1	65,1	0,0	68,6	0,0	54,1	0,0	54,1	0,0
<b>B. Domestic debt (B1+B2+B3)</b>	<b>32 214,0</b>	<b>17,8</b>	<b>35 545,3</b>	<b>17,9</b>	<b>42 554,4</b>	<b>19,8</b>	<b>55 821,6</b>	<b>24,1</b>	<b>60 549,0</b>	<b>24,2</b>	<b>63 319,2</b>	<b>23,1</b>	<b>63 549,9</b>	<b>23,2</b>	<b>65 534,5</b>	<b>23,9</b>	<b>64 134,5</b>	<b>23,4</b>
1. Central Government domestic debt	23 320,0	12,9	28 160,8	14,2	37 223,7	17,3	50 559,5	21,9	54 216,7	21,6	56 553,6	20,7	56 616,2	20,7	58 174,9	21,3	56 675,2	20,7
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	5 168,2	2,1	5 371,9	2,0	5 540,7	2,0	6 029,5	2,2	6 129,2	2,2
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	1 164,1	0,5	1 393,7	0,5	1 393,0	0,5	1 330,1	0,5	1 330,1	0,5
<b>C. General Government total debt (C1+C2+C3)</b>	<b>72 454,4</b>	<b>40,0</b>	<b>81 221,6</b>	<b>40,9</b>	<b>92 795,2</b>	<b>43,2</b>	<b>101 185,2</b>	<b>43,7</b>	<b>102 184,6</b>	<b>40,8</b>	<b>104 068,4</b>	<b>38,0</b>	<b>104 054,3</b>	<b>38,0</b>	<b>104 138,7</b>	<b>38,0</b>	<b>103 238,5</b>	<b>37,7</b>
1. Central Government total debt (A1+B1)	60 752,1	33,5	69 202,7	34,9	79 454,9	37,0	86 974,1	37,6	86 773,3	34,6	88 352,0	32,3	87 807,6	32,1	87 176,7	31,8	85 992,3	31,4
2. Total debt of Extrabudgetary funds (A2+B2)	10 244,2	5,7	10 533,1	5,3	11 658,2	5,4	12 684,8	5,5	14 081,5	5,6	14 257,6	5,2	14 785,2	5,4	15 577,8	5,7	15 862,1	5,8
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	1 329,8	0,5	1 458,8	0,5	1 461,6	0,5	1 384,2	0,5	1 384,2	0,5
<b>Total guarantees of the Republic of Croatia</b>	<b>16 079,2</b>	<b>8,9</b>	<b>15 419,2</b>	<b>7,8</b>	<b>12 262,3</b>	<b>5,7</b>	<b>12 455,1</b>	<b>5,4</b>	<b>14 098,3</b>	<b>5,6</b>	<b>14 938,7</b>	<b>5,5</b>	<b>14 915,2</b>	<b>5,4</b>	<b>15 080,8</b>	<b>5,5</b>	<b>15 255,6</b>	<b>5,6</b>
Foreign guarantees	8 655,3	4,8	8 622,7	4,3	7 710,4	3,6	7 186,7	3,1	6 846,0	2,7	6 780,8	2,5	6 864,4	2,5	7 069,3	2,6	7 115,2	2,6
Domestic guarantees	7 423,8	4,1	6 796,5	3,4	4 551,9	2,1	5 268,5	2,3	7 252,3	2,9	8 157,9	3,0	8 050,9	2,9	8 011,4	2,9	8 140,3	3,0
<b>Total debt of HBOR</b>	<b>3 824,8</b>	<b>2,1</b>	<b>4 925,3</b>	<b>2,5</b>	<b>5 841,5</b>	<b>2,7</b>	<b>7 139,4</b>	<b>3,1</b>	<b>7 686,4</b>	<b>3,1</b>	<b>7 632,3</b>	<b>2,8</b>	<b>9 133,7</b>	<b>3,3</b>	<b>9 056,8</b>	<b>3,3</b>	<b>9 141,2</b>	<b>3,3</b>
Foreign debt of HBOR	3 382,5	1,9	4 597,3	2,3	5 459,3	2,5	6 605,1	2,9	7 338,8	2,9	7 265,2	2,7	8 853,1	3,2	8 776,9	3,2	8 858,7	3,2
Domestic debt of HBOR	442,3	0,2	328,1	0,2	382,2	0,2	534,2	0,2	347,5	0,1	367,1	0,1	280,6	0,1	279,9	0,1	282,4	0,1

