



REPUBLIC OF CROATIA - MINISTRY OF FINANCE

# STATISTICAL REVIEW

MINISTRY OF FINANCE MONTHLY STATISTICAL REVIEW - NUMBER **158**

ZAGREB, NOVEMBER 2008

*XI/2008*

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

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

**Editorial Board**

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

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

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

**SYMBOLS**

§ preliminary data

Printed in 330 copies.

**ISSN 1334-4013**

## CONTENTS

<b>Table 1: Basic Macroeconomic Indicators for the Croatian Economy</b>	4
<b>Macroeconomic trends</b>	5
<b>Consolidated Central Government in January - November 2008 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 November 2008</b>	30
<b>Table 21: Consolidated Central Government Domestic Debt</b>	31
<b>Table 22: Results of 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

	2003	2004	2005	2006	2007	2008	2008				2008				2009		
							Q1	Q2	Q3	Q4	VIII	IX	X	XI	XII	I	II
GDP, current prices (mil. HRK)	198 422	214 983	231 349	250 590	275 078	-	69 242	75 295	82 483	-	-	-	-	-	-	-	-
GDP, real growth rates	5,3	4,3	4,3	4,8	5,6	-	4,3	3,4	1,6	-	-	-	-	-	-	-	-
Total volume of industrial production, growth rate as %	4,1	3,7	5,1	4,5	5,6	1,6	4,7	3,8	0,2	-1,9	-4,5	3,0	-0,8	-3,5	-1,5	-14,1	-
Retail sales turnover, real growth rate as %	3,7	2,6	2,8	2,1	5,3	-0,5	2,8	1,3	-2,2	-3,2	-7,8	2,4	-2,5	-4,1	-2,9	-13,7	-
Total volume of construction projects, growth rate as %	22,8	2,0	-0,8	9,3	2,4	11,8	10,2	13,9	11,6	11,3	2,0	18,0	10,6	7,8	16,1	-	-
Nights spent by tourists, growth rate as %	4,0	2,0	7,6	3,1	5,6	2,0	21,3	0,0	2,1	0,1	-0,3	-2,2	3,2	-11,1	2,8	3,9	-
Producer's prices, period average, %	1,9	3,5	3,0	2,9	3,4	8,4	7,6	8,8	11,3	6,7	11,0	10,3	8,8	6,5	4,7	1,8	1,8
Consumer prices, period average, %	1,8	2,1	3,3	3,2	2,9	6,1	5,9	6,5	7,4	4,5	7,4	6,4	5,9	4,7	2,9	3,4	4,2
Total persons in employment, end of period	1 387 910	1 397 416	1 417 158	1 467 398	1 515 647	1 518 973	1 511 381	1 549 172	1 547 987	1 518 973	1 557 514	1 547 987	1 538 271	1 530 428	1 518 973	1 500 934	-
Unemployed persons, end of period	318 684	317 577	307 851	293 153	254 484	240 455	255 491	222 290	222 217	240 455	219 334	222 217	228 501	233 661	240 455	254 291	262 821
Unemployment rate, end of period	19,1	18,5	17,8	16,7	14,4	13,7	14,5	12,5	12,6	13,7	12,3	12,6	12,9	13,2	13,7	14,5	-
Unemployment rate - ILO comparable, period average, %	14,3	13,8	12,7	11,2	9,6	-	10,0	7,9	7,0	-	-	-	-	-	-	-	-
Average monthly gross wages and salaries, growth rate as %	4,8	6,4	4,4	6,2	6,2	7,1	7,5	6,8	7,4	6,6	5,6	9,2	7,4	4,1	8,5	-	-
Average monthly gross wages and salaries paid off in HRK	5 623	5 985	6 248	6 634	7 047	7 544	7 367	7 500	7 532	7 772	7 489	7 526	7 621	7 829	7 868	-	-
Exchange rate HRK/USD, period average	6,70	6,03	5,95	5,84	5,36	4,94	4,87	4,65	4,78	5,45	4,80	4,96	5,36	5,61	5,38	5,53	5,80
Exchange rate HRK/EUR, period average	7,56	7,50	7,40	7,32	7,34	7,22	7,29	7,26	7,18	7,17	7,20	7,13	7,16	7,14	7,20	7,36	7,43
Trade Balance (mil. USD)	-8 022	-8 565	-9 788	-11 126	-13 475	-16 617	-4 027	-5 026	-4 195	-3 369	-1 268	-1 504	-1 358	-978	-1 033	-683	-
Exports (mil. USD)	6 187	8 024	8 773	10 377	12 364	14 112	3 260	3 817	4 007	3 027	1 135	1 271	1 073	1 017	937	684	-
Imports (mil. USD)	14 209	16 589	18 560	21 502	25 839	30 728	7 287	8 842	8 202	6 397	2 403	2 775	2 431	1 995	1 970	1 367	-
Current Account Balance (mil. EUR)	-1 889	-1 434	-1 976	-2 702	-3 233	-	-2 517	-1 819	1 850	-	-	-	-	-	-	-	-
Current Account Balance (as % of GDP)	-7,2	-5,0	-6,3	-7,9	-8,6	-	-26,5	-17,5	16,1	-	-	-	-	-	-	-	-
International reserves of CNB, end of period (mil. EUR)	6 554	6 436	7 438	8 725	9 307	9 121	9 842	9 941	9 809	9 121	9 840	9 809	9 387	9 682	9 121	8 675	-
Total outstanding external debt, end of period (mil. EUR)	19 884	22 933	25 748	29 274	33 253	39 044	34 967	35 409	36 259	39 044	35 555	36 259	37 862	38 514	39 044	-	-
Internal debt of consolidated central government, eop. (mil. HRK)	26 261	35 789	47 243	52 290	54 655	-	55 740	55 716	55 227	-	55 271	55 227	55 599	57 658	-	-	-
Commercial bank's loans, growth rate as %	16,8	13,1	20,3	22,7	13,3	14,4	12,4	10,6	10,2	14,4	10,6	10,2	13,9	13,3	14,4	16,9	-
Interest rates on treasury bills of 91 days maturity, end of period, %	4,00	3,80	3,70	3,00	3,60	6,00	4,10	4,10	5,00	6,00	5,00	5,00	6,00	6,00	6,00	6,75	6,75
ZIBOR (3 m), average, %	5,50	7,35	6,19	4,46	5,63	7,17	7,23	6,42	6,44	8,69	6,33	6,67	8,55	8,93	8,60	9,20	10,12

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

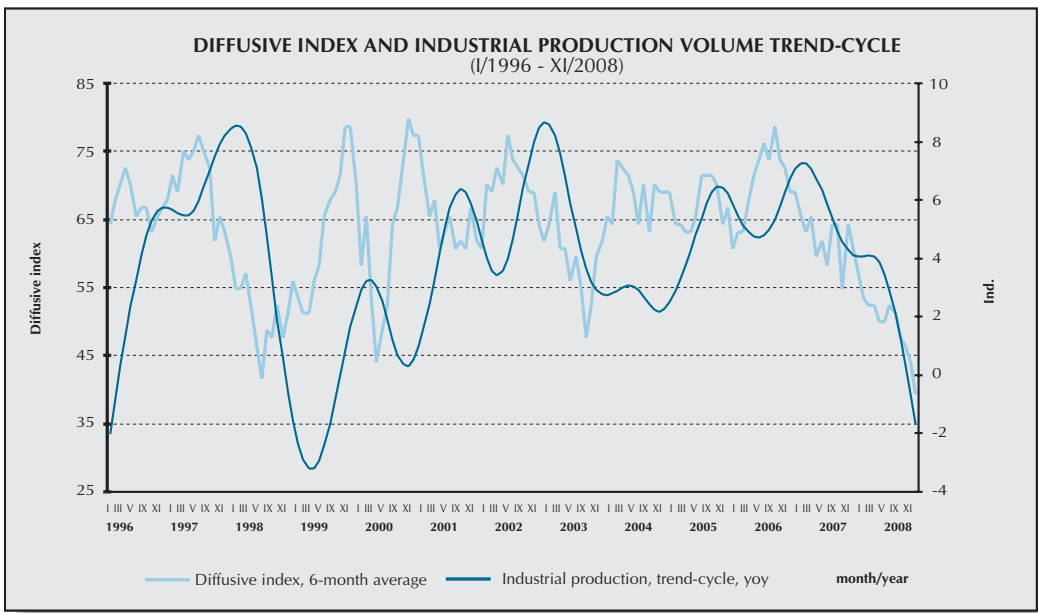
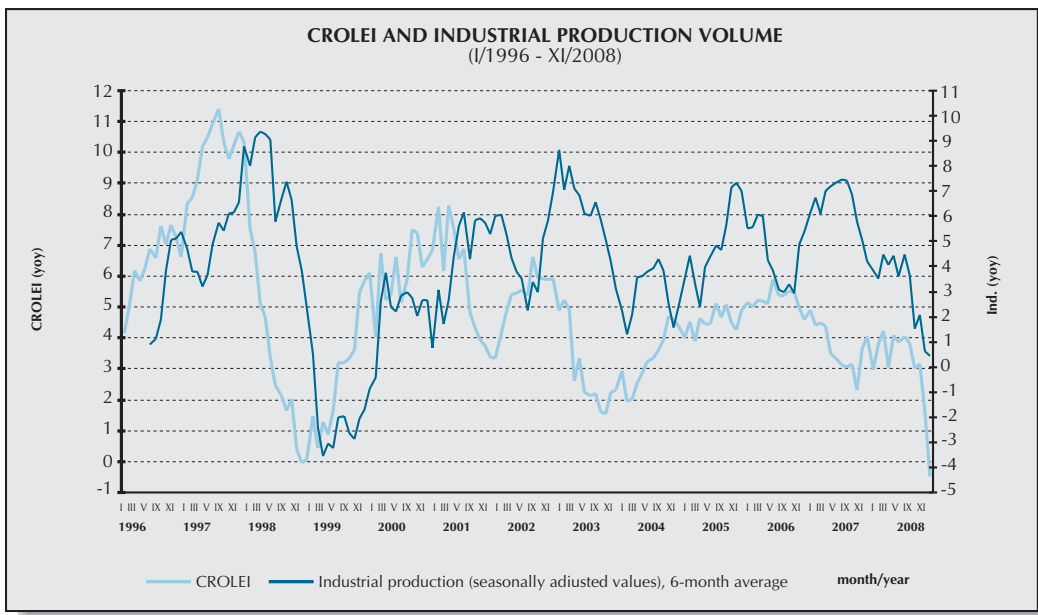
# MACROECONOMIC TRENDS

## CROLEI - LEADING INDICATOR OF INDUSTRIAL PRODUCTION

In November 2008 the value of CROLEI index recorded a decrease of -2.15 index points at the monthly level. As well, a decrease in year-on-year level (-0.5 percent) has been recorded for the first time since November 1998. Consecutive monthly decreases of the index recorded since July and a negative year-on-year growth rate of CROLEI index in November 2008 indicate that a negative economic growth can be expected in the first half of 2009. The values of the diffusive index, a supplementary measure representing the share of increasing components in the overall number of components of CROLEI,

also supports this prediction. Namely, in the period June - November 2008 the average diffusive index stood at the level of only 39 percent.

Since in the previous six months CROLEI recorded a decrease in three consecutive months, CROLEI index indicates recession which will be manifested as a negative year-on-year economic growth in the first half of 2009. Significantly low value of diffusive index suggests a decrease of economic activity in great number of sectors.



## REAL SECTOR

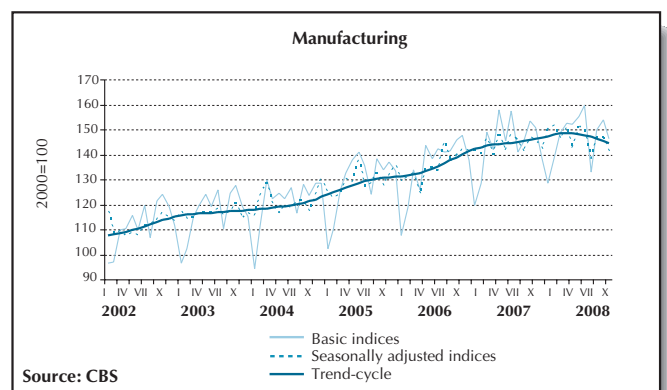
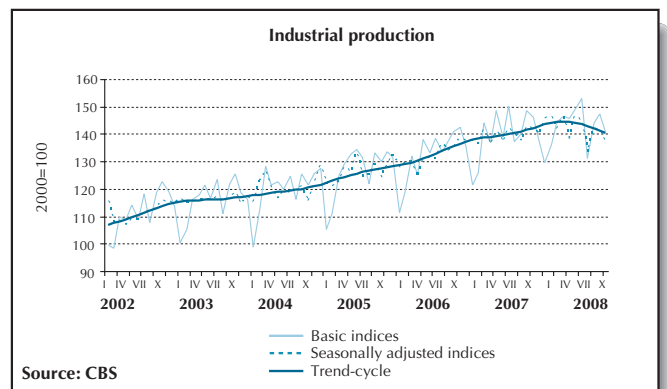
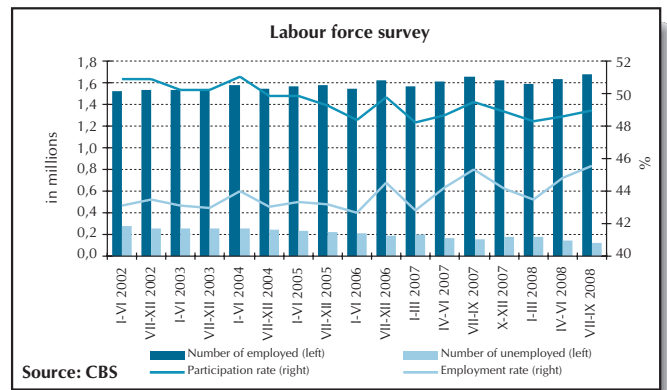
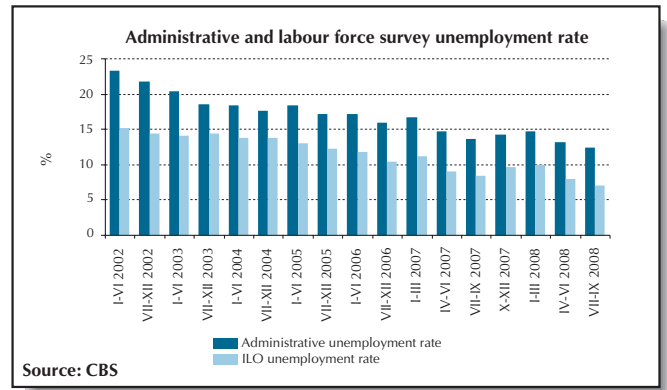
According to the results of the Labour Force Survey, the unemployment rate amounted to 7.0 percent in the third quarter of 2008, decreasing by 1.4 percentage points compared to the same period of 2007. The number of unemployed decreased at annual level by 25,000 in the third quarter, while the number of employed rose by 20,000.

Observing the average of the first three quarters of 2008, working age population accounted for 3,669,333 persons. Of that number, 48.6 percent were persons that worked or were actively looking for work, that is, could be classified as labour force. When compared to Labour Force Survey results from the first three quarters of 2007, the working age population increased by 19,333 and the labour force rose by 3,000. Total number of employed in the first three quarters of 2008 was on average at level of 1,636,667, increasing by 25,667 compared to the same period of 2007, while the number of unemployed persons went down by 22,667, equaling 147,333. Described developments determined the unemployment rate, which was at average level of 8.3 percent in the first three quarters of 2008, decreasing by 1.3 percentage points at annual level. The registered unemployment rate of average 13.4 percent in the first three quarters of 2008 was still significantly higher than the Labour Force Survey unemployment rate.

Industrial production recorded in November 2008 the annual decrease of 3.5 percent, where November 2008 had one working day less than November 2007, when the industrial production growth equaled 2.5 percent. Trend-index of the total industrial production was 0.1 percent lower compared to October 2008. The annual growth of the industrial production was 1.9 percent in the first eleven months of 2008.

When observed by main industrial groupings, the highest growth of industrial production in the first eleven months of 2008 was achieved by capital goods (4.1 percent), which implies further future industrial production growth since capital goods aren't intended for consumption but for further production, and non-durable consumer goods (3.7 percent). Production of energy increased by 0.8 percent in the first eleven months, while the production of durable consumer goods decreased by 6.0 percent and the production of intermediate goods by 0.6 percent.

Observed by activities, mining and quarrying decreased by 1.3 percent in the first eleven months of 2008, while the electricity, gas and water supply recorded an annual growth of 3.8 percent. Manufacturing, the activity which has the highest share in total industrial production (82.38 percent), increased by 1.8 percent in the first eleven months of 2008. The highest contribution to the manufacturing growth in the first eleven months came from publishing, printing and reproduction of recorded media, which recorded annual growth of 8.3 percent, manufacture of fabricated metal products, except machinery and equipment (6.7 percent), manufacture of chemicals and chemical products (8.0 percent) and manufacture of food and beverages (1.8 percent). Significant contribution to the total industrial production growth in the first eleven months of 2008 also came from electricity, gas, steam and hot water supply, which recorded an annual rise of 4.2 percent.