Note: See notes on methodology

Source: Ministry of Finance, CBS for GDP

## PUBLIC DEBT AT THE END OF OCTOBER 2007

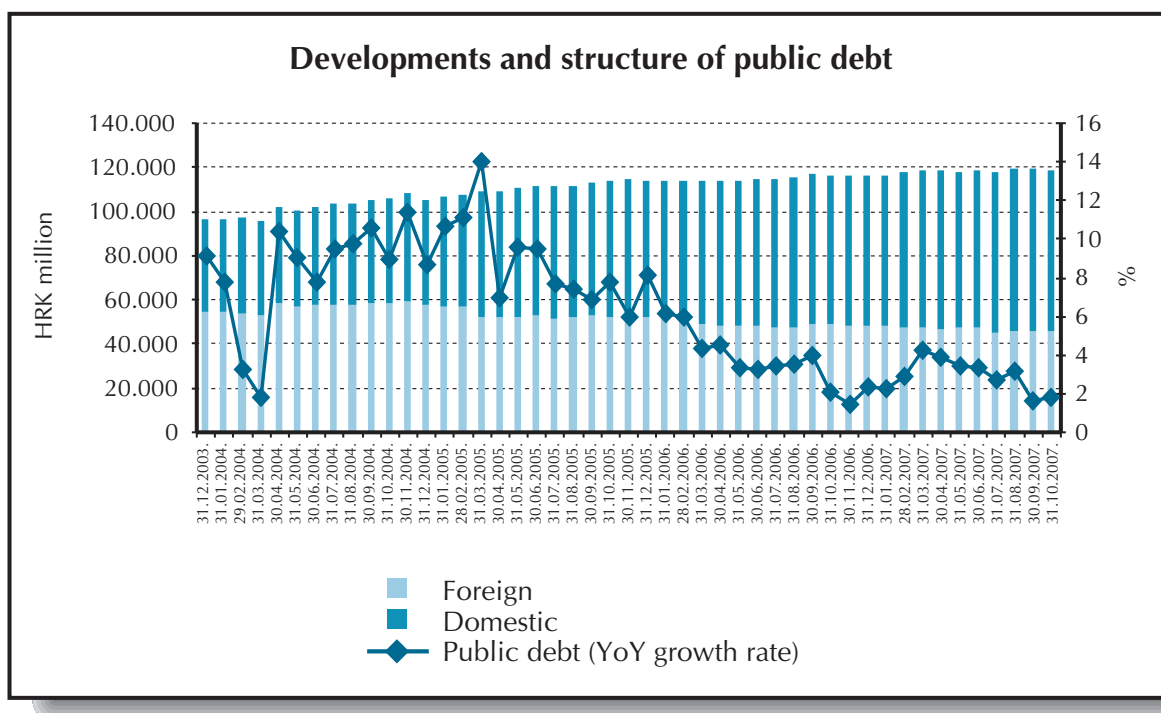
The total public debt of the Republic of Croatia amounted to HRK 118.5 billion at the end of October 2007, thus reaching 43.3 percent of the expected GDP for the year 2007. In comparison with September 2007, public debt decreased by HRK 725.3 million. Total general government debt amounted to HRK 103.2 billion (87.1 percent of total public debt) and total guarantees amounted to HRK 15.3 billion (12.9 percent of total public debt).

Total general government debt recorded a decrease of HRK 900.1 million in October 2007 compared to the stock of the previous month. Foreign general government debt component recorded a rise compared to the previous month in the amount of HRK 499.9 million due to the increase in both central government and extrabudgetary funds and agencies. On the other hand, the domestic component of total general government debt recorded a decline compared to the stock of the previous month in the amount of HRK 1.4 billion due to the decrease in the domestic debt of central government.

According to government level, the largest part of public debt refers to central government (HRK 86 billion), while the debt of extrabudgetary funds and agencies amounted to HRK 15.9 billion and the debt of local government to HRK 1.4 billion. Central government kept the trend of more pronounced domestic borrowing; 65.9 percent of total central government debt was created by domestic borrowing, while 61.4 percent of extrabudgetary funds and agencies' debt resulted from foreign borrowing.

Total guarantees issued by the Republic of Croatia levelled 5.6 percent of GDP and have increased by HRK 174.8 million in comparison with the previous month as a result of a rise in foreign and domestic guarantees. Domestic guarantees account for 53.4 percent of the total guarantees of the Republic of Croatia.

Total debt of HBOR amounted to HRK 9.1 billion in October 2007 and recorded an increase of HRK 84.3 million compared to September 2007 as a result of an increase in foreign and domestic component of the debt. Total debt of HBOR was almost entirely (96.9 percent) created by foreign borrowings.



**TABLE 21: CONSOLIDATED CENTRAL GOVERNMENT DOMESTIC DEBT**  
**DOMESTIC DEBT STOCK IN 000 (31 OCTOBER 2007)**

Debt item:	Currency	Stock	Stock / HRK:	Maturity:	Interest rate:
Big Bonds - Series I	HRK	1 964 084	1 964 084	2011	5,00%
Big Bonds - Series II	EUR	41 637	306 033	2011	7,20%
Big Bonds - Series III	EUR	43 682	321 063	2012	7,20%
Bonds - Series 02 D-08	EUR	200 000	1 470 012	2008	6,875%
Bonds - Series 03 D-12	EUR	500 000	3 675 030	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	4 777 539	2014	5,50%
Bonds - Series 07 D-19	EUR	500 000	3 675 030	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	2 572 521	2015	4,25%
Bonds - Series 10 D-15	HRK	5 500 000	5 500 000	2015	5,25%
Bonds - Series 11 D-13	HRK	4 000 000	4 000 000	2013	4,50%
Bonds - Series 12 D-17	HRK	5 500 000	5 500 000	2017	4,75%
BRA Bonds I	EUR	10 265	75 450	2007	6,00%
BRA Bonds II	EUR	16 832	123 718	2012	5,00%
BRA Bonds III	EUR	45 294	332 917	2012	7,20%
BRA Bonds IV	EUR	23 041	169 351	2012	5,00%
BRA Bonds V-A	EUR	284	2 090	2007	6,00%
BRA Bonds V-B	EUR	42 795	314 548	2008	7,00%
Syndicated FX loan	EUR	500 000	3 675 030	2010	4,38%
Medium and long term debt			<b>42 454 417</b>		
Treasury Bills	HRK	11 541 000	11 541 000		
	EUR	41 700	306 498		
Other short-term debt	HRK	723 465	723 465		
Short-term debt			<b>12 570 963</b>		
Total debt			<b>55 025 380</b>		