## MONETARY TRENDS

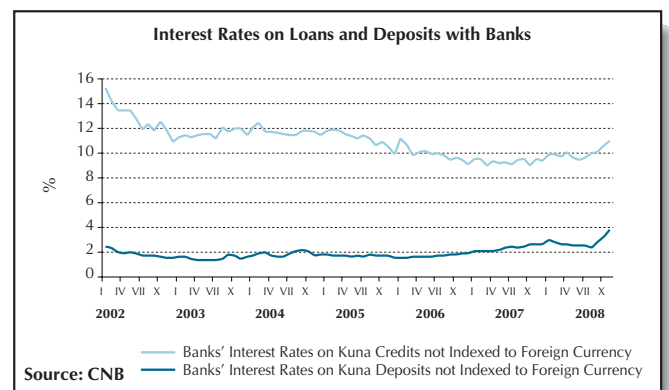
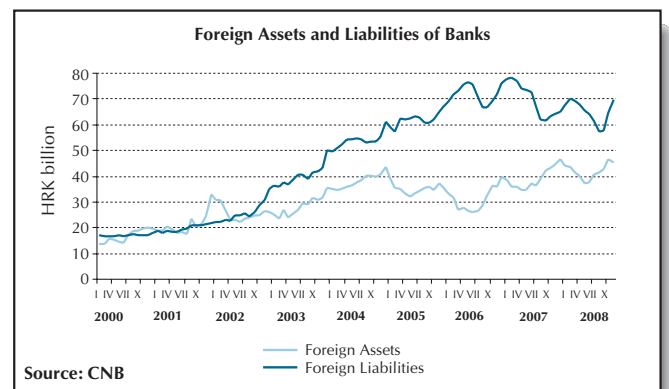
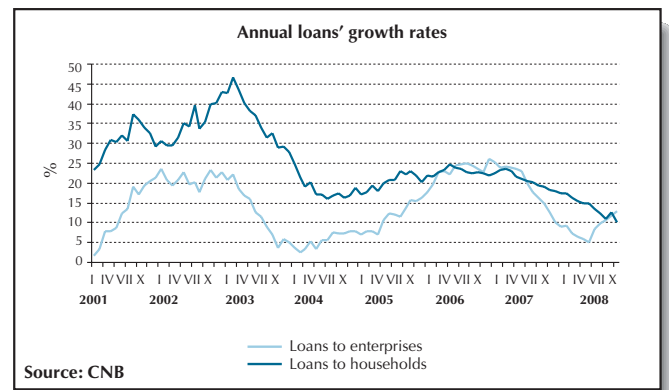
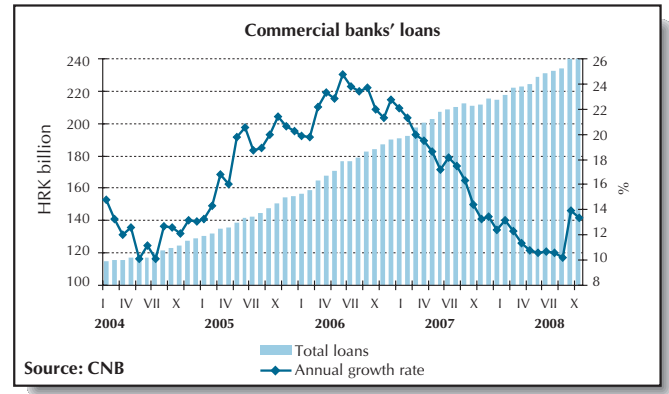
In November 2008 money (M1) decreased by HRK 1.6 billion in comparison with October, amounting to HRK 51.1 billion at the end of the month. The decrease in money was mostly the consequence of reduce in demand deposits, in the amount of HRK 1.4 billion, while the currency outside banks went down by HRK 280 million in November. At annual level, the money again recorded a decline, in the amount of 5.9 percent.

Total loans of commercial banks amounted to HRK 239.9 billion at the end of November 2008, decreasing by HRK 87 million compared to October. The annual growth of total loans stood at 13.3 percent in November, 0.6 percentage points less compared to growth recorded in October. Kuna loans went down by HRK 1.1 billion in November, while the foreign currency loans rose by HRK 995 million. Loans to households declined in November by HRK 1.8 billion compared to October, while the loans to enterprises increased by HRK 1.2 billion. The annual growth of loans to households amounted to 10.2 percent in November, while annual growth of loans to enterprises was 13.0 percent. Housing loans made 40.5 percent of total loans to households in November, while their annual growth slowed down to 12.1 percent, which is the lowest growth since the year 2001. Loans to the central government increased by 47.3 percent in November compared to the same month of the previous year.

Total deposits with commercial banks stood at level of HRK 198.7 billion at the end of November, decreasing by HRK 5.0 billion in comparison with October. The annual growth rate of total deposits equaled 4.0 percent in November, which is the lowest growth since March 2000, while, compared to October, their growth decelerated by 4.5 percentage points. Foreign currency deposits decreased by HRK 1.9 billion and kuna deposits by HRK 1.8 billion in November. The highest contribution to the kuna deposits decline came from decrease in deposits of non-banking financial institutions, in the amount of HRK 1.3 billion and deposits of other banking institutions (HRK 735 million). The highest reduce in the foreign currency deposits recorded the sector of enterprises (HRK 721 million), households (HRK 615 million) and the sector of non-banking financial institutions (HRK 436 million). The annual growth rate of the foreign currency deposits amounted to 12.4 percent in November, while kuna deposits went down by 1.6 percent.

Foreign assets of commercial banks amounted to HRK 45.3 billion at the end of November, decreasing by HRK 1.3 billion at monthly level. Observing the annual change, foreign assets recorded an increase of HRK 805 million or 1.8 percent in November. The foreign liabilities of commercial banks stood at level of HRK 69.6 billion at the end of November, increasing by HRK 5.0 billion compared to October. At annual level foreign liabilities recorded a rise of HRK 5.4 billion or 8.4 percent. Net foreign assets leveled HRK -24.3 billion at the end of November.

The average bank interest rates on kuna credits not indexed to foreign currency increased from 10.66 percent in October to 10.97 percent in November 2008. At the same time, the average bank interest rates on kuna deposits not indexed to foreign currency went up from 3.24 percent to 3.78 percent. Thereby, the difference between the active and the passive interest rates not indexed to foreign currency slightly reduced to 7.19 percentage points in November.



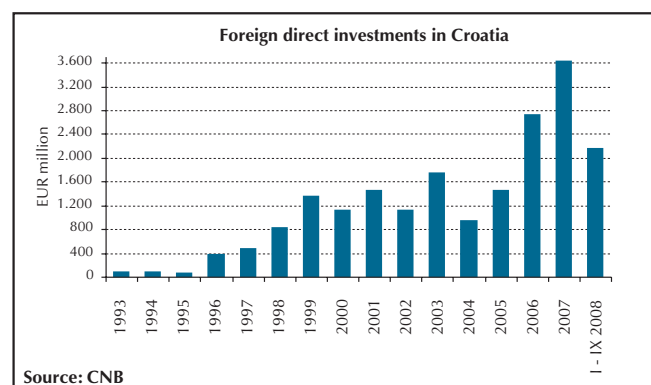
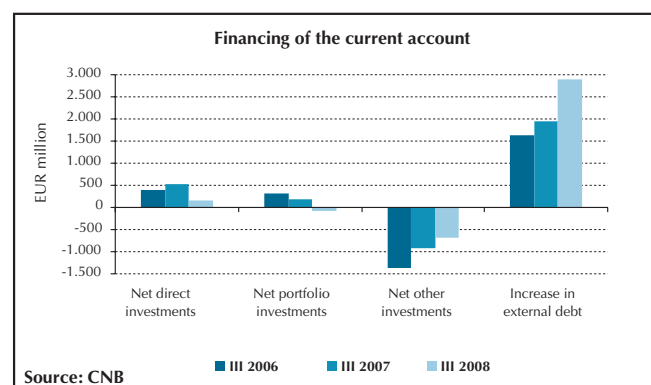
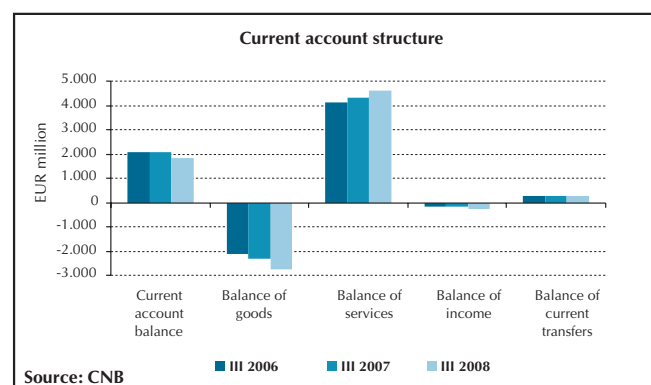
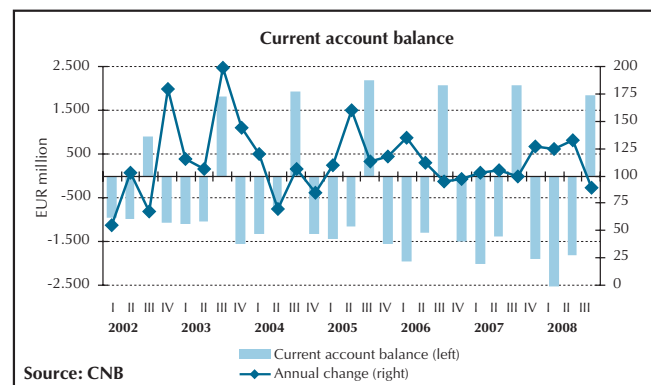
## INTERNATIONAL SECTOR

The current account of the balance of payments recorded a surplus of EUR 1.850 billion in the third quarter of 2008, which decreased by EUR 222 million compared to the same period of 2007. This achievement was mostly the result of an increase in negative balance on goods account, which amounted to EUR 2.7 billion in the third quarter, increasing by 18.2 percent at annual level, as the consequence of stronger annual growth of imports (15.8 percent) than exports of goods (13.5 percent). Surplus on current transfers account went down by EUR 259 million, that is, 1.7 percent in comparison with the same period of 2007. The income account recorded a negative balance of EUR 262 million, which rose by 38.5% annually, mainly due to the increase in debit from other investment income. Surplus on services account, amounting to EUR 4.6 billion, recorded an annual growth of 6.4 percent. Tourism revenues were realized at the amount of EUR 4.6 billion in the third quarter and went up by 6.9 percent in comparison with the same quarter of 2007. The coverage of imports by exports of goods and services stood at 129.9 percent in the third quarter. Current account deficit as the percentage of GDP (calculated as a sum of the current and three previous quarters) increased to 10.8 percent in the third quarter. Observing the financial account of the balance of payments, direct investments stood at EUR 170 million in the third quarter, decreasing by 68.1 percent in comparison with the same period of 2007. The portfolio investments account recorded a net outflow of EUR 77 million, while the outflow on other investments account was EUR 694 million, mostly as a consequence of an outflow by banks, amounting to EUR 1.7 billion. Reserve assets increased by EUR 383 million in the third quarter, while net errors and omissions were at level of EUR -1.6 billion.

In the first three quarters of 2008, the current account deficit was EUR 2.5 billion, increasing by EUR 1.2 billion or 88.2 percent at annual level. This was the result of an annual increase of EUR 1.4 billion on the goods account deficit, a rise of EUR 298 million in negative balance in the income account and a decrease in surplus on the current transfers account by EUR 20 million, which was just partially covered by the increase in services account surplus of EUR 559 million. The coverage of imports by exports of goods and services was at level of 89.3 percent in the first three quarters. Financial account was characterised by a decrease in direct investments from EUR 2.8 billion in the first three quarters of 2007 to EUR 2.1 billion in the first three quarters of 2008, that is, by 22.7 percent. The portfolio investments account recorded a net inflow of EUR 46 million, while the other investments account recorded an inflow of EUR 2.0 billion, almost five times more than in the same period of 2007. Net errors and omissions were at level of EUR -1.3 billion in the first three quarters and reserve assets went up by EUR 409 million.

Total foreign direct investments in Croatia stood at level of EUR 19.8 billion at the end of September 2008. In the first three quarters of 2008 amount of FDI in Croatia was EUR 2.2 billion, decreasing by 25.6 percent at annual level. The biggest part of total foreign direct investments in the first three quarters made equity investments, which equaled EUR 1.0 billion (47.7 percent of total investments). Other investments amounted to EUR 638 million (29.3 percent of total FDI) and reinvested earnings were EUR 500 million (23.0 percent of total FDI in the first three quarters). Observing the structure of FDI in Croatia by activities, the highest amount in the first three quarters of 2008 was invested in financial intermediation (EUR 1.1 billion), real estate activities (EUR 192 million), hotels and restaurants (EUR 117 million) and extraction of crude petroleum and natural gas

(EUR 114 million). Observed by countries, the highest inflow of investments in Croatia in the first three quarters of 2008 came from Austria (EUR 1.0 billion) Netherlands (EUR 326 million), Luxembourg (EUR 150 million), Slovenia (EUR 132 million) and Switzerland (EUR 116 million).





# CONSOLIDATED CENTRAL GOVERNMENT IN JANUARY - NOVEMBER 2008 PERIOD

## REVENUES

In January - November 2008 period, total revenues of consolidated central government amounted to HRK 109.5 billion which represents an annual increase of 6.2 percent.

Observing consolidated central government according to government level, it can be seen that 96.8 percent of total revenues refers to budgetary central government and the rest to extrabudgetary users. Among the extrabudgetary users the highest level of revenues was recorded by Croatian Waters (HRK 2.2 billion) Croatian roads (HRK 1.5 billion). It is worth mentioning that since January 2007 the 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.

With the share of 58.6 percent in the overall revenues, tax revenues represent the most important revenue category of consolidated central government. In January - November 2008 period they recorded an annual increase of 7.8 percent. Among tax revenues, the largest amount is generated through value added tax. Revenues from value added tax, which entirely fall under the coverage of budgetary central government, were realized in the amount of HRK 38.2 billion with an annual growth rate of 9.1 percent.

Revenues from excises amounted to HRK 8.3 billion which represents an annual decline of 1.6 percent. It has to be mentioned here that the road charges, which have been integrated in excises on oil derivatives since 2006, are excluded in this analysis with the purpose of more accurate year to year comparisons.

Observing the structure of total revenues from excises, the highest annual growth rates were recorded by excises on luxury products (10.5 percent) and excises on coffee and on cars, other motor vehicles, boats and planes (3.3 percent). On the other hand, the highest annual decline was recorded by excises on alcohol (5.9 percent), followed by excises on oil derivatives (4.5 percent) and excises on beer (3.8 percent).

With 36.5 percent, the revenues from excises on oil derivatives have the largest share in total revenues from excises and thus the strongest influence on the overall developments of excises revenues. They amounted to HRK 3.0 billion. The revenues from excises on tobacco and tobacco products have the second largest share in total revenues from excises of 32.7 percent. They were realized in the amount of HRK 2.7 billion.

Income tax revenues were realized in the amount of HRK 1.5 billion, representing an annual decrease of 3.9 percent. At the beginning of 2007 the amendments to the Act on the Financing of Local Government were adopted. According to those amendments, revenue from corporate income tax becomes in its entirety the revenue of the state budget, while the revenue from personal income tax is relinquished to local units.

Revenues from profit tax amounted to HRK 9.8 billion with an annual growth rate of 16.2 percent.

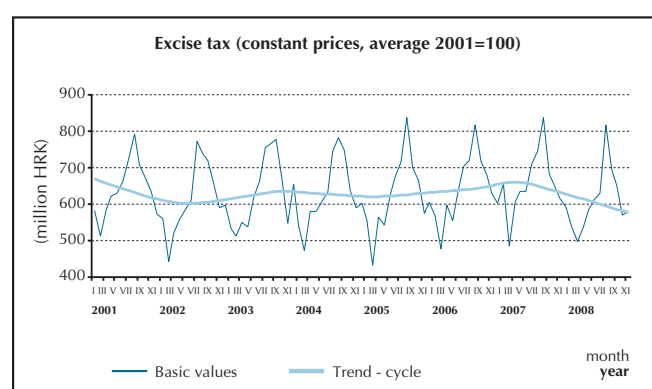
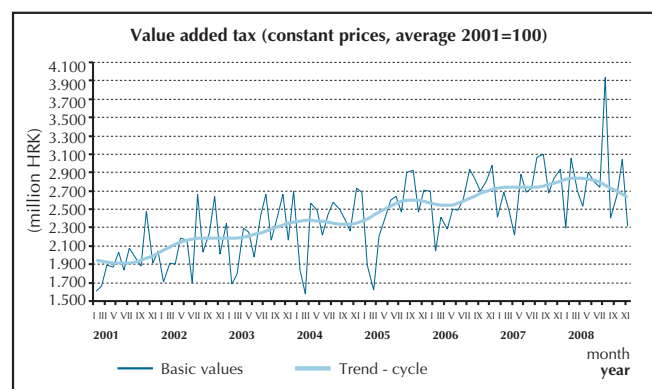
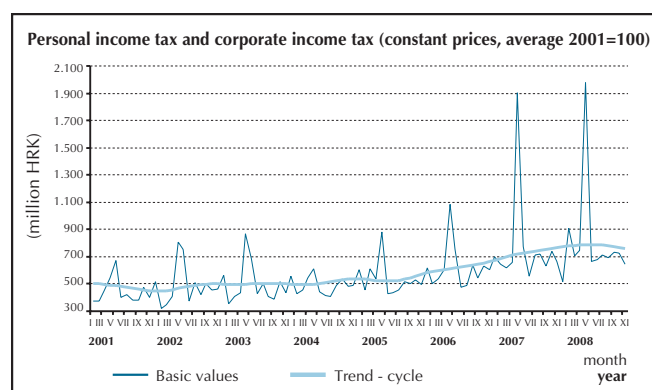
Revenues from taxes on property stood at the level of HRK 561.5 million and recorded an annual increase of 8.5 percent.