Note: On the cash principle. See notes on methodology

Source: Ministry of Finance

TABLE 22: RESULTS OF THE TREASURY BILL'S AUCTIONS HELD BY THE MINISTRY OF FINANCE

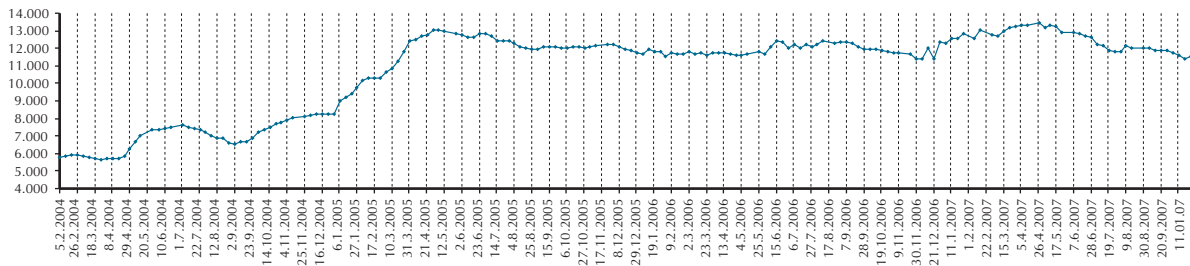
(000 HRK)	91 days				182 days				364 days				
	Day of Auction	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)
	7.11.2006.	50 000	80 000	99,207 / 3,20%	99,258 / 3,00%	5 000	25 000	98,227 / 3,62%	98,285 / 3,50%	301 000	872 100	96,218 / 3,94%	96,210 / 3,95%
	21.11.2006.		30 000	99,135 / 3,50%		50 000	70 000	98,271 / 3,53%	98,285 / 3,50%	250 000	797 000	96,256 / 3,90%	96,256 / 3,90%
	12.12.2006.	60 000	80 000	99,224 / 3,14%	99,258 / 3,00%	5 000	25 000	98,227 / 3,62%	98,285 / 3,50%	617 500	890 000	96,243 / 3,91%	96,256 / 3,90%
	19.12.2006.	52 000	72 000	99,235 / 3,09%	99,258 / 3,00%		20 000	98,213 / 3,65%		400 700	400 700	96,272 / 3,88%	96,256 / 3,90%
	2.1.2007.	20 000	20 000	99,123 / 3,55%	99,123 / 3,55%	20 000	20 000	98,213 / 3,65%	98,213 / 3,65%	265 000	360 000	96,234 / 3,92%	96,256 / 3,90%
	9.1.2007.	150 000	185 000	99,146 / 3,46%	99,135 / 3,50%	35 000	85 000	98,184 / 3,71%	98,213 / 3,65%	374 000	629 000	96,236 / 3,92%	96,256 / 3,90%
	23.1.2007.	120 000	365 000	99,151 / 3,44%	99,159 / 3,40%	48 000	325 000	98,231 / 3,61%	98,237 / 3,60%	336 800	966 000	96,279 / 3,88%	96,303 / 3,85%
	13.2.2007.	60 000	220 000	99,164 / 3,38%	99,184 / 3,30%	150 000	463 000	98,277 / 3,52%	98,309 / 3,45%	254 000	1 009 000	96,401 / 3,74%	96,488 / 3,65%
	13.3.2007.	25 000	145 000	99,196 / 3,25%	99,221 / 3,15%	100 000	290 000	98,339 / 3,39%	98,381 / 3,30%	334 000	814 000	96,571 / 3,56%	96,627 / 3,50%
	20.3.2007.	44 000	219 000	99,206 / 3,21%	99,233 / 3,10%	50 000	130 000	98,340 / 3,39%	98,381 / 3,30%	406 000	665 000	96,596 / 3,53%	96,627 / 3,50%
	27.3.2007.	50 000	200 000	99,258 / 3,00%	99,258 / 3,00%	50 000	105 000	98,374 / 3,31%	98,381 / 3,30%	400 000	765 000	96,622 / 3,51%	96,627 / 3,50%
	3.4.2007.	20 000	50 000	99,258 / 3,00%	99,258 / 3,00%	30 000	100 000	98,381 / 3,30%	98,381 / 3,30%	311 000	481 000	96,607 / 3,52%	96,627 / 3,50%
	10.4.2007.	50 000	50 000	99,245 / 3,05%	99,245 / 3,05%	50 000	50 000	98,357 / 3,35%	98,357 / 3,35%	301 000	653 000	96,606 / 3,52%	96,627 / 3,50%
	24.4.2007.									300 000	863 000	96,608 / 3,52%	96,627 / 3,50%
	8.5.2007.	30 000	30 000	99,258 / 3,00%	99,258 / 3,00%	50 000	50 000	98,381 / 3,30%	98,381 / 3,30%	419 000	638 000	96,638 / 3,49%	96,627 / 3,50%
	5.6.2007.									465 000	515 000	96,648 / 3,48%	96,627 / 3,50%
	12.6.2007.	30 000	30 000	99,258 / 3,00%	99,258 / 3,00%	20 000	20 000	98,429 / 3,20%	98,429 / 3,20%	301 000	301 000	96,618 / 3,51%	96,534 / 3,60%
	3.7.2007.	20 000	20 000	99,258 / 3,00%	99,258 / 3,00%					113 000	253 000	96,908 / 4,28%	96,395 / 3,75%
	17.7.2007.	20 000	20 000	99,197 / 3,25%	99,184 / 3,30%	2 000	2 000	98,300 / 3,47%	98,300 / 3,47%	165 000	177 000	96,118 / 4,05%	96,934 / 4,25%
	24.7.2007.	20 000	30 000	99,176 / 3,33%	99,209 / 3,20%	20 000	22 000	98,338 / 3,39%	98,357 / 3,35%	395 000	445 000	95,698 / 4,51%	95,523 / 4,70%
	31.7.2007.		30 000	99,110 / 3,60%			62 000	97,886 / 4,33%		399 000	682 000	95,676 / 4,53%	95,614 / 4,60%
	7.8.2007.		20 000	99,135 / 3,50%		20 000	52 000	98,239 / 3,59%	98,333 / 3,40%	697 000	937 000	95,754 / 4,45%	95,705 / 4,50%
	28.8.2007.		30 000	99,160 / 3,40%		5 000	35 000	98,312 / 3,44%	98,333 / 3,40%	345 000	913 000	95,811 / 4,38%	95,842 / 4,35%
	4.9.2007.	20 000	30 000	99,168 / 3,37%	99,172 / 3,35%	30 000	30 000	98,309 / 3,45%	98,309 / 3,45%	300 000	450 000	96,021 / 4,16%	95,980 / 4,20%
	11.9.2007.					50 000	130 000	98,260 / 3,55%	98,381 / 3,30%	271 000	322 000	96,061 / 4,11%	96,026 / 4,15%
	18.9.2007.	30 000	50 000	99,179 / 3,32%	99,209 / 3,20%		25 000	98,247 / 3,58%		275 000	500 000	96,022 / 4,15%	96,118 / 4,05%
	25.9.2007.	20 000	30 000	99,151 / 3,43%	99,172 / 3,35%	40 000	50 000	98,304 / 3,46%	98,285 / 3,50%	265 000	295 000	96,050 / 4,12%	96,026 / 4,15%
	2.10.2007.	10 000	10 000	99,123 / 3,55%	99,123 / 3,55%					350 000	415 000	96,027 / 4,15%	95,705 / 4,50%
	9.10.2007.	10 000	10 000	99,110 / 3,60%	99,110 / 3,60%	10 000	10 000	98,092 / 3,90%	98,092 / 3,90%	255 000	255 000	95,721 / 4,48%	95,705 / 4,50%
	16.10.2007.	5 000	5 000	99,098 / 3,65%	99,098 / 3,65%	5 000	25 000	97,954 / 4,19%	98,068 / 3,95%	288 000	333 000	95,743 / 4,46%	95,705 / 4,50%
	23.10.2007.	55 000	60 000	99,107 / 3,61%	99,098 / 3,65%	50 000	105 000	98,033 / 4,02%	98,092 / 3,90%	530 000	620 000	95,749 / 4,45%	95,705 / 4,50%
	30.10.2007.	55 000	60 000	99,107 / 3,61%	99,098 / 3,65%	100 000	110 000	98,120 / 3,84%	98,116 / 3,85%	261 000	536 000	95,633 / 4,58%	95,705 / 4,50%