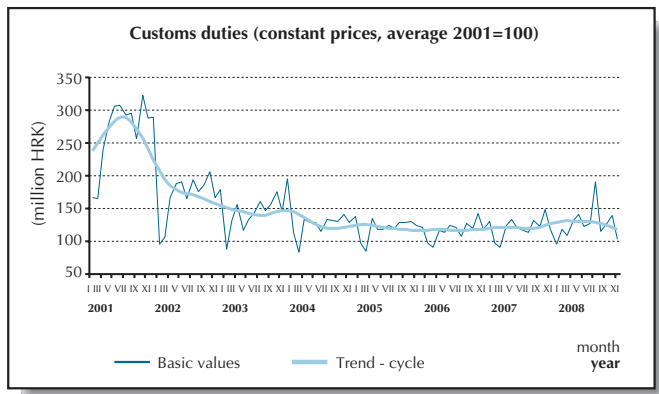
Revenues from taxes on international trade and transactions fall entirely under the coverage of budgetary central government. They amounted to HRK 1.8 billion which represents an annual rise of 14.6 percent.

Other taxes stood at the level of HRK 275.9 million.

Social contributions are the second most important revenue category of consolidated central government with 33.8 percent of total generated revenues. They amounted to HRK 37.0 billion which represents an annual increase of 8.8 percent. Within the structure of social contributions, the largest part refers to employer contributions (HRK 19.8 billion) and employee contributions (HRK 16.5 billion). The remaining HRK 745.2 million refers to contributions of self-employed and unemployed persons.

Grants were realized in the amount of HRK 463.7 million. The largest part of this amount (87.3 percent) refers to grants from international organizations, 5.9 percent refers to grants from





foreign governments and the remaining 6.8 percent refers to grants from other general government units.

Other revenues amounted to HRK 7.9 billion which represents an annual decline of 14.9 percent. The largest part of other revenues was realized through sales of goods and services (52.3 percent), followed by property income (24.9 percent), miscellaneous and unidentified revenues (15.8 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 4.1 billion (annual decline of 0.5 percent), 96.0 percent of which refers to administrative fees. Property income was realized in the amount of HRK 2.0 billion, which represents an annual decline of 18.3 percent. Miscellaneous and unidentified revenues amounted to HRK 1.2 billion, while fines, penalties and forfeits stood at HRK 449.0 million with an annual growth of 13.3 percent.

## EXPENSE

Total expense of consolidated central government in January - November 2008 period amounted to HRK 103.8 billion which represents an annual increase of 6.4 percent. Observing consolidated central government according to government level, HRK 99.5 billion refers to budgetary central government and HRK 4.3 billion to extrabudgetary users.

The largest share of total expense of consolidated central government (45.0 percent) refers to social benefits, followed by compensation of employees (26.4 percent), use of goods and services (8.9 percent), other expense (6.7 percent), subsidies (5.7 percent), interest (4.2 percent) and grants (3.1 percent).

Social benefits stood at the level of HRK 46.8 billion, representing an annual increase of 7.0 percent. Observing the structure of social benefits, 71.4 percent refers to social security benefits, 28.3 percent to social assistance benefits, while the remaining 0.3 percent refers to employer social benefits. Social benefits were mostly related to the following categories: expenses for pensions, expenses for health care system, child allowance, maternity leave allowances and expenses for unemployment. Expenses for pensions stood at the level of HRK 29.8 billion, whereat HRK 13.1 billion refers to expenses for old age pensions, HRK 4.5 billion refers to pensions for disabled persons, HRK 4.3 billion to veterans' pensions and HRK 3.4 billion refers to family pensions. Expenses for healthcare system amounted to HRK 17.6 billion. Within their structure, expenses for hospital health care amounted to HRK 7.6 billion, for primary health care to HRK 2.7 billion and expenses for medicaments on prescription amounted to HRK 2.4 billion.

Child allowance amounted to HRK 1.7 billion, expenses for additional maternity leave to HRK 822.0 million and expenses for unemployment to HRK 742.9 million.

Compensation of employees stood at HRK 27.4 billion which represents an annual rise of 7.2 percent. Wages and salaries recorded an annual rise of 7.9 percent and social contributions of 3.5 percent. In absolute terms, wages and salaries amounted to HRK 23.2 billion and social contributions to HRK 4.2 billion.

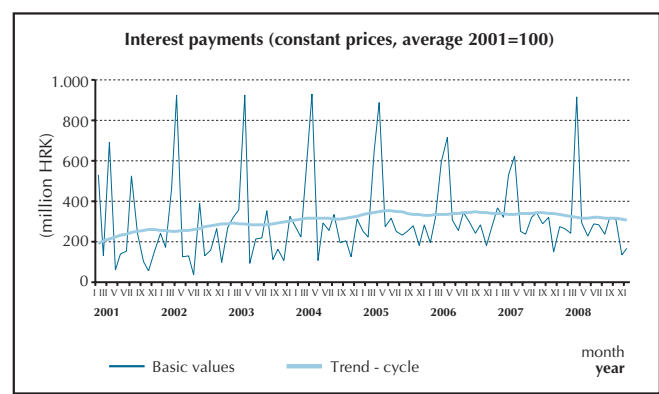
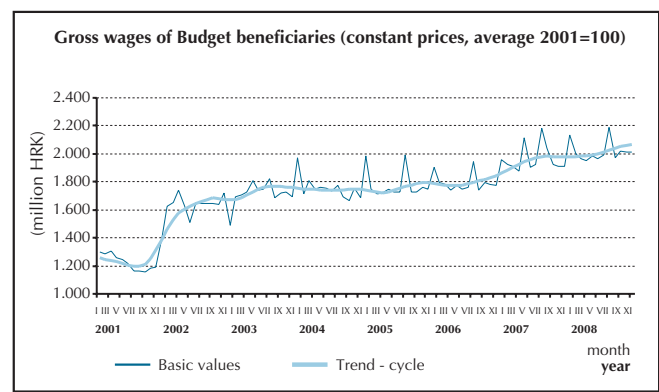
Expense for use of goods and services amounted to HRK 9.3 billion with an annual increase of 3.0 percent. Expense for use of goods and services refer mostly to different types of services like telephone service, post and transportation services etc.

Expense for subsidies stood at the level of 5.9 billion, 52.9 percent of which refers to subsidies to private enterprises (in the amount of HRK 3.1 billion). Subsidies to public corporations make the remaining 47.1 percent of total subsidies (in the amount of HRK 2.8 billion) and their largest part refers to subsidies to Croatian Railways (in the amount of HRK 1.5 billion).

Expense for interest payments amounted to HRK 4.3 billion. 65.4 percent of expense for interest payments refers to interests to residents, and the remaining 34.6 percent to interests to nonresidents. In absolute terms, interests to residents other than general government stood at HRK 2.8 billion and interests to nonresidents at HRK 1.5 billion.

Grants amounted to HRK 3.3 billion. The largest part of that amount (HRK 2.0 billion or 61.0 percent) refers to current grants to other general government units, 34.0 percent refers to capital grants to other general government units, 2.8 percent to current grants to international organizations and the remaining 2.2 percent refers to grants to foreign governments.

Other expenses stood at HRK 6.9 billion which represents 76.9 percent of the planned amount for 2008. Among other expenses,



capital expenses amounted to HRK 4.6 billion, current expenses to HRK 2.3 billion and the rest of the sum (HRK 9.2 million) refers to property expense other than interest.

#### **TRANSACTION IN NON-FINANCIAL ASSETS**

In January - November 2008 period net acquisition of non-financial assets of consolidated central government amounted to HRK 3.1 billion as the acquisition of non-financial assets (HRK 3.5 billion) surpassed the disposal of non-financial assets (HRK 430.7 million). This amount accounts for 56.4 percent of the amount planned for 2008. The acquisition of non-financial assets refers mostly (88.7 percent) to acquisition of fixed assets, mainly buildings and structures. According to government level, 32.7 percent of total acquisition refers to extrabudgetary users and 67.3 percent to budgetary central government. On the other hand, the disposal of non-financial assets refers mostly to disposals of fixed assets at the budgetary central government level.

#### **TRANSACTIONS IN FINANCIAL ASSETS**

Net acquisition of financial assets of consolidated central government amounted to HRK 4.5 billion as a result of domestic financial assets of HRK 4.5 billion and foreign financial assets of HRK 12.5 million. Currency and deposits of consolidated central government have growth to HRK 4.7 billion. According to government level, currency and deposits of budgetary central government amounted to HRK 3.9 billion and currency and deposits of extrabudgetary users to HRK 800.0 million.

Net loans recorded a growth to HRK 316.9 million as a result of greater acquisitions (HRK 847.6 million) than disposals (HRK 530.7 million). According to government level, net loans of budgetary central government stood at HRK -62.7 million and the net loans of extrabudgetary users at HRK 379.6 million. Furthermore, net domestic shares and other equity amounted to HRK -454.7 million as a result of acquisitions in the amount of HRK 379.5 million and disposals in the amount of HRK 834.2 million. Net shares and other equity of budgetary central government recorded a growth to HRK -304.8 million, while

net shares and other equity of extrabudgetary users recorded a decline to HRK -149.9 million.

Foreign financial assets stood at the level of HRK 12.5 million, solely as a result of the 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 1.9 billion. Net domestic liabilities recorded an increase to HRK 3.1 billion resulting from an increase in net incurrence of liabilities on the basis of securities other than shares and increase in net incurrence of liabilities on the basis of loans. Net incurrence of liabilities on the basis of securities other than shares has increased to HRK -1.7 billion as a result of repayments in the amount of HRK 1.5 billion and incurrence of liabilities in the amount of HRK -288.7 million. Net domestic incurrence of liabilities on the basis of loans amounted to HRK 4.8 billion as a result of repayments in the amount of HRK 1.0 billion and incurrence of liabilities in the amount of HRK 5.9 billion. The largest part of transactions in domestic liabilities took place at the budgetary central government level.

Net foreign liabilities of consolidated central government stood at the level of HRK -1.2 billion as the result of net incurrence of liabilities on the basis of securities other than shares and of net incurrence of liabilities on the basis of loans. Net foreign incurrence of liabilities on the basis of loans amounted to HRK -102.3 million as a result of repayments in the amount of HRK 1.7 billion and incurrence of liabilities in the amount of HRK 1.6 billion. Net foreign incurrence of liabilities on the basis of securities other than shares stood at HRK -1.1 billion as a result of repayments at the budgetary central government level.

#### **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 5.7 billion. By subtracting net acquisition of non-financial assets from net operating balance, a category of net lending/borrowing is obtained. In January - November 2008 period net lending/borrowing amounted to HRK 2.66 billion.

TABLE 2: BUDGETARY CENTRAL GOVERNMENT REVENUE

(000 HRK)		2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008.	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>85 653 010</b>	<b>95 235 557</b>	<b>108 320 595</b>	<b>28 015 085</b>	<b>118 051 097</b>	<b>27 344 504</b>	<b>30 225 037</b>	<b>29 778 052</b>	<b>106 014 898</b>	<b>8 588 035</b>	<b>89,80</b>
<b>11</b>	<b>Taxes (111+113+114+115+116)</b>	<b>50 687 564</b>	<b>58 469 091</b>	<b>64 234 530</b>	<b>15 856 315</b>	<b>71 053 542</b>	<b>16 311 874</b>	<b>18 499 283</b>	<b>18 473 470</b>	<b>64 219 244</b>	<b>4 908 468</b>	<b>90,38</b>
<b>111</b>	<b>Taxes of income and profits and capital gains (1111+1112)</b>	<b>7 057 112</b>	<b>8 515 615</b>	<b>10 589 083</b>	<b>2 278 441</b>	<b>11 895 270</b>	<b>2 844 005</b>	<b>4 076 998</b>	<b>2 657 500</b>	<b>11 271 200</b>	<b>795 240</b>	<b>94,75</b>
1111	Payable by individuals	3 106 476	3 459 649	1 772 708	616 028	1 873 796	639 990	91 311	435 524	1 482 254	163 595	79,10
1112	Payable by corporations and other enterprises	3 950 636	5 055 966	8 816 375	1 662 414	10 021 475	2 204 015	3 985 687	2 221 976	9 788 946	631 645	97,68
<b>113</b>	<b>Taxes on property</b>	<b>375 501</b>	<b>482 331</b>	<b>578 621</b>	<b>179 334</b>	<b>621 400</b>	<b>134 646</b>	<b>167 308</b>	<b>141 035</b>	<b>561 494</b>	<b>50 042</b>	<b>90,36</b>
<b>114</b>	<b>Taxes on goods and services (1141+...+1146)</b>	<b>41 323 002</b>	<b>47 546 223</b>	<b>51 099 930</b>	<b>12 885 177</b>	<b>56 459 429</b>	<b>12 825 819</b>	<b>13 697 491</b>	<b>15 066 035</b>	<b>50 359 781</b>	<b>3 910 692</b>	<b>89,20</b>
1141	General taxes on goods and services (11411+11412)	32 399 952	35 091 381	37 916 509	9 588 648	42 927 883	10 033 686	10 436 530	11 196 539	38 329 844	2 875 165	89,29
11411	Value-added taxes	32 243 372	34 931 750	37 747 987	9 547 734	42 751 585	9 992 316	10 391 176	11 155 970	38 175 263	2 862 840	89,30
11412	Sales taxes	156 580	159 631	168 522	40 915	176 298	41 370	45 355	40 569	154 581	12 325	87,68
1142	Excises (11421+11422+11423+11424+11425+11426+11427+11428)	8 177 659	11 564 709	12 168 666	2 991 506	12 403 391	2 555 576	2 986 446	3 583 394	11 057 869	945 935	89,15
11421	- on cars, other motor vehicles, boats and planes	1 080 926	1 270 422	1 433 427	343 516	1 523 771	337 549	433 220	367 233	1 362 769	100 074	89,43
11422	- on petroleum products	3 337 501	6 316 440	6 484 816	1 648 642	6 531 939	1 376 862	1 540 286	1 845 314	5 812 118	471 050	88,98
11423	- on alcohol	228 386	230 178	231 342	44 494	234 918	60 209	47 067	66 717	202 321	8 160	86,12
11424	- on beer	702 386	716 167	743 000	154 321	738 324	118 007	163 874	283 045	673 040	46 809	91,16
11425	- on nonalcoholic beverages	141 905	140 404	142 462	31 280	143 657	24 246	32 433	48 833	127 916	8 206	89,04
11426	- on tobacco products	2 518 801	2 710 348	2 943 649	718 334	3 030 682	594 987	718 749	917 133	2 698 929	297 867	89,05
11427	- on coffee	145 334	156 666	161 936	44 005	168 342	35 972	43 720	46 714	152 564	11 690	90,63
11428	- on luxury goods	22 420	24 084	28 033	6 914	31 758	7 744	7 097	8 404	28 212	2 079	88,83
<b>115</b>	<b>Taxes on international trade and transactions</b>	<b>1 562 930</b>	<b>1 588 456</b>	<b>1 641 478</b>	<b>427 459</b>	<b>1 818 893</b>	<b>431 769</b>	<b>479 029</b>	<b>538 393</b>	<b>1 750 882</b>	<b>128 320</b>	<b>96,26</b>
<b>116</b>	<b>Other taxes</b>	<b>369 019</b>	<b>336 466</b>	<b>325 418</b>	<b>85 903</b>	<b>258 549</b>	<b>75 635</b>	<b>78 457</b>	<b>70 508</b>	<b>275 887</b>	<b>24 175</b>	<b>106,71</b>
<b>12</b>	<b>Social contributions</b>	<b>31 301 340</b>	<b>33 877 148</b>	<b>37 203 486</b>	<b>9 546 298</b>	<b>41 370 661</b>	<b>9 766 187</b>	<b>10 022 663</b>	<b>10 338 788</b>	<b>36 989 583</b>	<b>3 379 208</b>	<b>89,41</b>
121	Social security contributions (1211+1212+1213+1214)	31 301 340	33 877 148	37 203 486	9 546 298	41 370 661	9 766 187	10 022 663	10 338 788	36 989 583	3 379 208	89,41
1211	Employee contributions	13 857 360	15 084 349	16 531 305	4 214 763	18 341 254	4 386 796	4 457 162	4 584 893	16 470 443	1 499 103	89,80
1212	Employer contributions	16 695 492	18 051 382	19 845 488	5 079 320	20 892 593	5 197 334	5 359 106	5 540 022	19 773 925	1 809 984	94,65
1213	Self-employed or unemployed contributions	748 487	741 418	826 692	252 216	2 136 814	182 057	206 396	213 874	745 215	70 121	34,88
1214	Unallocable contributions	0	0	0	0	0	0	0	0	0	0	
<b>13</b>	<b>Grants</b>	<b>27 505</b>	<b>195 984</b>	<b>428 038</b>	<b>229 760</b>	<b>927 661</b>	<b>88 117</b>	<b>132 688</b>	<b>119 865</b>	<b>415 936</b>	<b>38 657</b>	<b>44,84</b>
<b>14</b>	<b>Other revenue (141+142+143+144+145)</b>	<b>3 636 601</b>	<b>2 693 335</b>	<b>6 454 541</b>	<b>2 382 712</b>	<b>4 699 233</b>	<b>1 178 325</b>	<b>1 570 403</b>	<b>845 928</b>	<b>4 390 135</b>	<b>261 701</b>	<b>93,42</b>
<b>141</b>	<b>Property income (1411+1412+1413+1415)</b>	<b>2 226 647</b>	<b>832 400</b>	<b>3 526 540</b>	<b>1 761 102</b>	<b>1 425 517</b>	<b>217 699</b>	<b>813 386</b>	<b>161 375</b>	<b>1 477 023</b>	<b>50 467</b>	<b>103,61</b>
1411	Interest	62 784	108 232	164 558	49 953	117 506	68 760	15 272	27 004	130 811	10 099	111,32
1412	Dividends	1 123 346	17 835	1 194 582	27 674	194 148	629	194 038	98	212 387	4 436	109,39
1413	Withdrawals from income of quasi-corporations	192 516	288 113	117 730	368	505 030	150	484 783	10 099	495 324	0	98,08
1415	Rent	848 001	418 220	2 049 670	1 683 107	608 832	148 160	119 293	124 174	638 500	35 932	104,87
<b>142</b>	<b>Sales of goods and services (1422+1423)</b>	<b>782 428</b>	<b>1 209 296</b>	<b>1 526 646</b>	<b>336 930</b>	<b>1 473 588</b>	<b>481 348</b>	<b>356 502</b>	<b>316 294</b>	<b>1 339 811</b>	<b>85 568</b>	<b>90,92</b>
1421	Sales of market establishments	0	0	0	0	0	0	0	0	0	0	
1422	Administrative fees	397 066	821 741	1 318 050	280 503	1 386 754	442 581	310 865	270 482	1 180 257	71 442	85,11
1423	Incidental sales by nonmarket establishments	385 362	387 555	208 596	56 427	86 834	38 766	45 637	45 812	159 554	14 126	183,74
<b>143</b>	<b>Fines, penalties, and forfeits</b>	<b>360 707</b>	<b>391 616</b>	<b>429 034</b>	<b>104 980</b>	<b>448 340</b>	<b>108 025</b>	<b>113 019</b>	<b>127 740</b>	<b>449 020</b>	<b>46 347</b>	<b>100,15</b>
<b>144</b>	<b>Voluntary transfers other than grants</b>	<b>5 653</b>	<b>6 737</b>	<b>11 241</b>	<b>4 330</b>	<b>7 125</b>	<b>649</b>	<b>4 446</b>	<b>865</b>	<b>6 226</b>	<b>45</b>	<b>87,38</b>
<b>145</b>	<b>Miscellaneous and unidentified revenue</b>	<b>261 166</b>	<b>253 286</b>	<b>961 080</b>	<b>175 370</b>	<b>1 344 663</b>	<b>370 605</b>	<b>283 050</b>	<b>239 654</b>	<b>1 118 056</b>	<b>79 274</b>	<b>83,15</b>

Source: Ministry of Finance

TABLE 3: BUDGETARY CENTRAL GOVERNMENT EXPENSE

(000 HRK)		2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>87 857 465</b>	<b>95 949 951</b>	<b>108 007 605</b>	<b>31 257 268</b>	<b>117 326 523</b>	<b>26 082 560</b>	<b>27 989 242</b>	<b>28 796 110</b>	<b>101 259 581</b>	<b>9 060 765</b>	<b>86,31</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>23 182 586</b>	<b>24 313 867</b>	<b>27 545 141</b>	<b>7 051 438</b>	<b>29 920 263</b>	<b>7 136 944</b>	<b>7 313 729</b>	<b>7 677 016</b>	<b>27 120 296</b>	<b>2 492 785</b>	<b>90,64</b>
211	Wages and salaries	19 699 216	20 663 890	23 237 088	6 006 380	25 426 947	6 041 412	6 187 278	6 529 749	22 991 707	2 114 140	90,42
212	Social contributions	3 483 370	3 649 977	4 308 053	1 045 058	4 493 317	1 095 532	1 126 452	1 147 267	4 128 590	378 645	91,88
<b>22</b>	<b>Use of goods and services</b>	<b>4 951 917</b>	<b>6 069 116</b>	<b>7 162 402</b>	<b>2 477 346</b>	<b>8 780 385</b>	<b>1 312 265</b>	<b>1 899 091</b>	<b>1 904 051</b>	<b>6 447 348</b>	<b>599 504</b>	<b>73,43</b>
<b>24</b>	<b>Interest (241+242+243)</b>	<b>4 387 010</b>	<b>4 713 615</b>	<b>4 535 008</b>	<b>818 700</b>	<b>4 963 289</b>	<b>1 749 489</b>	<b>991 101</b>	<b>1 080 747</b>	<b>4 199 029</b>	<b>208 418</b>	<b>84,60</b>
241	To nonresidents	2 053 588	1 863 999	1 672 563	160 406	1 642 461	891 984	367 112	125 571	1 463 406	25 434	89,10
242	To residents other than general government	2 333 422	2 849 616	2 862 444	658 294	3 320 827	857 505	623 989	955 177	2 735 623	182 983	82,38
<b>25</b>	<b>Subsidies (251+252)</b>	<b>5 248 744</b>	<b>5 670 789</b>	<b>6 492 010</b>	<b>2 011 599</b>	<b>7 552 872</b>	<b>1 880 408</b>	<b>1 686 885</b>	<b>1 536 489</b>	<b>5 847 304</b>	<b>254 365</b>	<b>77,42</b>
251	To public corporations	2 784 825	2 692 785	3 007 099	886 696	3 209 544	859 770	791 044	694 827	2 769 838	152 654	86,30
252	To private enterprises	2 463 919	2 978 004	3 484 912	1 124 903	4 343 328	1 020 637	895 841	841 661	3 077 465	101 711	70,86
<b>26</b>	<b>Grants (261+262+263)</b>	<b>3 796 847</b>	<b>6 652 994</b>	<b>8 363 202</b>	<b>4 000 388</b>	<b>6 092 928</b>	<b>823 071</b>	<b>1 388 471</b>	<b>1 444 239</b>	<b>4 807 056</b>	<b>568 923</b>	<b>78,90</b>
261	To foreign governments (2611+2612)	73 639	64 795	103 410	52 017	108 136	2 705	3 916	25 176	72 042	27 624	66,62
2611	Current	49 174	37 760	75 261	31 549	83 136	2 705	3 023	16 849	54 084	21 357	65,05
2612	Capital	24 465	27 035	28 149	20 468	25 000	0	893	8 327	17 958	6 267	71,83
262	To international organizations (2621+2622)	93 832	89 619	73 941	22 443	88 555	33 757	22 267	26 873	91 647	5 179	103,49
2621	Current	93 832	89 619	73 941	22 443	85 555	33 757	22 267	26 873	91 647	5 179	107,12
2622	Capital	0	0	0	0	3 000	0	0	0	0	0	
263	To other general government units (2631+2632)	3 629 376	6 498 581	8 185 852	3 925 929	5 896 237	786 610	1 362 288	1 392 190	4 643 368	536 120	78,75
2631	Current	2 623 246	2 663 156	2 305 125	863 944	2 579 286	350 222	611 190	548 679	1 987 854	246 024	77,07
2632	Capital	1 006 130	3 835 425	5 880 726	3 061 985	3 316 951	436 388	751 098	843 511	2 655 513	290 095	80,06
<b>27</b>	<b>Social benefits (271+272+273)</b>	<b>41 358 455</b>	<b>43 444 589</b>	<b>48 175 989</b>	<b>12 485 864</b>	<b>52 208 820</b>	<b>11 996 333</b>	<b>12 786 837</b>	<b>13 268 161</b>	<b>46 765 630</b>	<b>4 390 428</b>	<b>89,57</b>
271	Social security benefits	29 308 716	30 535 396	34 167 894	8 724 380	36 950 872	8 345 689	9 156 135	9 632 038	33 397 110	3 187 906	90,38
272	Social assistance benefits	11 792 075	12 786 632	13 815 777	3 716 258	15 177 948	3 588 042	3 601 255	3 595 754	13 209 692	1 195 324	87,03
273	Employer social benefits	257 663	122 561	192 318	45 225	80 000	62 602	29 447	40 369	158 828	7 198	198,54
<b>28</b>	<b>Other expense (281+282)</b>	<b>4 931 907</b>	<b>5 084 980</b>	<b>5 733 853</b>	<b>2 411 932</b>	<b>7 807 967</b>	<b>1 184 051</b>	<b>1 923 129</b>	<b>1 885 408</b>	<b>6 072 918</b>	<b>546 343</b>	<b>77,78</b>
281	Property expense other than interest	4 920	7 600	1 132	-1 347	0	3 231	331	2 758	9 194	2 831	
282	Miscellaneous other expense (2821+2822)	4 926 987	5 077 381	5 732 721	2 413 279	7 807 967	1 180 820	1 922 798	1 882 649	6 063 724	543 512	77,66
2821	Current	2 154 806	2 304 214	2 837 557	1 041 209	2 819 228	555 452	695 858	668 273	2 249 275	164 470	79,78
2822	Capital	2 772 181	2 773 167	2 895 164	1 372 071	4 988 739	625 368	1 226 940	1 214 376	3 814 449	379 041	76,46

TABLE 4: TRANSACTIONS IN NONFINANCIAL ASSETS OF BUDGETARY CENTRAL GOVERNMENT

(000 HRK)		2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>31</b>	<b>NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 553 668</b>	<b>1 555 792</b>	<b>2 545 220</b>	<b>1 387 788</b>	<b>3 530 512</b>	<b>126 282</b>	<b>581 804</b>	<b>843 184</b>	<b>2 082 858</b>	<b>312 903</b>	<b>59,00</b>
<b>31,1</b>	<b>Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)</b>	<b>1 828 818</b>	<b>1 908 482</b>	<b>3 043 906</b>	<b>1 495 267</b>	<b>3 887 915</b>	<b>192 875</b>	<b>651 196</b>	<b>913 811</b>	<b>2 344 684</b>	<b>343 913</b>	<b>60,31</b>
<b>31,2</b>	<b>Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)</b>	<b>275 149</b>	<b>352 690</b>	<b>498 685</b>	<b>107 479</b>	<b>357 403</b>	<b>66 593</b>	<b>69 392</b>	<b>70 627</b>	<b>261 826</b>	<b>31 010</b>	<b>73,26</b>
										0		
<b>311</b>	<b>Fixed assets (3111+3112+3113)</b>	<b>1 516 968</b>	<b>1 595 121</b>	<b>2 625 692</b>	<b>1 336 775</b>	<b>3 261 422</b>	<b>120 053</b>	<b>526 810</b>	<b>785 617</b>	<b>1 920 183</b>	<b>271 891</b>	<b>58,88</b>
311,1	Acquisitions: fixed assets (3111,1+3112,1+3113,1)	1 781 347	1 844 783	2 906 863	1 419 409	3 544 025	182 747	592 098	846 596	2 148 495	290 326	60,62
311,2	Disposals: fixed assets (3111,2+3112,2+3113,2)	264 379	249 663	281 171	82 635	282 603	62 694	65 288	60 979	228 312	18 435	80,79
<b>3111</b>	<b>Buildings and structures (3111,1-3111,2)</b>	<b>867 663</b>	<b>831 377</b>	<b>1 154 132</b>	<b>635 541</b>	<b>1 381 836</b>	<b>17 431</b>	<b>223 338</b>	<b>282 827</b>	<b>786 502</b>	<b>148 069</b>	<b>56,92</b>
3111,1	Acquisitions: buildings and structures	1 131 302	1 080 074	1 423 340	708 479	1 651 693	78 650	286 628	342 080	1 008 705	165 638	61,07
3111,2	Disposals: buildings and structures	263 639	248 698	269 208	72 938	269 857	61 219	63 291	59 254	222 203	17 569	82,34
<b>3112</b>	<b>Machinery and equipment (3112,1-3112,2)</b>	<b>557 320</b>	<b>656 733</b>	<b>1 338 275</b>	<b>619 879</b>	<b>1 667 458</b>	<b>99 185</b>	<b>294 957</b>	<b>482 381</b>	<b>1 079 180</b>	<b>109 643</b>	<b>64,72</b>
3112,1	Acquisitions: machinery and equipment	558 060	657 696	1 350 238	629 575	1 680 204	100 660	296 955	484 105	1 085 288	110 509	64,59
3112,2	Disposals: machinery and equipment	740	964	11 963	9 697	12 746	1 475	1 998	1 724	6 108	866	47,92
<b>3113</b>	<b>Other fixed assets (3113,1-3113,2)</b>	<b>91 986</b>	<b>107 011</b>	<b>133 285</b>	<b>81 355</b>	<b>212 128</b>	<b>3 438</b>	<b>8 515</b>	<b>20 410</b>	<b>54 501</b>	<b>14 179</b>	<b>25,69</b>
3113,1	Acquisitions: other fixed assets	91 986	107 012	133 285	81 355	212 128	3 438	8 515	20 411	54 503	14 179	25,69
3113,2	Disposals: other fixed assets	0	1	0	0	0	0	0	1	1	0	
<b>312</b>	<b>Inventories</b>	<b>0</b>	<b>-80 226</b>	<b>-161 383</b>	<b>16 197</b>	<b>119 200</b>	<b>499</b>	<b>-1 206</b>	<b>13 380</b>	<b>12 392</b>	<b>-251</b>	<b>10,40</b>
312,1	Acquisitions: inventories	0	1 048	36 574	33 749	124 000	1 720	0	14 830	16 550	0	13,35
312,2	Disposals: inventories	0	81 274	197 957	17 552	4 800	1 222	1 206	1 450	4 158	251	86,63
<b>313</b>	<b>Valuables (313,1-313,2)</b>	<b>7 220</b>	<b>7 826</b>	<b>9 620</b>	<b>2 562</b>	<b>6 158</b>	<b>1 651</b>	<b>2 852</b>	<b>1 336</b>	<b>9 631</b>	<b>1 392</b>	<b>156,39</b>
313,1	Acquisitions: valuables	7 220	7 826	9 620	2 562	6 158	1 651	2 852	1 336	9 631	1 392	156,39
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>29 480</b>	<b>33 072</b>	<b>71 291</b>	<b>32 254</b>	<b>143 732</b>	<b>4 079</b>	<b>53 349</b>	<b>42 852</b>	<b>140 652</b>	<b>39 871</b>	<b>97,86</b>
314,1	Acquisitions: nonproduced assets (3141,1+3142,1+3143,1+3144,1)	40 251	54 826	90 848	39 546	213 732	6 757	56 246	51 049	170 008	52 195	79,54
314,2	Disposals: nonproduced assets (3141,2+3142,2+3143,2+3144,2)	10 771	21 754	19 557	7 292	70 000	2 678	2 897	8 198	29 356	12 325	41,94
<b>3141</b>	<b>Land (3141,1-3141,2)</b>	<b>-10 282</b>	<b>-21 650</b>	<b>-19 492</b>	<b>-7 292</b>	<b>-68 110</b>	<b>-2 678</b>	<b>-2 897</b>	<b>-8 198</b>	<b>-29 356</b>	<b>-12 325</b>	
3141,1	Acquisitions: land	489	81	58	0	1 890	0	0	0	0	0	
3141,2	Disposals: land	10 771	21 732	19 549	7 292	70 000	2 678	2 897	8 198	29 356	12 325	41,94
<b>3142</b>	<b>Subsoil assets</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>	<b>0</b>	
3142,1	Acquisitions: subsoil assets	0	0	0	0	0	0	0	0	0	0	
3142,2	Disposals: subsoil assets	0	22	0	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>39 762</b>	<b>54 744</b>	<b>90 782</b>	<b>39 546</b>	<b>211 842</b>	<b>6 757</b>	<b>56 246</b>	<b>51 049</b>	<b>170 008</b>	<b>52 195</b>	<b>80,25</b>
3144,1	Acquisitions: intangible nonproduced assets	39 762	54 744	90 790	39 546	211 842	6 757	56 246	51 049	170 008	52 195	80,25
3144,2	Disposals: intangible nonproduced assets	0	0	8	0	0	0	0	0	0	0	