Note: See notes on methodology

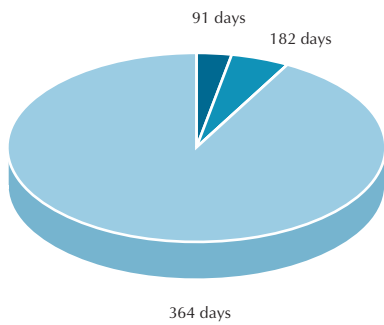
Source: Ministry of Finance



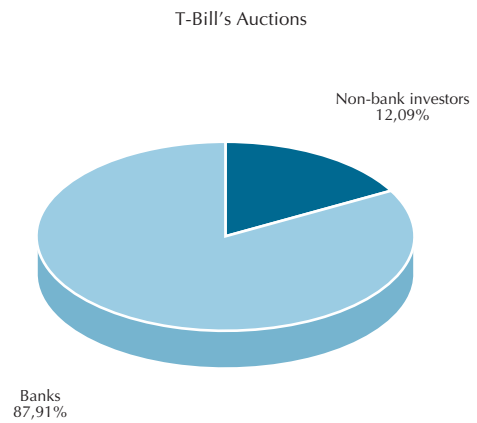
## T-Bill's Outstanding Debt



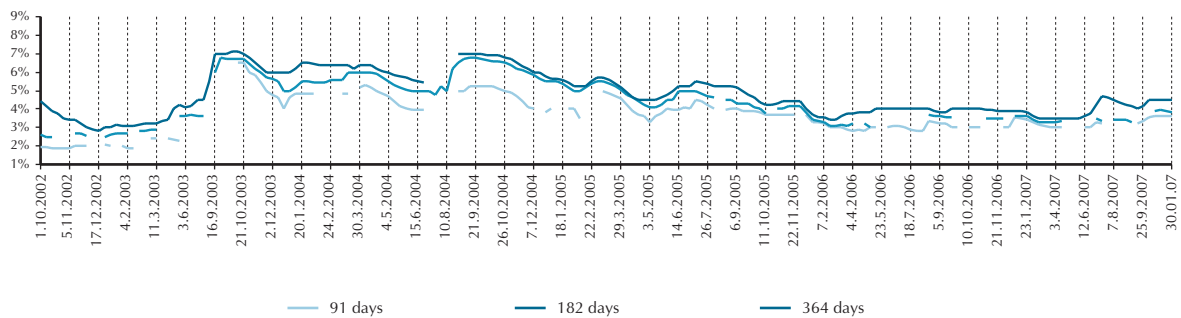
### Structure of outstanding T-Bill's on 31 October 2007



### Structure of bids accepted according to buyers



## Annual yield on T-Bills



## NOTES ON METHODOLOGY

### CROLEI Index

Based on the so-called leading indicators, the Economic Institute in Zagreb and the Ministry of Finance compile the **CROLEI (CROatian Leading Economic Indicator)**, a composite forecast index created 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 using the industrial production index as the reference series. In October of 2004, a thorough revision of the system of indicators, methodological procedures and CROLEI index itself took place.

The new revised index combines eleven best-performing leading indicators, whose average prognostic power has increased significantly compared to the previous index, with an average prediction time of six months in relation to the referent series. The revised index includes five components of the previous prognostic measure indicating the applicability of the method of indicators. According to the standards of the method, this represents a very stable and highly significant relation between the indicators and the referent series, which helps the overall economic activity forecasting. The new CROLEI index includes eleven best-performing leading indicators such as: nominal net wage, registered employed persons, 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 follows: 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. In cases when the information needed to determine to which of the mentioned categories taxes should be attributed is not available, the taxes are treated as not allocable (1113).
- *Taxes on payroll and workforce (112)* consist of taxes that are collected from employers or self-employed persons, either as a proportion of payroll size or as a fixed amount per person, and are not earmarked for social security schemes. Since this category doesn't exist in the tax system of the Republic of Croatia, it is not published in the report on Central Budget Revenues.
- *Taxes on property (113)* include 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) as well as taxes on financial and capital transactions (1134). In the report on Central Budget Revenues, this category consists only of taxes on property.
- *Taxes on goods and services (114)* include 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 entering the country or services 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)* cover revenue from taxes levied predominantly on bases other than those described under previous tax headings. It also includes revenue from unidentified taxes that can't be classified in one of the mentioned tax categories.