Source: Ministry of Finance

TABLE 5: TRANSACTIONS IN FINANCIAL ASSETS OF BUDGETARY CENTRAL GOVERNMENT

(000 HRK)	2005	2006	2007	X -XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>1 752 825</b>	<b>-3 047 174</b>	<b>-3 734 781</b>	<b>-5 552 939</b>	<b>114 522</b>	<b>1 695 519</b>	<b>666 467</b>	<b>-442 218</b>	<b>3 509 671</b>	<b>1 024 270</b>
<b>32,1 Acquisition of financial assets (321,1+322,1)</b>	<b>1 264 131</b>	<b>1 285 738</b>	<b>1 081 740</b>	<b>455 248</b>	<b>1 136 182</b>	<b>62 302</b>	<b>279 098</b>	<b>217 597</b>	<b>760 806</b>	<b>107 185</b>
<b>32,2 Disposals of financial assets (321,2+322,2)</b>	<b>199 491</b>	<b>2 883 242</b>	<b>3 094 930</b>	<b>2 877 185</b>	<b>1 021 660</b>	<b>113 377</b>	<b>690 870</b>	<b>270 632</b>	<b>1 115 836</b>	<b>14 844</b>
<b>Currency and deposits (3212+3222)</b>	<b>688 185</b>	<b>-1 449 670</b>	<b>-1 721 591</b>	<b>-3 131 002</b>	<b>0</b>	<b>1 746 594</b>	<b>1 078 239</b>	<b>-389 184</b>	<b>3 864 701</b>	<b>931 929</b>
<b>321 Domestic (3212+3213+3214+3215+3216+3217+3218)</b>	<b>1 757 681</b>	<b>-3 063 855</b>	<b>-3 752 817</b>	<b>-5 562 941</b>	<b>102 061</b>	<b>1 695 519</b>	<b>659 353</b>	<b>-442 218</b>	<b>3 497 227</b>	<b>1 018 940</b>
<b>321,1 Acquisition of domestic financial assets (3213,1+...+3218,1)</b>	<b>1 261 432</b>	<b>1 269 058</b>	<b>1 063 704</b>	<b>445 246</b>	<b>1 123 721</b>	<b>62 302</b>	<b>271 983</b>	<b>217 597</b>	<b>748 361</b>	<b>101 855</b>
<b>321,2 Disposals of domestic financial assets (3213,2+...+3218,2)</b>	<b>191 935</b>	<b>2 883 242</b>	<b>3 094 930</b>	<b>2 877 185</b>	<b>1 021 660</b>	<b>113 377</b>	<b>690 870</b>	<b>270 632</b>	<b>1 115 836</b>	<b>14 844</b>
3212 Currency and deposits	688 185	-1 449 670	-1 721 591	-3 131 002	0	1 746 594	1 078 239	-389 184	3 864 701	931 929
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)	847 590	832 321	674 350	291 761	329 260	-66 939	60 275	-144 848	-62 723	46 808
3214,1 Acquisition: Loans	1 026 367	1 037 701	837 699	329 241	698 221	44 716	99 587	117 874	386 132	61 652
3214,2 Disposals: Loans	178 776	205 380	163 350	37 479	368 961	111 654	39 313	262 722	448 855	14 844
3215 Shares and other equity (3215,1-3215,2)	221 906	-2 446 505	-2 705 576	-2 723 701	-227 199	15 864	-479 161	91 814	-304 752	40 203
3215,1 Acquisition: Shares and other equity	235 065	231 357	226 005	116 005	425 500	17 586	172 396	99 723	362 229	40 203
3215,2 Disposals: Shares and other equity	13 159	2 677 862	2 931 581	2 839 706	652 699	1 722	651 557	7 909	666 981	0
<b>322 Foreign (3222+3223+3224+3225+3226+3227+3228)</b>	<b>-4 857</b>	<b>16 681</b>	<b>18 036</b>	<b>10 003</b>	<b>12 461</b>	<b>0</b>	<b>7 115</b>	<b>0</b>	<b>12 445</b>	<b>5 330</b>
<b>322,1 Acquisition of foreign financial assets (3223,1+...+3228,1)</b>	<b>2 699</b>	<b>16 681</b>	<b>18 036</b>	<b>10 003</b>	<b>12 461</b>	<b>0</b>	<b>7 115</b>	<b>0</b>	<b>12 445</b>	<b>5 330</b>
<b>322,2 Disposals of foreign financial assets (3223,2+...+3228,2)</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>	<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)	-4 857	16 681	18 036	10 003	12 461	0	7 115	0	12 445	5 330
3225,1 Acquisition: Shares and other equity	2 699	16 681	18 036	10 003	12 461	0	7 115	0	12 445	5 330
3225,2 Disposals: Shares and other equity	7 556	0	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>

Source: Ministry of Finance

TABLE 6: TRANSACTIONS IN LIABILITIES OF BUDGETARY CENTRAL GOVERNMENT

(000 HRK)	2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>5 510 948</b>	<b>-776 988</b>	<b>-1 502 551</b>	<b>-922 969</b>	<b>2 920 460</b>	<b>559 857</b>	<b>-987 524</b>	<b>-580 975</b>	<b>837 212</b>	<b>1 809 903</b>
<b>33,1 Repayments (331,1+332,1)</b>	<b>10 253 489</b>	<b>10 056 697</b>	<b>8 333 537</b>	<b>893 140</b>	<b>8 226 705</b>	<b>760 727</b>	<b>3 146 937</b>	<b>773 911</b>	<b>5 131 624</b>	<b>237 788</b>
<b>33,2 Incurrences (331,2+332,2)</b>	<b>15 764 437</b>	<b>9 279 708</b>	<b>6 830 986</b>	<b>-29 829</b>	<b>11 147 166</b>	<b>1 320 584</b>	<b>2 159 413</b>	<b>192 936</b>	<b>5 968 836</b>	<b>2 047 691</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>10 591 560</b>	<b>3 166 260</b>	<b>1 477 615</b>	<b>-924 979</b>	<b>4 206 602</b>	<b>1 085 784</b>	<b>-341 966</b>	<b>-201 048</b>	<b>2 366 700</b>	<b>1 814 725</b>
<b>331,1 Domestic repayments (3313,1+3314,1+3315,1+3316,1+3317,1+3318,1)</b>	<b>4 389 323</b>	<b>4 250 184</b>	<b>4 604 573</b>	<b>529 116</b>	<b>4 826 198</b>	<b>213 795</b>	<b>1 617 472</b>	<b>200 208</b>	<b>2 324 870</b>	<b>165 755</b>
<b>331,2 Domestic incurrences (3313,2+3314,2+3315,2+3316,2+3317,2+3318,2)</b>	<b>14 980 882</b>	<b>7 416 444</b>	<b>6 082 188</b>	<b>-395 863</b>	<b>9 032 800</b>	<b>1 299 579</b>	<b>1 275 506</b>	<b>-840</b>	<b>4 691 570</b>	<b>1 980 479</b>
3312 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3313 Securities other than shares (3313,2-3313,1)	9 636 343	5 648 934	3 520 136	1 828 394	-283 226	-251 123	-1 002 099	-1 252 012	-1 748 998	1 876 954
3313,1 Repayments: Securities other than shares	2 844 601	550 859	3 513 172	178 798	3 783 226	124 128	1 103 422	127 572	1 460 330	105 209
3313,2 Incurrences: Securities other than shares	12 480 944	6 199 793	7 033 308	2 007 191	3 500 000	-126 994	101 323	-1 124 440	-288 667	1 982 162
3314 Loans (3314,2-3314,1)	955 217	-2 482 674	-2 042 521	-2 753 372	4 489 828	1 336 907	660 133	1 050 964	4 115 698	-62 229
3314,1 Repayments: Loans	1 544 722	3 699 325	1 091 402	350 318	1 042 972	89 666	514 050	72 636	864 540	60 546
3314,2 Incurrences: Loans	2 499 938	1 216 651	-951 119	-2 403 054	5 532 800	1 426 573	1 174 183	1 123 601	4 980 237	-1 683
<b>332 Foreign (3322+3323+3324+3326+3327+3328)</b>	<b>-5 080 612</b>	<b>-3 943 248</b>	<b>-2 980 166</b>	<b>2 010</b>	<b>-1 286 142</b>	<b>-525 927</b>	<b>-645 558</b>	<b>-379 927</b>	<b>-1 529 488</b>	<b>-4 822</b>
<b>332,1 Foreign repayments (3323,1+3324,1+3325,1+3326,1+3327,1+3328,1)</b>	<b>5 864 167</b>	<b>5 806 513</b>	<b>3 728 963</b>	<b>364 024</b>	<b>3 400 507</b>	<b>546 932</b>	<b>1 529 465</b>	<b>573 703</b>	<b>2 806 754</b>	<b>72 034</b>
<b>332,2 Foreign incurrences (3323,2+3324,2+3325,2+3326,2+3327,2+3328,2)</b>	<b>783 554</b>	<b>1 863 264</b>	<b>748 798</b>	<b>366 034</b>	<b>2 114 366</b>	<b>21 005</b>	<b>883 907</b>	<b>193 776</b>	<b>1 277 266</b>	<b>67 212</b>
3322 Currency and deposits	0	0	0	0	0	0	0	0	0	0
3323 Securities other than shares (3323,2-3323,1)	-3 713 935	-3 480 781	-1 757 723	0	-1 250 000	0	-1 112 673	0	-1 112 673	0
3323,1 Repayments: Securities other than shares	3 713 935	3 480 781	1 757 723	0	1 250 000	0	1 112 673	0	1 112 673	0
3323,2 Incurrences: Securities other than shares	0	0	0	0	0	0	0	0	0	0
3324 Loans (3324,2-3324,1)	-1 366 677	-462 468	-1 222 442	2 010	-36 142	-525 927	467 115	-379 927	-416 816	-4 822
3324,1 Repayments: Loans	2 150 232	2 325 732	1 971 240	364 024	2 150 507	546 932	416 793	573 703	1 694 082	72 034
3324,2 Incurrences: Loans	783 554	1 863 264	748 798	366 034	2 114 366	21 005	883 907	193 776	1 277 266	67 212

Source: Ministry of Finance



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

(000 HRK)	I - XI 2008		
	Budgetary Central Government	Extrabudgetary Users	Consolidated Central Government
<b>82 (=32) NET ACQUISITION OF FINANCIAL ASSETS</b>	<b>3 509 671</b>	<b>1 029 727</b>	<b>4 539 398</b>
Acquisition of financial assets	4 769 281	1 278 790	6 048 071
Disposals of financial assets	1 259 610	249 063	1 508 673
<b>821 (=321) Domestic</b>	<b>3 497 227</b>	<b>1 029 727</b>	<b>4 526 954</b>
Acquisition of domestic financial assets	4 756 836	1 278 790	6 035 626
Disposals of domestic financial assets	1 259 610	249 063	1 508 673
8211 General government	0	0	0
Acquisitions: General Government	0	0	0
Disposals: General Government	0	0	0
8212 Central bank	2 673 424	0	2 673 424
Acquisitions: Central bank	2 727 609	0	2 727 609
Disposals: Central bank	54 186	0	54 186
8213 Other depository institutions	1 354 278	800 034	2 154 312
Acquisitions: Other depository institutions	1 443 866	800 034	2 243 900
Disposals: Other depository institutions	89 588	0	89 588
8215 Nonfinancial institutions	-487 212	229 693	-257 519
Acquisitions: Nonfinancial institutions	505 038	478 756	983 794
Disposals: Nonfinancial institutions	992 249	249 063	1 241 312
8216 Households and nonprofit institutions serving households	-43 263	0	-43 263
Acquisitions: Hholds and nonprofit institutions serving hholds	80 324	0	80 324
Disposals: Hholds and nonprofit institutions serving hholds	123 587	0	123 587
<b>822 (=322) Foreign</b>	<b>12 445</b>	<b>0</b>	<b>12 445</b>
Acquisition of foreign financial assets	12 445	0	12 445
Disposals of foreign financial assets	0	0	0
8227 International organizations	12 445	0	12 445
Acquisitions: International organizations	12 445	0	12 445
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>837 212</b>	<b>1 041 788</b>	<b>1 879 000</b>
Repayments: liabilities	5 131 624	201 473	5 333 097
Incurrences: liabilities	5 968 836	1 243 261	7 212 097
<b>831 (=331) Domestic</b>	<b>2 366 700</b>	<b>727 288</b>	<b>3 093 988</b>
Repayments: domestic liabilities	2 324 870	167 714	2 492 584
Incurrences: domestic liabilities	4 691 570	895 002	5 586 572
8311 General government	0	0	0
Repayments: General Government	0	0	0
Incurrences: General Government	0	0	0
8313 Other depository institutions	2 341 092	727 288	3 068 380
Repayments: Other depository institutions	2 321 780	167 714	2 489 494
Incurrences: Other depository institutions	4 662 872	895 002	5 557 874
8314 Financial institutions not elsewhere classified	28 698	0	28 698
Repayments: Financial institutions not elsewhere classified	0	0	0
Incurrences: Financial institutions not elsewhere classified	28 698	0	28 698
8315 Nonfinancial institutions	-3 090	0	-3 090
Repayments: Nonfinancial institutions	3 090	0	3 090
Incurrences: Nonfinancial institutions	0	0	0
<b>832 (=332) Foreign</b>	<b>-1 529 488</b>	<b>314 500</b>	<b>-1 214 988</b>
Repayments: foreign liabilities	2 806 754	33 759	2 840 513
Incurrences: foreign liabilities	1 277 266	348 259	1 625 525
8321 General government	-402 775	0	-402 775
Repayments: General Government	402 775	0	402 775
Incurrences: General Government	0	0	0
8327 International organizations	454 584	0	454 584
Repayments: International organizations	689 173	0	689 173
Incurrences: International organizations	1 143 756	0	1 143 756
8328 Financial institutions other than international organizations	-1 581 296	314 500	-1 266 796
Repayments: Financial institutions other than international organizations	1 714 806	33 759	1 748 565
Incurrences: Financial institutions other than international organizations	133 510	348 259	481 769
8329 Other nonresidents	0	0	0
Repayments: Other nonresidents	0	0	0
Incurrences: Other nonresidents	0	0	0

Source: Ministry of Finance

TABLE 8: STATEMENT OF BUDGETARY CENTRAL GOVERNMENT OPERATIONS

(000 HRK)	2005	2006	2007	VII - IX 2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008
<b>TRANSACTIONS AFFECTING NET WORTH</b>											
<b>1 REVENUE (11+12+13+14)</b>	<b>85 653 010</b>	<b>95 235 557</b>	<b>108 320 595</b>	<b>28 742 434</b>	<b>28 015 085</b>	<b>118 051 097</b>	<b>27 344 504</b>	<b>30 225 037</b>	<b>29 778 052</b>	<b>106 014 898</b>	<b>8 588 035</b>
11 Taxes	50 687 564	58 469 091	64 234 530	17 074 213	15 856 315	71 053 542	16 311 874	18 499 283	18 473 470	64 219 244	4 908 468
12 Social contributions	31 301 340	33 877 148	37 203 486	9 612 662	9 546 298	41 370 661	9 766 187	10 022 663	10 338 788	36 989 583	3 379 208
13 Grants	27 505	195 984	428 038	83 696	229 760	927 661	88 117	132 688	119 865	415 936	38 657
14 Other revenue	3 636 601	2 693 335	6 454 541	1 971 863	2 382 712	4 699 233	1 178 325	1 570 403	845 928	4 390 135	261 701
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>87 857 465</b>	<b>95 949 951</b>	<b>108 007 605</b>	<b>27 048 355</b>	<b>31 257 268</b>	<b>117 326 523</b>	<b>26 082 560</b>	<b>27 989 242</b>	<b>28 796 110</b>	<b>101 259 581</b>	<b>9 060 765</b>
21 Compensation of employees	23 182 586	24 313 867	27 545 141	7 110 217	7 051 438	29 920 263	7 136 944	7 313 729	7 677 016	27 120 296	2 492 785
22 Use of goods and services	4 951 917	6 069 116	7 162 402	1 649 811	2 477 346	8 780 385	1 312 265	1 899 091	1 904 051	6 447 348	599 504
24 Interest	4 387 010	4 713 615	4 535 008	1 099 955	818 700	4 963 289	1 749 489	991 101	1 080 747	4 199 029	208 418
25 Subsidies	5 248 744	5 670 789	6 492 010	1 561 834	2 011 599	7 552 872	1 880 408	1 686 885	1 536 489	5 847 304	254 365
26 Grants	3 796 847	6 652 994	8 363 202	1 713 360	4 000 388	6 092 928	823 071	1 388 471	1 444 239	4 807 056	568 923
27 Social benefits	41 358 455	43 444 589	48 175 989	12 723 374	12 485 864	52 208 820	11 996 333	12 786 837	13 268 161	46 765 630	4 390 428
28 Other expense	4 931 907	5 084 980	5 733 853	1 189 805	2 411 932	7 807 967	1 184 051	1 923 129	1 885 408	6 072 918	546 343
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>-2 204 455</b>	<b>-714 394</b>	<b>312 990</b>	<b>1 694 079</b>	<b>-3 242 182</b>	<b>724 574</b>	<b>1 261 944</b>	<b>2 235 795</b>	<b>981 941</b>	<b>4 755 317</b>	<b>-472 730</b>
<b>CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>-2 204 455</b>	<b>-714 394</b>	<b>312 990</b>	<b>1 694 079</b>	<b>-3 242 182</b>	<b>724 574</b>	<b>1 261 944</b>	<b>2 235 795</b>	<b>981 941</b>	<b>4 755 317</b>	<b>-472 730</b>
<b>TRANSACTIONS IN NONFINANCIAL ASSETS</b>											
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>1 553 668</b>	<b>1 555 792</b>	<b>2 545 220</b>	<b>720 258</b>	<b>1 387 788</b>	<b>3 530 512</b>	<b>126 282</b>	<b>581 804</b>	<b>843 184</b>	<b>2 082 858</b>	<b>312 903</b>
311 Fixed assets	1 516 968	1 595 121	2 625 692	705 830	1 336 775	3 261 422	120 053	526 810	785 617	1 920 183	271 891
312 Change in inventories	0	-80 226	-161 383	-1 900	16 197	119 200	499	-1 206	13 380	12 392	-251
313 Valuables	7 220	7 826	9 620	1 387	2 562	6 158	1 651	2 852	1 336	9 631	1 392
314 Nonproduced assets	29 480	33 072	71 291	14 941	32 254	143 732	4 079	53 349	42 852	140 652	39 871
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-3 758 123</b>	<b>-2 270 186</b>	<b>-2 232 230</b>	<b>973 821</b>	<b>-4 629 970</b>	<b>-2 805 938</b>	<b>1 135 662</b>	<b>1 653 991</b>	<b>138 757</b>	<b>2 672 459</b>	<b>-785 633</b>
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>											
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322)</b>	<b>1 752 825</b>	<b>-3 047 174</b>	<b>-3 734 781</b>	<b>574 909</b>	<b>-5 552 939</b>	<b>114 522</b>	<b>1 695 519</b>	<b>666 467</b>	<b>-442 218</b>	<b>3 509 671</b>	<b>1 024 270</b>
321 Domestic	1 757 681	-3 063 855	-3 752 817	574 909	-5 562 941	102 061	1 695 519	659 353	-442 218	3 497 227	1 018 940
322 Foreign	-4 857	16 681	18 036	0	10 003	12 461	0	7 115	0	12 445	5 330
<b>33 NET INCURRENCE OF LIABILITIES (331+332)</b>	<b>5 510 948</b>	<b>-776 988</b>	<b>-1 502 551</b>	<b>-398 912</b>	<b>-922 969</b>	<b>2 920 460</b>	<b>559 857</b>	<b>-987 524</b>	<b>-580 975</b>	<b>837 212</b>	<b>1 809 903</b>
331 Domestic	10 591 560	3 166 260	1 477 615	1 717 456	-924 979	4 206 602	1 085 784	-341 966	-201 048	2 366 700	1 814 725
332 Foreign	-5 080 612	-3 943 248	-2 980 166	-2 116 367	2 010	-1 286 142	-525 927	-645 558	-379 927	-1 529 488	-4 822