**Social contributions (12)**, within the tax system of the Republic of Croatia, 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 the same contributions were paid partly by the employee and partly by the employer and it was impossible to separate the two).

**Grants (13)** are non-compulsory 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 that government units earn from financial and/or nonproduced assets that they own: interest (1411), dividends (1412), withdrawals from income of quasi-corporations (1413), property income from insurance policyholders (1414) and rent (1415), which is property income received from the lease of land and other naturally occurring assets. Revenues from sales of goods and services (142) refer to sales by market establishments (1421) owned by government which carry out only a single productive activity or the principal productive activity accounts for most of the value added; then administrative fees (1422) and incidental sales by non-market establishments (1423).

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

As of 1<sup>st</sup> of July 2001, Central Budget revenues include pension insurance contributions, which were, prior to that revenue of the Croatian Institute for Pension Insurance. Also, as of 1<sup>st</sup> of January 2002, health insurance contributions and employment contributions, which were prior to that revenues of the Croatian Employment Service and the Croatian Health Insurance Institute, are included in the Central Government Budget. All mentioned revenues are classified according to the GFS 2001 methodology.

By the end of 2001, two new extra-budgetary funds were founded: Regional Development Fund as well as the Development and Employment Fund. They took over some of the Central Budget activities as well as the receipts from privatisation of public enterprises. As of 1<sup>st</sup> of January 2003, these funds have been included in the coverage of the Central Government Budget.

Since 2007 social security funds (Croatian Institute for Pension Insurance, Croatian Health Insurance Institute and Croatian Employment Service) have been included in the coverage of Central Government Budget.

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

**Central Budget Expense (2)** is, according to the International Monetary Fund's GFS 2001 (Government Finance Statistics) methodology, a decrease in net worth resulting from a financial transaction in relation to Government. 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)** represents 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 psychical 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 resulting from a government unit borrowing funds from another unit. Total interest payable is subdivided into interest payable to non-residents (241), interest payable to residents other than general government (242) and interest payable to other general government units (243).

**Subsidies (25)** are current non-repayable payments that government makes to enterprises based on the level of their production activities or the quantities or values of goods or services they produce, sell, export or import. Subsidies also include transfers to public corporations and quasi-corporations aimed to compensate for losses arising from pricing policies that reflect deliberate government economic and social policy by charging prices that are lower than the average cost of production. Subsidies are classified by recipient type: whether it is a public financial/nonfinancial enterprise (251) or private financial/nonfinancial enterprise (252).

**Grants (26)** are non-compulsory 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. In-kind benefits from insurance 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 and aimed to cover the same needs as social insurance benefits but that are not subject to social insurance schemes. Social assistance benefits may be paid in cases when no social insurance scheme exists to cover the circumstances in question, when households do not participate in existing social insurance schemes, or when social insurance benefits are inadequate to meet particular needs. In the Republic of Croatia, a larger part of this category refers to child allowances, various aids to families and households, disabled persons, etc. Grants in kind include co-financing of 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 the Republic of Croatia, a major part of this category relates to severance payments.

**Other expense (28)** is subdivided into 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 income from insurance policyholders or rent (as the expense related to the lease 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 non-profit 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 consumption (except social benefits), capital grants to enterprises and non-profit institutions serving households for the acquisition of nonfinancial assets or coverage of accumulated losses, capital grants to households for construction and reconstruction purposes, etc.

As of 1<sup>st</sup> of July 2001, Central Government Budget expense includes the expense for domestic pensions, which was prior to that expense of the Croatian Institute for Pension Insurance.

As of 1<sup>st</sup> of January 2002, Central Government Budget expense includes the expense originating from employment rights as well as expense based on health insurance, which were prior to that expenses of the Croatian Employment Service and Croatian Health Insurance Institute respectively.

As of 1<sup>st</sup> of January 2004, Central Government Budget expense includes the expense for foreign pensions, which was prior to that expense of the Croatian Institute for Pension Insurance.

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

As of 1<sup>st</sup> of January 2003, the coverage of the Central Government Budget is expanded by classifying the Regional Development Fund and the Development and Employment Fund as budget users, which were prior to that classified as extrabudgetary funds.

Since 2007 social security funds (Croatian Institute for Pension Insurance, Croatian Health Insurance Institute and Croatian Employment Service) have been included in the coverage of Central Government Budget.

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

**Nonfinancial assets (31)** usually occur as outputs from a production process, as natural resources or as a creation of society. Depending on that, nonfinancial assets are classified as produced and nonproduced nonfinancial assets. According to GFS 2001 methodology, all assets, including nonfinancial assets, as well as liabilities are observed from several aspects using different classifications identified by different codes. Those classifications are then further subdivided in groups according to categories of assets/liabilities which are identical among classifications. Namely, GFS 2001 observes assets and liabilities from the aspects of: transactions (classification 3); gains/losses from holdings of assets and liabilities (classification 4); other »ows in assets/liabilities (classification 5); and stocks (classification 6). Currently, the data needed to produce classifications 4, 5 and 6 is not available in the Republic of Croatia. As a result, the reports include only data on transactions (code 31 for nonfinancial assets). In this sense, the following definitions and codes should be acknowledged.

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

- *Fixed assets (311)* represent produced assets that are used repeatedly or continuously in the production process for more than one year. Fixed assets are composed of three main categories:
  - buildings and structures (3111), which by the existing chart of account also includes the subgroup of construction objects;
  - machinery and equipment (3112), which by existing chart of accounts also includes the subgroup of transportation machinery as well as the subgroup of books, artworks and other art values;
  - other fixed assets (3113), which also includes cultivated assets (animal stock, plantations) as well as nonmaterial produced assets (investment in computer programs, science works etc.)
- *Inventories (312)* represent goods and services held by producers for sale, use in production or other use at a later date. Inventories are classified as strategic stocks (which include goods held for strategic and emergency purposes, goods held within organizations acting as market regulators as well as goods of special national interest) and other inventories (which consist of materials and supplies used in production process, work in progress, finished goods and goods for resale). Usually, those transactions appear with a small share in the budget.
- *Valuables (313)* are produced goods of considerable value that are acquired and held over time primarily as stores of value and not 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) which are of social origin (patents, leasing contracts, goodwill etc.). Naturally occurring assets include land (3141), subsoil assets (3142) and other naturally occurring assets (3143), e.g. electro-magnetic frequencies.

All transactions that increase the value of a certain fixed asset are called **acquisitions**, while transactions that reduce the value of a certain category are called **disposals**. In order to record separately acquisitions and disposals, additional sub-codes are added after the code's decimal point (comma): number 1 to denote acquisitions and number 2 to denote disposals.

For example, the construction of a school building or a hospital is treated as an acquisition of fixed assets, i.e. buildings and structures (3111,1), while sales of public »ats are denoted as sales of fixed assets (3111,2). Similarly, purchases of cars and computer equipment are treated as acquisitions of fixed assets, namely under machinery and equipment (3112,1) while sales of the same are denoted as sales of fixed assets (3112,2). As an exception according to the GFS 2001 methodology, inventories are presented only as net changes resulting from transactions and not as 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 another unit (debtor) according to the terms of the agreement. Claims can figure as claims on other units, domestic (321) or foreign (322). The classification of financial assets is primarily based upon the degree of liquidity and legal characteristics 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 are not financial claims, which mean 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**. According to GFS 2001, it is customary to present only net acquisition of financial assets but here the data is presented through acquisitions and disposal due to transparency. The same coding system described in nonfinancial assets is also used for financial 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. Namely, 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**

Upon the creation of a financial claim of the creditor, 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 classification of liabilities is primarily based upon the degree of 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 (only of public corporations so they don't appear in the budget), insurance technical reserves, financial derivatives and other accounts receivable.

Transactions that increase the level of liabilities are referred to as **incurrence** of liabilities, while transactions that decrease the level of liabilities are referred to as **repayment**. As in the case of financial assets and due to transparency, the reports present gross repayments (denoted by number 1) and incurrence (denoted by number 2). 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 the 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). The only exception are repayments of short-term loans and the amortization of short-term securities performed within the same year that are, according to Article 59, point (3) of the Budget Accounting and Chart of Accounts Rulebook ("Official Gazette" 119/2001, 74/2002 and 3/2004), presented as net value, hence as a reduction in incurrence rather than as a repayment.

The result of net transactions in liabilities (33) and net transactions in financial assets (32) is 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. Data for Budgetary Central Government, Extrabudgetary funds and Consolidated Central Government is published monthly, while data for Local Government and Consolidated General Government is published quarterly.

#### **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 is 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 9-14**

According to Article 3 of the Budget Act ("Official Gazette" 96/2003), extrabudgetary users are extrabudgetary funds, enterprises and other legal entities in which the central or local government has decisive management control. An extrabudgetary fund is an extrabudgetary user; a legal entity created by law and financed by specific contributions and other revenues.

The Croatian Institute for Pension Insurance, Croatian Health Insurance Institute, Croatian Employment Service and the public enterprise "Croatian Waters" have been classified as extrabudgetary funds since 1994. By the end of 2001 two more funds were created, namely the Development and Employment Fund and the Regional Development Fund, which took over some of the Central Budget activities resulting in an expansion of the coverage of extrabudgetary funds since the 1<sup>st</sup> of January 2002. As of the 1<sup>st</sup> of January 2003, these funds have ceased as extrabudgetary funds and have been included in the coverage of the Central Government Budget as budgetary funds/users.

As of the 1<sup>st</sup> of July 2001, revenues from pension insurance contributions and expenses for pensions have been transferred from the Croatian Institute for Pension Insurance to Central Government Budget. The largest share of pension payments (domestic pensions) is now paid directly through the State Treasury, while the remaining payments are performed through the Croatian Institute for Pension Insurance.

As of the 1<sup>st</sup> of January 2002, revenues from contributions and expenses for settlement of particular obligations of the Croatian Health Insurance Institute and Croatian Employment Service have been transferred to the Central Government Budget (through the State Treasury system). Currently, contributions for pension insurance amount to 20percent of the salary (persons that participate in the second pillar of the pension insurance system pay 15percent for the first pillar plus 5percent for the second pillar). Contributions paid by employers include special contributions for the insurance against work injuries and professional diseases in the amount of 0.5percent on salaries, health insurance contributions amounting 15percent on salaries as well as employment contributions in the amount of 1.7percent on salaries.

In April of 2001, two new state-owned legal entities were created, namely the Croatian Motorways and Croatian Roads. These entities took over the functions of the former Croatian Road Authority. Data on these entities as well as data on the State Agency for Deposit Insurance and Bank Rehabilitation

and the Croatian Privatization Fund was presented in the reports of 2002 according to the requirements of the IMF methodology. Since 2003, they have become part of the official coverage of Consolidated Central Government, which is used in the process of budget creation.

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

Since 2007 social security funds (Croatian Institute for Pension Insurance, Croatian Health Insurance Institute and Croatian Employment Service) have been included in the coverage of Central Government Budget.

Tables 9-14 detail data on revenue and expense according to the economic classification as well as transactions in nonfinancial assets, financial assets and liabilities for each extrabudgetary fund.