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
XI	8 406 749	7 993 898	412 850	318 984	731 834
XII	8 362 331	9 981 716	-1 619 385	413 083	-1 206 302
I-XII 2006	95 235 557	95 949 951	-714 394	4 713 615	3 999 222
I 2007	8 250 839	7 726 608	524 232	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
XI	9 034 618	9 774 376	-739 758	324 737	-415 021
XII	9 770 129	12 328 056	-2 557 928	319 355	-2 238 573
I-XII 2007	108 320 595	108 007 605	312 990	4 535 008	4 847 997
I 2008	9 849 906	7 831 076	2 018 830	289 097	2 307 927
II	8 765 529	9 168 070	-402 541	1 105 770	703 229
III	8 729 069	9 083 414	-354 344	354 621	277
IV	11 427 966	9 513 920	1 914 046	277 931	2 191 976
V	9 329 899	9 333 719	-3 819	358 305	354 486
VI	9 467 172	9 141 604	325 569	354 865	680 434
VII	11 353 659	10 404 587	949 072	296 629	1 245 701
VIII	8 977 105	8 905 943	71 162	397 176	468 337
IX	9 447 287	9 485 580	-38 293	386 943	348 650
X	10 079 271	9 330 904	748 367	169 275	917 642
XI	8 588 035	9 060 765	-472 730	208 418	-264 313
I-XI 2008	106 014 898	101 259 581	4 755 317	4 199 029	8 954 346

## MEASURES OF BUDGETARY CENTRAL GOVERNMENT DEFICIT/SURPLUS

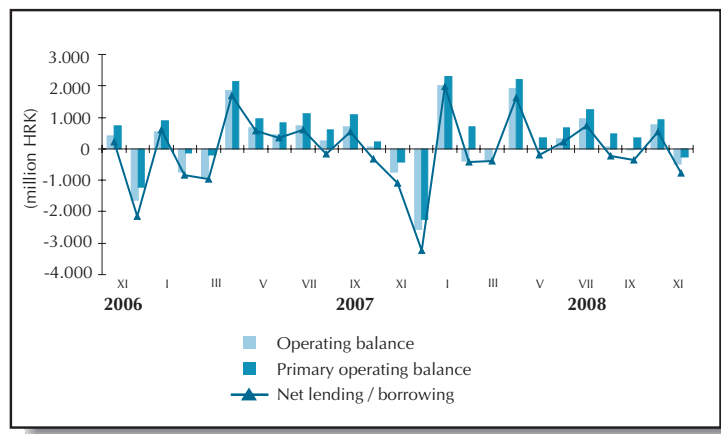


TABLE 8B: NET LENDING / BORROWING (000 HRK)

	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)
XI	412 850	178 288	234 563	-234 563	652 822	418 259
XII	-1 619 385	512 635	-2 132 020	2 132 020	-3 546 767	-1 414 747
I-XII 2006	-714 394	1 555 792	-2 270 186	2 270 186	-3 047 174	-776 988
I 2007	524 232	-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
XI	-739 758	338 170	-1 077 928	1 077 928	-1 371 972	-294 044
XII	-2 557 928	665 072	-3 223 000	3 223 000	-3 003 491	219 509
I-XII 2007	312 990	2 545 220	-2 232 230	2 232 230	-3 734 781	-1 502 551
I 2008	2 018 830	54 199	1 964 631	-1 964 631	1 176 140	-788 490
II	-402 541	26 186	-428 727	428 727	-84 821	343 906
III	-354 344	45 897	-400 241	400 241	604 200	1 004 441
IV	1 914 046	297 781	1 616 265	-1 616 265	1 273 851	-342 414
V	-3 819	179 463	-183 283	183 283	-556 982	-373 700
VI	325 569	104 560	221 009	-221 009	-50 401	-271 410
VII	949 072	222 912	726 161	-726 161	712 365	-13 796
VIII	71 162	311 661	-240 500	240 500	-779 994	-539 495
IX	-38 293	308 611	-346 904	346 904	-374 588	-27 684
X	748 367	218 684	529 683	-529 683	565 633	35 951
XI	-472 730	312 903	-785 633	785 633	1 024 270	1 809 903
I-XI 2008	4 755 317	2 082 858	2 672 459	-2 672 459	3 509 671	837 212

\* Deficit according to GFS 2001 methodology

TABLE 9: THE CROATIAN WATERS TRANSACTIONS

(000 HRK)		2005	2006	2007	X-XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 715 607</b>	<b>1 971 613</b>	<b>2 507 327</b>	<b>924 593</b>	<b>2 495 265</b>	<b>424 882</b>	<b>616 486</b>	<b>696 104</b>	<b>2 212 421</b>	<b>175 247</b>	<b>88,66</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+132+133)</b>	<b>487 813</b>	<b>444 762</b>	<b>542 884</b>	<b>320 669</b>	<b>617 366</b>	<b>22 803</b>	<b>116 035</b>	<b>133 791</b>	<b>422 468</b>	<b>40 267</b>	<b>68,43</b>
131	From foreign governments	0	0	0	0	0	2 695	11 973	2 033	18 721	573	
132	From international organizations	0	0	18 197	7 731	20 000	0	0	0	0	0	
133	From other general government units (1331+1332)	487 813	444 762	524 687	312 938	597 366	20 108	104 062	131 758	403 747	39 694	67,59
1331	Current	203 499	89 259	3 643	3 643	81 050	0	473	4 157	20 219	9 723	24,95
1332	Capital	284 314	355 503	521 044	309 295	516 316	20 108	103 589	127 601	383 528	29 971	74,28
<b>14</b>	<b>Other revenue</b>	<b>1 227 794</b>	<b>1 526 851</b>	<b>1 964 443</b>	<b>603 924</b>	<b>1 877 899</b>	<b>402 079</b>	<b>500 451</b>	<b>562 313</b>	<b>1 789 953</b>	<b>134 980</b>	<b>95,32</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 489 465</b>	<b>1 779 088</b>	<b>2 108 778</b>	<b>842 975</b>	<b>2 207 730</b>	<b>253 007</b>	<b>575 261</b>	<b>583 319</b>	<b>1 998 192</b>	<b>328 309</b>	<b>90,51</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>99 418</b>	<b>111 293</b>	<b>121 767</b>	<b>35 750</b>	<b>142 800</b>	<b>29 708</b>	<b>32 726</b>	<b>31 648</b>	<b>122 287</b>	<b>17 164</b>	<b>85,64</b>
211	Wages and salaries	85 524	96 298	104 720	30 770	122 800	25 535	28 279	27 134	105 206	14 786	85,67
212	Social contributions	13 894	14 995	17 047	4 980	20 000	4 173	4 447	4 514	17 081	2 378	85,41
<b>22</b>	<b>Use of goods and services</b>	<b>790 683</b>	<b>1 072 478</b>	<b>1 208 936</b>	<b>405 028</b>	<b>1 261 013</b>	<b>136 378</b>	<b>321 194</b>	<b>365 158</b>	<b>1 124 618</b>	<b>149 881</b>	<b>89,18</b>
<b>24</b>	<b>Interest</b>	<b>33 734</b>	<b>31 692</b>	<b>34 639</b>	<b>9 606</b>	<b>35 160</b>	<b>10 110</b>	<b>6 214</b>	<b>8 248</b>	<b>26 116</b>	<b>0</b>	<b>74,28</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>53 751</b>	<b>82 301</b>	<b>58 256</b>	<b>75 000</b>	<b>9 679</b>	<b>40 262</b>	<b>16 670</b>	<b>103 847</b>	<b>27 886</b>	<b>138,46</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>565 630</b>	<b>509 874</b>	<b>661 135</b>	<b>334 335</b>	<b>693 757</b>	<b>67 132</b>	<b>174 865</b>	<b>161 595</b>	<b>621 324</b>	<b>133 378</b>	<b>89,56</b>
<b>Net-gross operating balance (1-2)</b>		<b>226 142</b>	<b>192 525</b>	<b>398 549</b>	<b>81 618</b>	<b>287 535</b>	<b>171 875</b>	<b>41 225</b>	<b>112 785</b>	<b>214 229</b>	<b>-153 062</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>230 292</b>	<b>223 123</b>	<b>315 004</b>	<b>153 520</b>	<b>287 535</b>	<b>12 001</b>	<b>33 598</b>	<b>72 920</b>	<b>174 147</b>	<b>34 863</b>	<b>60,57</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	230 588	224 983	318 780	155 066	289 135	12 067	33 616	73 803	175 138	34 881	60,57
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	296	1 860	3 776	1 546	1 600	66	18	883	991	18	61,94
311	Fixed assets (311,1-311,2-311,3)	224 415	208 532	278 730	138 484	252 535	10 617	31 317	61 494	152 172	33 950	60,26
311,1	Acquisitions: fixed assets	224 711	210 392	282 506	140 030	254 135	10 683	31 335	62 377	153 163	33 968	60,27
311,2	Disposals: fixed assets	296	1 860	3 776	1 546	1 600	66	18	883	991	18	61,94
314	Nonproduced assets (314,1-314,2-314,3-314,4)	5 877	14 591	36 274	15 036	35 000	1 384	2 281	11 426	21 975	913	62,79
314,1	Acquisitions: nonproduced assets	5 877	14 591	36 274	15 036	35 000	1 384	2 281	11 426	21 975	913	62,79
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-4 150</b>	<b>-30 598</b>	<b>83 545</b>	<b>-71 902</b>	<b>0</b>	<b>159 874</b>	<b>7 627</b>	<b>39 865</b>	<b>40 082</b>	<b>-187 925</b>	
<b>Financing (33-32)</b>		<b>4 150</b>	<b>30 598</b>	<b>-83 545</b>	<b>71 902</b>	<b>0</b>	<b>-159 874</b>	<b>-7 627</b>	<b>-39 865</b>	<b>-40 082</b>	<b>187 925</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>5 284</b>	<b>-32 316</b>	<b>116 100</b>	<b>6 879</b>	<b>21 500</b>	<b>143 490</b>	<b>-18 341</b>	<b>39 674</b>	<b>-6 781</b>	<b>-180 211</b>	
321	Domestic	5 284	-32 316	116 100	6 879	21 500	143 490	-18 341	39 674	-6 781	-180 211	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>9 434</b>	<b>-1 718</b>	<b>32 555</b>	<b>78 781</b>	<b>21 500</b>	<b>-16 384</b>	<b>-25 968</b>	<b>-191</b>	<b>-46 863</b>	<b>7 714</b>	
331	Domestic	-26 179	12 778	-2 259	64 059	-112 000	-8 998	-45 573	-19 026	-86 647	-1	
332	Foreign	35 613	-14 496	34 814	14 722	133 500	-7 386	19 605	18 835	39 784	7 715	29,80

Source: Ministry of Finance

TABLE 10: THE ENVIRONMENT PROTECTION FUND TRANSACTIONS

(000 HRK)		2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>214 737</b>	<b>660 190</b>	<b>1 102 946</b>	<b>387 285</b>	<b>1 367 466</b>	<b>261 828</b>	<b>271 243</b>	<b>324 017</b>	<b>1 080 400</b>	<b>132 220</b>	<b>79,01</b>
<b>11</b>	<b>Taxes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>12</b>	<b>Social security contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>13</b>	<b>Grants (131+132+133)</b>	<b>0</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
131	From foreign governments	0	0	0	0	0	0	0	0	0	0	
132	From international organizations	0	0	0	0	0	0	0	0	0	0	
133	From other general government units (1331+1332)	0	350	0	0	0	0	0	0	0	0	
1331	Current	0	350	0	0	0	0	0	0	0	0	
1332	Capital	0	0	0	0	0	0	0	0	0	0	
<b>14</b>	<b>Other revenue</b>	<b>214 737</b>	<b>659 840</b>	<b>1 102 946</b>	<b>387 285</b>	<b>1 367 466</b>	<b>261 828</b>	<b>271 243</b>	<b>324 017</b>	<b>1 080 400</b>	<b>132 220</b>	<b>79,01</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>172 045</b>	<b>734 764</b>	<b>1 092 568</b>	<b>410 897</b>	<b>1 322 476</b>	<b>222 135</b>	<b>198 241</b>	<b>284 309</b>	<b>918 037</b>	<b>109 725</b>	<b>69,42</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>3 966</b>	<b>6 843</b>	<b>12 939</b>	<b>4 437</b>	<b>22 150</b>	<b>3 713</b>	<b>4 233</b>	<b>4 112</b>	<b>15 188</b>	<b>1 736</b>	<b>68,57</b>
211	Wages and salaries	3 407	5 864	11 071	3 765	18 800	3 191	3 663	3 519	13 013	1 443	69,22
212	Social contributions	559	979	1 868	672	3 350	522	570	593	2 175	293	64,93
<b>22</b>	<b>Use of goods and services</b>	<b>12 162</b>	<b>608 913</b>	<b>945 697</b>	<b>347 104</b>	<b>904 820</b>	<b>180 098</b>	<b>150 661</b>	<b>234 089</b>	<b>739 282</b>	<b>80 099</b>	<b>81,70</b>
<b>24</b>	<b>Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>25</b>	<b>Subsidies</b>	<b>5 189</b>	<b>13 803</b>	<b>18 553</b>	<b>6 728</b>	<b>23 318</b>	<b>4 135</b>	<b>9 670</b>	<b>9 286</b>	<b>31 062</b>	<b>3 507</b>	<b>133,21</b>
<b>26</b>	<b>Grants</b>	<b>149 780</b>	<b>102 355</b>	<b>108 582</b>	<b>48 545</b>	<b>336 557</b>	<b>33 411</b>	<b>28 434</b>	<b>33 695</b>	<b>120 654</b>	<b>22 360</b>	<b>35,85</b>
<b>27</b>	<b>Social benefits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>28</b>	<b>Other expense</b>	<b>948</b>	<b>2 850</b>	<b>6 797</b>	<b>4 083</b>	<b>35 631</b>	<b>778</b>	<b>5 243</b>	<b>3 127</b>	<b>11 851</b>	<b>2 023</b>	<b>33,26</b>
<b>Net-gross operating balance (1-2)</b>		<b>42 692</b>	<b>-74 574</b>	<b>10 378</b>	<b>-23 612</b>	<b>44 990</b>	<b>39 693</b>	<b>73 002</b>	<b>39 708</b>	<b>162 363</b>	<b>22 495</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>12 917</b>	<b>14 151</b>	<b>20 189</b>	<b>624</b>	<b>5 650</b>	<b>411</b>	<b>1 135</b>	<b>1 309</b>	<b>3 626</b>	<b>246</b>	<b>64,18</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	12 917	14 287	20 256	624	5 650	411	1 135	1 317	3 626	246	64,18
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	136	67	0	0	0	0	8	0	0	
311	Fixed assets (311,1-311,2-311,3)	12 742	2 520	7 741	-18	4 850	118	1 135	1 155	3 075	142	63,40
311,1	Acquisitions: fixed assets	12 742	2 656	7 808	-18	4 850	118	1 135	1 163	3 075	142	63,40
311,2	Disposals: fixed assets	0	136	67	0	0	0	0	8	0	0	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	175	11 631	12 448	642	800	293	0	154	551	104	68,88
314,1	Acquisitions: nonproduced assets	175	11 631	12 448	642	800	293	0	154	551	104	68,88
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>29 775</b>	<b>-88 725</b>	<b>-9 811</b>	<b>-24 236</b>	<b>39 340</b>	<b>39 282</b>	<b>71 867</b>	<b>38 399</b>	<b>158 737</b>	<b>22 249</b>	
<b>Financing (33-32)</b>		<b>-29 775</b>	<b>88 725</b>	<b>9 811</b>	<b>24 236</b>	<b>-39 340</b>	<b>-39 282</b>	<b>-71 867</b>	<b>-38 399</b>	<b>-158 737</b>	<b>-22 249</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>29 775</b>	<b>-88 725</b>	<b>-9 811</b>	<b>-24 236</b>	<b>39 340</b>	<b>39 282</b>	<b>71 867</b>	<b>38 399</b>	<b>158 737</b>	<b>22 249</b>	<b>403,50</b>
321	Domestic	29 775	-88 725	-9 811	-24 236	39 340	39 282	71 867	38 399	158 737	22 249	403,50
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	0	0	0	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