#### **Table 15: Consolidated Central Government by Economic Category**

The Consolidated Central Government according to GFS 2001 methodology is equivalent to the Consolidated Central Government Budget according as defined by the Budget Act (Consolidated State Budget and financial plans of extrabudgetary users).

The Consolidated Central Government Budget results from the consolidation of financial transactions between the State Budget and extrabudgetary users, as well as between the extrabudgetary users themselves.

Table 15 presents the Consolidated Central Government's revenue and expense as well as the transactions in nonfinancial assets, financial assets and liabilities according to the economic classification.

#### **Table 16: Consolidated Central Government According to Government Level**

Table 16 gives summary of revenue, expense, transactions in nonfinancial assets, financial assets and liabilities for each of the component of the Consolidated Central Government, namely the Budgetary Central Government and extrabudgetary users (disaggregated).

#### **Table 16A-16B**

**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 is 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 17: Local Government Transactions (the largest 53 units)**

Table 17 details data on revenue and expense of local governments (53 largest units that include counties, the City of Zagreb and other 32 cities, which make up to 70-80 percent of total transactions and which are in this sense observed since 2001) according to economic category as well as data on transactions in nonfinancial assets, financial assets and liabilities. Table 20 is published quarterly according to financial reports of the Financial Agency (FINA).

According to the 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 revenue from own sources, through mutual taxes and through grants from state and county budgets.

Counties own sources of revenues are as follow: income from 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 revenue as stipulated by special legislation.

The own sources of revenues of municipalities and cities are: income from own assets, municipal taxes (consumption tax, vacation houses tax, public land use tax, tax on uncultivated agricultural land, tax on unused entrepreneurial real estate, tax on unused construction land, tax on company name), monetary fines, administrative fees, residence fees, utility charges, charges for the use of public municipal or urban land and other revenue as stipulated by special legislation. Beside this, cities and municipalities can impose surtax to income tax as an additional revenue source (up to 10 percent in municipalities, up to 12 percent in cities below 30,000 inhabitants, up to 15percent in cities with the population above 30,000 and up to 30 percent in the City of Zagreb).

Mutual taxes of central budget and local and regional self-government units are: property sales tax (the share of municipalities and cities is 60 percent and that of the central budget 40 percent), personal income tax (municipalities and cities receive 52 percent increased by share of decentralized functions, counties 15 percent also increased by share of decentralized functions, the share of grants for adjustment for decentralized functions is

21 percent and the share for decentralised function is 12 percent. City Zagreb receives 67 percent of personal income tax increased by share for decentralised functions. For those municipalities and cities on islands that reach an agreement on mutual financing of a capital project concerning island development the share of personal income tax increases by 21 percent. Municipalities and cities located in the Areas of Special State Concern or in the Mountain Areas, the share of personal income tax amount to 90 percent.

The part of personal income tax revenue which is allotted from central budget to local governments on the basis of decentralized functions is treated as grant from other general government units according to GFS 2001 methodology.

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

Table 18 details data by economic category on revenue and expense as well as data on transactions in nonfinancial assets, financial assets and liabilities of the Consolidated General Government and it is published quarterly.

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

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

#### **Table 19: Consolidated General Government by government level**

Table 19 details data on 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, Extrabudgetary Users and Local Government Budgets (the largest 53 units). It is published quarterly and for further methodology notes see explanation for table 18.

#### **Table 20: 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 21: Consolidated Central Government Domestic Debt**

**Frozen Foreign Exchange Deposits** - at the end of 1991 and based on 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 the 27<sup>th</sup> of April 1991 were converted into public debt of the Republic of Croatia. The deposits were augmented by the corresponding interest rate payments in 1991. The claims amounting DEM 5.034 billion were substituted by bonds of the Republic of Croatia repaid in twenty semi-annual instalments beginning as of 30<sup>th</sup> of June 1995.

**Big Bonds** were issued in 1991 with a DEM 1,550.09 million nominal value. In 1996 Big Bonds were split into Big Bonds I, Big Bonds II (Riječka banka 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, the Government replaced the old Big Bonds I, which were not paying interest, with new bonds for economic restructuring (Big Bonds I). The new Big Bonds I mature in 2011 and pay an annual interest rate of 5percent.

**Reconstruction Bonds** were issued in 1992 and 1993 ("Official 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 had a value of DEM 50 million and USD 30 million, the second issue was worth CAD 10 million, while the third issue had a value of AUD 25 million.

**Bonds - Series D** are issued through a syndicate of domestic banks in order to foster the development of domestic capital markets. Bonds Series 01 D-04 were issued in 2001 with a EUR 200 million nominal value, maturing in three years with an annual interest rate of 6.5percent ("Official 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 6.875percent annual interest rate ("Official Gazette" No. 112/2001). Bonds Series 03 D-12 were issued in three tranches. The first two issues took place in 2002 with a EUR 300 million nominal value. The third issue took place in January 2003 with a EUR 200 million nominal value. These bonds mature in 2012 and pay an annual interest rate of 6.875percent ("Official Gazette" No. 58/2002, No. 111/2002, No. 14/2003).

**BRA Bonds:** BRA Bonds I were issued for the rehabilitation of Riječka banka (HRK 552 million, "Official Gazette" Nos. 31/96, 20/98) and Splitska banka (HRK 765 million, "Official Gazette" 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 ("Official Gazette", No. 106/98): BRA Bonds II (PBZ-DEM) were issued in the amount of DEM 84,333.6 million or equivalently 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 10-year period ("Official Gazette", No. 56/98). During 1998, as part of the rehabilitation process of Dubrovačka banka, a large portion of this bonds were redeemed. At the beginning of 1999, a new decision on the rehabilitation and reconstruction of Dubrovačka banka was enacted ("Official Gazette", 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 and additional HRK 185 million as recapitalisation of the bank. BRA Bonds V-A were issued as a substitute for the unredeemed portion of the BRA Bonds V, whereas BRA bonds V-B covered the remaining part (HRK 1,600.3 million) according to the new decision.