TABLE 11: THE CROATIAN MOTORWAYS Ltd. TRANSACTIONS

(000 HRK)		2005	2006	2007	I - III 2007	IV - VI 2007	VII - IX 2007	X - XII 2007
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>2 547 003</b>	<b>2 721 483</b>	<b>4 391 205</b>	<b>554 476</b>	<b>729 978</b>	<b>981 840</b>	<b>2 124 911</b>
<b>11</b>	<b>Taxes</b>	<b>1 380 753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1142	Excises	1 380 753	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>13</b>	<b>Grants (131+132+133)</b>	<b>0</b>	<b>1 450 358</b>	<b>3 015 869</b>	<b>316 773</b>	<b>374 169</b>	<b>450 041</b>	<b>1 874 886</b>
131	From foreign governments	0	0	0	0	0	0	0
132	From international organizations	0	0	0	0	0	0	0
133	From other general government units (1331+1332)	0	1 450 358	3 015 869	316 773	374 169	450 041	1 874 886
1331	Current	0	0	0	0	0	0	0
1332	Capital	0	1 450 358	3 015 869	316 773	374 169	450 041	1 874 886
<b>14</b>	<b>Other revenue</b>	<b>1 166 250</b>	<b>1 271 125</b>	<b>1 375 336</b>	<b>237 703</b>	<b>355 809</b>	<b>531 799</b>	<b>250 025</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 088 687</b>	<b>1 574 490</b>	<b>1 982 632</b>	<b>343 052</b>	<b>514 269</b>	<b>343 805</b>	<b>781 506</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>289 866</b>	<b>320 097</b>	<b>354 412</b>	<b>82 595</b>	<b>83 694</b>	<b>98 706</b>	<b>89 417</b>
211	Wages and salaries	250 374	276 180	305 329	71 317	72 044	84 598	77 370
212	Social contributions	39 492	43 917	49 083	11 278	11 650	14 108	12 047
<b>22</b>	<b>Use of goods and services</b>	<b>314 534</b>	<b>301 452</b>	<b>326 437</b>	<b>63 067</b>	<b>100 011</b>	<b>82 947</b>	<b>80 412</b>
<b>24</b>	<b>Interest</b>	<b>445 185</b>	<b>589 173</b>	<b>787 824</b>	<b>116 150</b>	<b>280 254</b>	<b>74 985</b>	<b>316 435</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>26</b>	<b>Grants</b>	<b>3 610</b>	<b>301 777</b>	<b>474 244</b>	<b>68 562</b>	<b>48 620</b>	<b>82 062</b>	<b>275 000</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>28</b>	<b>Other expense</b>	<b>35 492</b>	<b>61 991</b>	<b>39 715</b>	<b>12 678</b>	<b>1 690</b>	<b>5 105</b>	<b>20 242</b>
<b>Net-gross operating balance (1-2)</b>		<b>1 458 316</b>	<b>1 146 993</b>	<b>2 408 573</b>	<b>211 424</b>	<b>215 709</b>	<b>638 035</b>	<b>1 343 405</b>
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>3 942 727</b>	<b>2 949 761</b>	<b>3 369 269</b>	<b>582 659</b>	<b>823 712</b>	<b>1 003 657</b>	<b>959 241</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	3 942 727	3 249 761	3 386 216	595 911	823 712	1 003 657	962 936
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	0	300 000	16 947	13 252	0	0	3 695
311	Fixed assets (311,1-311,2-311,3)	3 825 950	2 748 525	3 240 471	548 763	787 927	915 816	987 965
311,1	Acquisitions: fixed assets	3 825 950	3 048 525	3 257 418	562 015	787 927	915 816	991 660
311,2	Disposals: fixed assets	0	300 000	16 947	13 252	0	0	3 695
314	Nonproduced assets (314,1-314,2-314,3-314,4)	116 777	201 236	128 798	33 896	35 785	87 841	-28 724
314,1	Acquisitions: nonproduced assets	116 777	201 236	128 798	33 896	35 785	87 841	-28 724
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0
<b>Net lending - borrowing (1-2-31)</b>		<b>-2 484 411</b>	<b>-1 802 768</b>	<b>-960 696</b>	<b>-371 235</b>	<b>-608 003</b>	<b>-365 622</b>	<b>384 164</b>
<b>Financing (33-32)</b>		<b>2 484 411</b>	<b>1 802 768</b>	<b>960 696</b>	<b>371 235</b>	<b>608 003</b>	<b>365 622</b>	<b>-384 164</b>
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-42 758</b>	<b>248 366</b>	<b>289 126</b>	<b>-234 657</b>	<b>101 490</b>	<b>-43 950</b>	<b>466 243</b>
321	Domestic	-42 758	248 366	289 126	-234 657	101 490	-43 950	466 243
322	Foreign	0	0	0	0	0	0	0
<b>33</b>	<b>Net incurrence of liabilities (331-332)</b>	<b>2 441 653</b>	<b>2 051 134</b>	<b>1 249 822</b>	<b>136 578</b>	<b>709 493</b>	<b>321 672</b>	<b>82 079</b>
331	Domestic	1 698 272	1 758 422	-87 997	220 507	221 496	0	-530 000
332	Foreign	743 381	292 712	1 337 819	-83 929	487 997	321 672	612 079

Source: Ministry of Finance

TABLE 12: THE CROATIAN ROADS Ltd. TRANSACTIONS

(000 HRK)		2005	2006	2007	X-XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>1 474 714</b>	<b>1 804 019</b>	<b>2 110 381</b>	<b>703 262</b>	<b>1 751 663</b>	<b>355 152</b>	<b>385 706</b>	<b>460 277</b>	<b>1 467 363</b>	<b>118 385</b>	<b>83,77</b>
<b>11</b>	<b>Taxes</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>	<b>0</b>	
1142	Excises	1 380 732	0	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>1 739 270</b>	<b>1 990 435</b>	<b>664 611</b>	<b>1 584 332</b>	<b>320 719</b>	<b>370 506</b>	<b>451 190</b>	<b>1 399 502</b>	<b>113 610</b>	<b>88,33</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	1 739 270	1 990 435	664 611	1 584 332	320 719	370 506	451 190	1 399 502	113 610	88,33
1331	Current	0	0	0	0	0	0	0	0	0	0	
1332	Capital	0	1 739 270	1 990 435	664 611	1 584 332	320 719	370 506	451 190	1 399 502	113 610	88,33
<b>14</b>	<b>Other revenue</b>	<b>93 982</b>	<b>64 749</b>	<b>119 946</b>	<b>38 651</b>	<b>167 331</b>	<b>34 433</b>	<b>15 200</b>	<b>9 087</b>	<b>67 861</b>	<b>4 775</b>	<b>40,55</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>1 062 405</b>	<b>1 226 934</b>	<b>1 243 399</b>	<b>417 523</b>	<b>1 564 518</b>	<b>217 392</b>	<b>369 337</b>	<b>438 753</b>	<b>1 299 645</b>	<b>152 715</b>	<b>83,07</b>
<b>21</b>	<b>Compensation of employees (211+212)</b>	<b>61 054</b>	<b>70 786</b>	<b>78 005</b>	<b>19 699</b>	<b>93 738</b>	<b>19 975</b>	<b>20 451</b>	<b>24 083</b>	<b>78 773</b>	<b>7 259</b>	<b>84,04</b>
211	Wages and salaries	52 452	60 787	67 035	17 013	80 624	17 205	17 535	20 628	67 600	6 224	83,85
212	Social contributions	8 602	9 999	10 970	2 686	13 114	2 770	2 916	3 455	11 173	1 035	85,20
<b>22</b>	<b>Use of goods and services</b>	<b>726 456</b>	<b>850 772</b>	<b>819 311</b>	<b>243 724</b>	<b>1 060 530</b>	<b>153 427</b>	<b>240 319</b>	<b>328 772</b>	<b>943 032</b>	<b>133 721</b>	<b>88,92</b>
<b>24</b>	<b>Interest</b>	<b>16 060</b>	<b>43 374</b>	<b>85 641</b>	<b>46 662</b>	<b>136 930</b>	<b>10 789</b>	<b>45 232</b>	<b>11 029</b>	<b>82 214</b>	<b>4 142</b>	<b>60,04</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>7 607</b>	<b>3 506</b>	<b>5 000</b>	<b>1 244</b>	<b>0</b>	<b>1 571</b>	<b>2 815</b>	<b>0</b>	<b>56,30</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>258 835</b>	<b>262 002</b>	<b>252 835</b>	<b>103 932</b>	<b>268 320</b>	<b>31 957</b>	<b>63 335</b>	<b>73 298</b>	<b>192 811</b>	<b>7 593</b>	<b>71,86</b>
<b>Net-gross operating balance (1-2)</b>		<b>412 309</b>	<b>577 085</b>	<b>866 982</b>	<b>285 739</b>	<b>187 145</b>	<b>137 760</b>	<b>16 369</b>	<b>21 524</b>	<b>167 718</b>	<b>-34 330</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>923 171</b>	<b>1 350 834</b>	<b>1 603 747</b>	<b>358 545</b>	<b>1 627 559</b>	<b>161 552</b>	<b>343 352</b>	<b>256 461</b>	<b>930 961</b>	<b>99 849</b>	<b>57,20</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	926 359	1 351 622	1 604 733	358 776	1 627 559	161 721	343 595	256 632	931 642	99 899	57,24
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	3 188	788	986	231	0	169	243	171	681	50	
311	Fixed assets (311,1-311,2-311,3)	833 817	1 227 447	1 416 639	308 174	1 395 559	126 198	305 467	193 481	754 732	81 003	54,08
311,1	Acquisitions: fixed assets	837 005	1 228 235	1 417 625	308 405	1 395 559	126 367	305 710	193 652	755 413	81 053	54,13
311,2	Disposals: fixed assets	3 188	788	986	231	0	169	243	171	681	50	
314	Nonproduced assets (314,1-314,2-314,3-314,4)	89 354	123 387	187 108	50 371	232 000	35 354	37 885	62 980	176 229	18 846	75,96
314,1	Acquisitions: nonproduced assets	89 354	123 387	187 108	50 371	232 000	35 354	37 885	62 980	176 229	18 846	75,96
314,2	Disposals: nonproduced assets	0	0	0	0	0	0	0	0	0	0	
<b>Net lending - borrowing (1-2-31)</b>		<b>-510 862</b>	<b>-773 749</b>	<b>-736 765</b>	<b>-72 806</b>	<b>-1 440 414</b>	<b>-23 792</b>	<b>-326 983</b>	<b>-234 937</b>	<b>-763 243</b>	<b>-134 179</b>	
<b>Financing (33-32)</b>		<b>510 862</b>	<b>773 749</b>	<b>736 765</b>	<b>72 806</b>	<b>1 440 414</b>	<b>23 792</b>	<b>326 983</b>	<b>234 937</b>	<b>763 243</b>	<b>134 179</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>50 297</b>	<b>-29 083</b>	<b>-45 061</b>	<b>-6 870</b>	<b>0</b>	<b>25 170</b>	<b>107 461</b>	<b>66 456</b>	<b>278 458</b>	<b>50 773</b>	
321	Domestic	50 297	-29 083	-45 061	-6 870	0	25 170	107 461	66 456	278 458	50 773	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>561 159</b>	<b>744 666</b>	<b>691 704</b>	<b>65 936</b>	<b>1 440 414</b>	<b>48 962</b>	<b>434 444</b>	<b>301 393</b>	<b>1 041 701</b>	<b>184 952</b>	<b>72,32</b>
331	Domestic	302 376	471 685	523 681	39 444	1 149 100	-23 338	362 000	230 193	753 807	184 952	65,60
332	Foreign	258 783	272 981	168 023	26 492	291 314	72 300	72 444	71 200	287 894	0	98,83

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

(000 HRK)		2005	2006	2007	X-XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>367 438</b>	<b>409 581</b>	<b>391 441</b>	<b>101 945</b>	<b>777 930</b>	<b>91 414</b>	<b>178 955</b>	<b>106 522</b>	<b>478 313</b>	<b>70 934</b>	<b>61,49</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	
<b>14</b>	<b>Other revenue</b>	<b>367 438</b>	<b>409 581</b>	<b>391 441</b>	<b>101 945</b>	<b>777 930</b>	<b>91 414</b>	<b>178 955</b>	<b>106 522</b>	<b>478 313</b>	<b>70 934</b>	<b>61,49</b>
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>182 993</b>	<b>27 354</b>	<b>47 820</b>	<b>4 602</b>	<b>226 473</b>	<b>16 534</b>	<b>9 217</b>	<b>12 215</b>	<b>40 181</b>	<b>917</b>	<b>17,74</b>
21	Compensation of employees (211+212)	5 621	5 713	6 076	1 678	7 870	1 741	1 576	2 029	6 483	569	82,38
211	Wages and salaries	4 821	4 896	5 208	1 437	6 770	1 492	1 348	1 745	5 557	487	82,08
212	Social contributions	800	817	868	241	1 100	249	228	284	926	82	84,18
22	Use of goods and services	21 092	12 472	20 359	1 952	13 733	1 174	5 563	1 628	9 336	273	67,98
24	Interest	121 940	239	345	13	2 110	0	54	0	54	0	2,56
25	Subsidies	0	0	0	0	0	0	0	0	0	0	
26	Grants	0	0	0	0	0	0	0	0	0	0	
27	Social benefits	1 511	1 357	523	205	2 000	12	347	230	671	61	33,55
28	Other expense	32 829	7 573	20 517	754	200 760	13 607	1 677	8 328	23 637	14	11,77
<b>Net-gross operating balance (1-2)</b>		<b>184 445</b>	<b>382 227</b>	<b>343 621</b>	<b>97 343</b>	<b>551 457</b>	<b>74 880</b>	<b>169 738</b>	<b>94 307</b>	<b>438 132</b>	<b>70 017</b>	
<b>31</b>	<b>Net acquisition of nonfinancial assets (31,1 - 31,2)</b>	<b>14 131</b>	<b>493</b>	<b>-18 959</b>	<b>4</b>	<b>11 830</b>	<b>4 138</b>	<b>-881</b>	<b>4</b>	<b>1 820</b>	<b>-1 442</b>	<b>15,38</b>
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	14 232	565	1 202	4	35 080	25 000	59	4	25 067	3	71,46
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	101	72	20 161	0	23 250	20 862	940	0	23 247	1 445	99,99
311	Fixed assets (311,1-311,2-311,3)	11 115	493	-18 959	4	33 630	25 000	59	4	23 622	-1 442	70,24
311,1	Acquisitions: fixed assets	11 216	565	1 202	4	35 080	25 000	59	4	25 067	3	71,46
311,2	Disposals: fixed assets	101	72	20 161	0	1 450	0	0	0	1 445	1 445	99,66
<b>Net lending - borrowing (1-2-31)</b>		<b>170 314</b>	<b>381 734</b>	<b>362 580</b>	<b>97 339</b>	<b>539 627</b>	<b>70 742</b>	<b>170 619</b>	<b>94 303</b>	<b>436 312</b>	<b>71 459</b>	
<b>Financing (33-32)</b>		<b>-170 314</b>	<b>-381 734</b>	<b>-362 580</b>	<b>-97 339</b>	<b>-539 627</b>	<b>-70 742</b>	<b>-170 619</b>	<b>-94 303</b>	<b>-436 312</b>	<b>-71 459</b>	
<b>32</b>	<b>Net acquisition of financial assets (321+322)</b>	<b>-349 252</b>	<b>381 734</b>	<b>362 580</b>	<b>97 339</b>	<b>539 627</b>	<b>70 742</b>	<b>170 619</b>	<b>94 303</b>	<b>436 312</b>	<b>71 459</b>	<b>80,85</b>
321	Domestic	-349 252	381 734	362 580	97 339	539 627	70 742	170 619	94 303	436 312	71 459	80,85
322	Foreign	0	0	0	0	0	0	0	0	0	0	
<b>33</b>	<b>Net incurrence of liabilities (331+332)</b>	<b>-519 566</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
331	Domestic	-519 566	0	0	0	0	0	0	0	0	0	
332	Foreign	0	0	0	0	0	0	0	0	0	0	