**Treasury Bills** are short-term securities issued by the Ministry of Finance. The issue price is set at regular auctions, while the planned issue is announced by the Ministry of Finance with the bid invitation. Treasury bills are issued with 91,182, and 364 days maturity.

**Deposit Insurance Scheme BRA Bonds** are issued by the State Agency for Deposit Insurance and Bank Rehabilitation and are guaranteed by the Government. They are issued in order to foster the development of domestic capital markets and as means of payment for the insured deposits of bankrupted banks. Deposit Insurance Scheme BRA Bonds I were issued in 2000 with a EUR 105 million nominal value, an annual interest rate of 8percent and with a maturity of 3 years. Deposit Insurance Scheme BRA Bonds II were issued in 2000 with a EUR 225 million nominal value, 2005 maturity and 8.375percent annual interest rate.

**Health Institute Bonds** were issued by the Croatian Health Insurance Institute and were guaranteed by the Government with the purpose to foster the development of the domestic capital market and to help the restructuring of the health insurance system. These Bonds were issued in 2000 with a nominal value of EUR 222 million and 8.5percent annual interest rate with the maturity in 2004.

#### **Table 22: Results of the Treasury Bills' auctions held by the Ministry of Finance**

**Treasury Bills** are short-term securities issued by the Ministry of Finance. The issue price is set at regular auctions, while the planned issue is announced by the Ministry of Finance with the bid invitation. Treasury bills are issued with 91,182, and 364 days maturity.

Table 21 details the results of the treasury bills' 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 (percent), uniform price allocation per 100 HRK/yielding (percent).

#### **Table 23: Balance Sheet of public enterprises**

According to Article 13 of the Law on Accountancy (Official Gazette no. 146/2005) the Balance Sheet is a systematic overview of assets, capital and liabilities on a certain date.

Table 23 is based on data retrieved from the Balance Sheet as fundamental financial statement, for nine selected public enterprises owned by the government. Table 23 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; noncurrent liabilities; current liabilities; accruals and deferred income).

#### **Table 24: Profit and Loss Statement of public enterprises**

According to article 13 of the Law on Accountancy (Official Gazette 146/2005) 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 24 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 25: Trade payables and trade receivables of public enterprises**

Table 25 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:**

All diagrams shown in text about fiscal sector refer to Budgetary Central Government.

The GFS 2001 Manual is published on the IMF web site under the following address:

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



## MANAGEMENT OF THE MINISTRY OF FINANCE

### Cabinet of the Minister:

#### **Minister of Finance:**

Ivan Šuker, B.Sc.

#### **State Secretaries:**

Zdravko Marić, M.Sc.

Ivana Maletić, B.Sc.

### Ministry Secretariat:

#### **Ministry Secretary**

Zvonko Šakić

### Bureau for Macroeconomics Analysis and Planning:

#### **Assistant Minister**

### State Treasury:

#### **Chief Treasurer**

Vesna Orlandini

#### **Sector for Budget Preparation:**

##### **Assistant Minister**

Niko Raič, M.Sc.

#### **Sector for Budget Execution:**

##### **Assistant Minister**

#### **Sector for Public Debt Management:**

##### **Assistant Minister**

Hrvoje Radovanić

#### **Sector for Development and Support of the State Treasury System:**

##### **Head of Sector**

Boris Marcuiš

#### **Sector for Budget Surveillance:**

##### **Head of Sector**

Slavka Malenica

#### **Sector for the National Fund Affairs:**

##### **Head of Sector**

Dubravka Flinta

#### **State Treasury Legal Affairs Department:**

##### **Head of Department**

### Projects and Legislation Department:

#### **Assistant Minister**

Damir Kaufman

### Department of Economy:

#### **Assistant Minister**

Krešimir Dragić, M.Sc.

### Department for Financial System:

#### **Assistant Minister**

Vedran Duvnjak

### Department for International Financial Relations and European Integration:

#### **Assistant Minister**

### Internal Audit and Financial Control Department:

#### **Assistant Minister**

Ljerka Linzbauer, M.Sc.

### Customs Administration:

#### **State Secretary,**

#### **Customs Administration Director**

Mladen Barišić, M.Sc.

### Tax Administration:

#### **State Secretary,**

#### **Tax Administration Director**

Ivica Mladineo, M.Sc.

### Foreign Exchange Inspectorate:

#### **Chief Inspector and**

#### **Assistant Minister**

Slavica Pezer-Blečić, M.Sc.

### Finance Police:

#### **Director and Assistant Minister**

Jakov Sučević

### Money Laundering Prevention Department:

#### **Head of Department**

Ivica Maros

### Independent Department for Public Relations and Communications:

#### **Spokesman**

Sanja Bach

### Independent Division for Internal Auditing:

#### **Head of Division**

Tomislav Mišetić

### Independent Department for Financial Management, Internal Monitoring and Control:

#### **Head of Department**

Marijan Čizmešija

### Independent Division for Second-Instance Administrative Procedure:

#### **Head of Division**

Zdenka Koharić

### Independent Information System Service:

#### **Head of Service**

Ivan Rašeta

### Independent Division for Border-Crossing Construction and Maintenance:

#### **Head of Division**

Ante Kapulica

### Independent Department for the Verification of SAPARD Implementation:

#### **Head of Department**

Ljerka Crnković

## ADVANCE RELEASE CALENDAR

Ministry of Finance Monthly Statistical Review number	Notes	Release			
		January 08	February 08	March 08	April 08
		<b>146</b>	<b>147</b>	<b>148</b>	<b>149</b>
SDDS Data Category		January 08	February 08	March 08	April 08
General Government operations	1)		(12/07)		
Central Government operations	2)	(11/07)	(12/07)	(01/08)	(02/08)
Internal Central Government Debt	3)	(11/07)	(12/07)	(01/08)	(02/08)

- 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