Source: Ministry of Finance



TABLE 14: THE CROATIAN PRIVATIZATION FUND TRANSACTIONS

(000 HRK)		2005	2006	2007	X-XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (11+12+13+14)</b>	<b>237 044</b>	<b>65 871</b>	<b>58 324</b>	<b>28 281</b>	<b>35 810</b>	<b>15 879</b>	<b>15 302</b>	<b>13 627</b>	<b>50 426</b>	<b>374</b>	<b>140,82</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	237 044	65 871	58 324	28 281	35 810	15 879	15 302	13 627	50 426	374	140,82
<b>2</b>	<b>EXPENSE (21+22+24+25+26+27+28)</b>	<b>182 119</b>	<b>78 375</b>	<b>88 241</b>	<b>25 917</b>	<b>108 359</b>	<b>17 679</b>	<b>22 358</b>	<b>22 794</b>	<b>75 820</b>	<b>6 986</b>	<b>69,97</b>
21	Compensation of employees (211+212)	35 996	31 920	36 285	9 306	42 708	8 335	8 252	8 797	31 099	2 924	72,82
211	Wages and salaries	31 273	27 508	31 233	7 879	35 496	7 169	7 076	7 667	26 710	2 509	75,25
212	Social contributions	4 723	4 412	5 052	1 427	7 212	1 166	1 176	1 130	4 389	415	60,86
22	Use of goods and services	33 545	30 039	34 173	10 644	35 916	5 753	4 272	4 903	18 005	2 022	50,13
24	Interest	0	16 416	17 783	5 967	29 735	3 591	9 834	9 094	26 716	2 040	89,85
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	112 578	0	0	0	0	0	0	0	0	0	
<b>Net-gross operating balance (1-2)</b>		<b>54 925</b>	<b>-12 504</b>	<b>-29 917</b>	<b>2 364</b>	<b>-72 549</b>	<b>-1 800</b>	<b>-7 056</b>	<b>-9 167</b>	<b>-25 394</b>	<b>-6 612</b>	
31	Net acquisition of nonfinancial assets (31,1 - 31,2)	-40 272	-51 175	-23 514	-9 844	-51 878	-3 364	-3 987	-133 913	-141 445	-679	
31,1	Acquisition of nonfinancial assets (311,1+312,1+313,1+314,1)	2 061	2 907	3 553	1 652	4 542	209	94	1 543	2 488	59	54,78
31,2	Disposal of nonfinancial assets (311,2+312,2+313,2+314,2)	42 333	54 082	27 067	11 496	56 420	3 573	4 081	135 456	143 933	738	255,11
311	Fixed assets (311,1-311,2-311,3)	-40 272	-51 175	-23 514	-9 844	-51 878	-3 364	-3 987	498	-7 034	-679	
311,1	Acquisitions: fixed assets	2 061	2 907	3 553	1 652	4 542	209	94	1 543	2 488	59	54,78
311,2	Disposals: fixed assets	42 333	54 082	27 067	11 496	56 420	3 573	4 081	1 045	9 522	738	16,88
<b>Net lending - borrowing (1-2-31)</b>		<b>95 197</b>	<b>38 671</b>	<b>-6 403</b>	<b>12 208</b>	<b>-20 671</b>	<b>1 564</b>	<b>-3 069</b>	<b>124 746</b>	<b>116 051</b>	<b>-5 933</b>	
<b>Financing (33-32)</b>		<b>-95 197</b>	<b>-38 671</b>	<b>6 403</b>	<b>-12 208</b>	<b>20 671</b>	<b>-1 564</b>	<b>3 069</b>	<b>-124 746</b>	<b>-116 051</b>	<b>5 933</b>	
32	Net acquisition of financial assets (321+322)	100 403	-87 682	82 691	72 077	-113 200	-2 359	81 234	93 193	163 001	-7 810	
321	Domestic	100 403	-87 682	82 691	72 077	-113 200	-2 359	81 234	93 193	163 001	-7 810	
322	Foreign	0	0	0	0	0	0	0	0	0	0	
33	Net incurrence of liabilities (331+332)	5 206	-126 353	89 094	59 869	-92 529	-3 923	84 303	-31 553	46 950	-1 877	
331	Domestic	5 206	-126 353	106 055	64 079	-74 273	-3 923	93 097	-27 169	60 128	-1 877	
332	Foreign	0	0	-16 961	-4 210	-18 256	0	-8 794	-4 384	-13 178	0	

Source: Ministry of Finance

TABLE 15: CONSOLIDATED CENTRAL GOVERNMENT BY ECONOMIC CATEGORY

(000 HRK)	2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1 REVENUE (11+12+13+14)</b>	<b>92 642 473</b>	<b>100 392 605</b>	<b>113 386 165</b>	<b>29 451 838</b>	<b>122 407 733</b>	<b>28 161 464</b>	<b>31 220 077</b>	<b>30 800 890</b>	<b>109 529 610</b>	<b>8 939 276</b>	<b>89,48</b>
<b>11 Taxes (111+113+114+115+116)</b>	<b>53 449 049</b>	<b>58 469 091</b>	<b>64 234 530</b>	<b>15 856 315</b>	<b>71 053 542</b>	<b>16 311 874</b>	<b>18 499 283</b>	<b>18 473 470</b>	<b>64 219 244</b>	<b>4 908 469</b>	<b>90,38</b>
111 Taxes of income and profits and capital gains	7 057 112	8 515 615	10 589 083	2 278 441	11 895 270	2 844 005	4 076 998	2 657 500	11 271 200	795 240	94,75
113 Taxes on property	375 501	482 331	578 621	179 334	621 400	134 646	167 308	141 035	561 494	50 042	90,36
114 Taxes on goods and services (1141+1142+1144+1145+1146)	44 084 487	47 546 223	51 099 930	12 885 177	56 459 429	12 825 819	13 697 491	15 066 035	50 359 781	3 910 692	89,20
1141 General taxes on goods and services (11411+11412)	32 399 952	35 091 381	37 916 509	9 588 648	42 927 883	10 033 686	10 436 530	11 196 539	38 329 844	2 875 165	89,29
11411 Value-added taxes	32 243 372	34 931 750	37 747 987	9 547 734	42 751 585	9 992 316	10 391 176	11 155 970	38 175 263	2 862 840	89,30
11412 Sales taxes	156 580	159 631	168 522	40 915	176 298	41 370	45 355	40 569	154 581	12 325	87,68
1142 Excises	10 939 144	11 564 709	12 168 666	2 991 506	12 403 391	2 555 576	2 986 446	3 583 394	11 057 869	945 936	89,15
115 Taxes on international trade and transactions	1 562 930	1 588 456	1 641 478	427 459	1 818 893	431 769	479 029	538 393	1 750 882	128 320	96,26
116 Other taxes	369 019	336 466	325 418	85 903	258 549	75 635	78 457	70 508	275 887	24 175	106,71
<b>12 Social contributions</b>	<b>31 301 340</b>	<b>33 877 148</b>	<b>37 203 486</b>	<b>9 546 298</b>	<b>41 370 661</b>	<b>9 766 187</b>	<b>10 022 663</b>	<b>10 338 788</b>	<b>36 989 583</b>	<b>3 379 208</b>	<b>89,41</b>
<b>13 Grants</b>	<b>27 505</b>	<b>194 484</b>	<b>481 173</b>	<b>256 401</b>	<b>1 057 861</b>	<b>99 444</b>	<b>146 577</b>	<b>127 137</b>	<b>463 695</b>	<b>46 614</b>	<b>43,83</b>
<b>14 Other revenue</b>	<b>7 864 579</b>	<b>7 851 883</b>	<b>11 466 977</b>	<b>3 792 823</b>	<b>8 925 669</b>	<b>1 983 958</b>	<b>2 551 554</b>	<b>1 861 494</b>	<b>7 857 088</b>	<b>604 984</b>	<b>88,03</b>
<b>2 EXPENSE (21+22+24+25+26+27+28)</b>	<b>92 332 140</b>	<b>98 751 408</b>	<b>109 074 989</b>	<b>30 907 163</b>	<b>120 684 581</b>	<b>26 477 112</b>	<b>28 691 004</b>	<b>29 559 791</b>	<b>103 817 245</b>	<b>9 513 498</b>	<b>86,02</b>
<b>21 Compensation of employees (211+212)</b>	<b>24 300 115</b>	<b>25 512 962</b>	<b>28 154 625</b>	<b>7 211 725</b>	<b>30 229 529</b>	<b>7 200 416</b>	<b>7 380 967</b>	<b>7 747 685</b>	<b>27 374 126</b>	<b>2 522 437</b>	<b>90,55</b>
211 Wages and salaries	20 665 832	21 699 724	23 761 684	6 144 614	25 691 437	6 096 004	6 245 179	6 590 442	23 209 793	2 139 589	90,34
212 Social contributions	3 634 283	3 813 238	4 392 941	1 067 111	4 538 093	1 104 412	1 135 789	1 157 243	4 164 334	382 848	91,76
<b>22 Use of goods and services</b>	<b>7 100 232</b>	<b>9 193 481</b>	<b>10 517 315</b>	<b>3 566 210</b>	<b>12 056 397</b>	<b>1 789 095</b>	<b>2 621 100</b>	<b>2 838 601</b>	<b>9 281 621</b>	<b>965 500</b>	<b>76,99</b>
<b>24 Interest</b>	<b>5 004 650</b>	<b>5 397 046</b>	<b>5 461 240</b>	<b>1 197 383</b>	<b>5 167 224</b>	<b>1 773 979</b>	<b>1 052 435</b>	<b>1 109 118</b>	<b>4 334 129</b>	<b>214 600</b>	<b>83,88</b>
<b>25 Subsidies</b>	<b>5 253 933</b>	<b>5 684 592</b>	<b>6 510 563</b>	<b>2 018 327</b>	<b>7 576 190</b>	<b>1 884 543</b>	<b>1 696 555</b>	<b>1 545 775</b>	<b>5 878 366</b>	<b>257 872</b>	<b>77,59</b>
<b>26 Grants</b>	<b>2 804 760</b>	<b>2 838 842</b>	<b>3 539 882</b>	<b>1 552 170</b>	<b>4 437 987</b>	<b>535 210</b>	<b>984 515</b>	<b>918 466</b>	<b>3 260 161</b>	<b>473 250</b>	<b>73,46</b>
<b>27 Social benefits</b>	<b>41 930 232</b>	<b>44 192 851</b>	<b>48 176 512</b>	<b>12 486 069</b>	<b>52 210 820</b>	<b>11 996 345</b>	<b>12 787 184</b>	<b>13 268 391</b>	<b>46 766 301</b>	<b>4 390 489</b>	<b>89,57</b>
<b>28 Other expense</b>	<b>5 938 219</b>	<b>5 931 633</b>	<b>6 714 852</b>	<b>2 875 278</b>	<b>9 006 435</b>	<b>1 297 525</b>	<b>2 168 249</b>	<b>2 131 756</b>	<b>6 922 541</b>	<b>689 351</b>	<b>76,86</b>
<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>310 333</b>	<b>1 641 197</b>	<b>4 311 176</b>	<b>-1 455 325</b>	<b>1 723 152</b>	<b>1 684 352</b>	<b>2 529 073</b>	<b>1 241 098</b>	<b>5 712 365</b>	<b>-574 222</b>	
<b>3 CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>310 333</b>	<b>1 641 197</b>	<b>4 311 176</b>	<b>-1 455 325</b>	<b>1 723 152</b>	<b>1 684 352</b>	<b>2 529 073</b>	<b>1 241 098</b>	<b>5 712 365</b>	<b>-574 222</b>	
<b>31 NET ACQUISITION OF NONFINANCIAL ASSETS (311+312+313+314)</b>	<b>6 699 416</b>	<b>6 108 627</b>	<b>7 810 956</b>	<b>2 849 878</b>	<b>5 411 208</b>	<b>301 020</b>	<b>955 021</b>	<b>1 039 965</b>	<b>3 051 967</b>	<b>445 740</b>	<b>56,40</b>
311 Fixed assets	6 439 709	5 788 654	7 526 800	2 761 540	4 896 118	278 622	860 801	1 042 249	2 846 750	384 865	58,14
312 Inventories	0	-80 226	-161 383	16 197	119 200	499	-1 206	13 380	12 392	-251	10,40
313 Valuables	7 220	7 826	9 620	2 562	6 158	1 651	2 852	1 336	9 631	1 392	156,39
314 Nonproduced assets	252 487	392 374	435 919	69 579	389 732	20 248	92 575	-17 000	183 194	59 734	47,01
<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-6 389 083</b>	<b>-4 467 430</b>	<b>-3 499 780</b>	<b>-4 305 203</b>	<b>-3 688 056</b>	<b>1 383 332</b>	<b>1 574 052</b>	<b>201 133</b>	<b>2 660 398</b>	<b>-1 019 962</b>	
<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>	<b>6 389 083</b>	<b>4 467 430</b>	<b>3 499 780</b>	<b>4 305 203</b>	<b>3 688 056</b>	<b>-1 383 332</b>	<b>-1 574 052</b>	<b>-201 133</b>	<b>-2 660 398</b>	<b>1 019 962</b>	
<b>32 NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>1 609 760</b>	<b>-2 576 689</b>	<b>-2 939 156</b>	<b>-4 941 507</b>	<b>601 789</b>	<b>1 971 844</b>	<b>1 079 307</b>	<b>-110 193</b>	<b>4 539 398</b>	<b>980 730</b>	<b>754,32</b>
321 Domestic	1 614 616	-2 593 370	-2 957 192	-4 951 509	589 328	1 971 844	1 072 193	-110 193	4 526 954	975 400	768,16
322 Foreign	-4 857	16 681	18 036	10 003	12 461	0	7 115	0	12 445	5 330	99,87
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>7 998 843</b>	<b>1 890 741</b>	<b>560 624</b>	<b>-636 304</b>	<b>4 289 845</b>	<b>588 512</b>	<b>-494 745</b>	<b>-311 326</b>	<b>1 879 000</b>	<b>2 000 692</b>	<b>43,80</b>
331 Domestic	12 041 678	5 282 792	2 017 095	-1 287 397	5 169 429	1 049 525	67 558	-17 050	3 093 988	1 997 799	59,85
332 Foreign	-4 042 835	-3 392 051	-1 456 471	651 093	-879 584	-461 013	-562 303	-294 276	-1 214 988	2 893	

Source: Ministry of Finance

TABLE 16: CONSOLIDATED CENTRAL GOVERNMENT ACCORDING TO GOVERNMENT LEVEL

(000 HRK)		2005	2006	2007	X - XII 2007	New Plan 2008	I - III 2008	IV - VI 2008	VII - IX 2008	I - XI 2008	XI 2008	I - XI 2008 New Plan 2008
<b>1</b>	<b>REVENUE (A+B)</b>	<b>92 642 473</b>	<b>100 392 605</b>	<b>113 386 165</b>	<b>29 451 838</b>	<b>122 407 733</b>	<b>28 161 464</b>	<b>31 220 077</b>	<b>30 800 890</b>	<b>109 529 610</b>	<b>8 939 276</b>	<b>89,48</b>
	A) Budgetary Central Government	85 653 010	95 234 057	108 296 963	28 002 138	118 051 097	27 344 504	30 224 837	29 778 052	106 012 360	8 585 697	89,80
	B) Extrabudgetary Users (1+...+9)	6 989 463	5 158 548	5 089 202	1 449 700	4 356 636	816 960	995 240	1 022 838	3 517 250	353 579	80,73
	1. Croatian Institute for Pension Insurance	38 010	293 485	-	-	-	-	-	-	-	-	-
	2. Croatian Health Insurance Institute	863 868	848 683	-	-	-	-	-	-	-	-	-
	3. Croatian Employment Service	18 855	18 363	-	-	-	-	-	-	-	-	-
	4. Croatian Waters	1 227 794	1 526 851	2 041 209	643 513	2 008 099	413 406	514 540	569 585	1 840 250	145 276	91,64
	5. Environment Protection Fund	214 737	659 840	1 102 946	387 285	1 367 466	261 828	271 243	324 017	1 080 400	132 220	79,01
	6. Croatian motorways Ltd.	2 547 003	1 271 125	1 375 336	250 025	-	-	-	-	-	-	-
	7. Croatian roads Ltd.	1 474 714	64 749	119 946	38 651	167 331	34 433	15 200	9 087	67 861	4 775	40,55
	8. State Agency for Deposit Insurance and Bank Rehabilitation	367 438	409 581	391 441	101 945	777 930	91 414	178 955	106 522	478 313	70 934	61,49
	9. Croatian Privatization Fund	237 044	65 871	58 324	28 281	35 810	15 879	15 302	13 627	50 426	374	140,82
<b>2</b>	<b>EXPENSE (A+B)</b>	<b>92 332 140</b>	<b>98 751 408</b>	<b>109 074 989</b>	<b>30 907 163</b>	<b>120 684 581</b>	<b>26 477 112</b>	<b>28 691 004</b>	<b>29 559 791</b>	<b>103 817 245</b>	<b>9 513 498</b>	<b>86,02</b>
	A) Budgetary Central Government	86 715 598	91 979 693	103 004 916	28 713 763	115 257 139	25 750 365	27 516 790	28 218 401	99 487 908	8 917 184	86,32
	B) Extrabudgetary Users (1+...+9)	5 616 542	6 771 715	6 070 073	2 193 400	5 427 442	726 747	1 174 214	1 341 390	4 329 337	596 314	79,77
	1. Croatian Institute for Pension Insurance	382 162	565 857	-	-	-	-	-	-	-	-	-
	2. Croatian Health Insurance Institute	914 345	931 628	-	-	-	-	-	-	-	-	-
	3. Croatian Employment Service	145 931	155 002	-	-	-	-	-	-	-	-	-
	4. Croatian Waters	1 489 465	1 779 088	2 099 001	833 198	2 207 730	253 007	575 261	583 319	1 998 192	328 309	90,51
	5. Environment Protection Fund	172 045	734 764	1 083 268	401 597	1 322 476	222 135	198 041	284 309	915 499	107 387	69,23
	6. Croatian motorways Ltd.	1 085 077	1 272 713	1 509 844	507 962	-	-	-	-	-	-	0,00
	7. Croatian roads Ltd.	1 062 405	1 226 934	1 241 899	420 124	1 562 404	217 392	369 337	438 753	1 299 645	152 715	83,18
	8. State Agency for Deposit Insurance and Bank Rehabilitation	182 993	27 354	47 820	4 602	226 473	16 534	9 217	12 215	40 181	917	17,74
	9. Croatian Privatization Fund	182 119	78 375	88 241	25 917	108 359	17 679	22 358	22 794	75 820	6 986	69,97
	<b>NET-GROSS OPERATING BALANCE (1-2)</b>	<b>310 333</b>	<b>1 641 197</b>	<b>4 311 176</b>	<b>-1 455 325</b>	<b>1 723 152</b>	<b>1 684 352</b>	<b>2 529 073</b>	<b>1 241 098</b>	<b>5 712 365</b>	<b>-574 222</b>	
<b>3</b>	<b>CHANGE IN NET WORTH: TRANSACTIONS (31+32-33)</b>	<b>310 333</b>	<b>1 641 197</b>	<b>4 311 176</b>	<b>-1 455 325</b>	<b>1 723 152</b>	<b>1 684 352</b>	<b>2 529 073</b>	<b>1 241 098</b>	<b>5 712 365</b>	<b>-574 222</b>	
<b>31</b>	<b>NET ACQUISITION OF NONFINANCIAL ASSETS</b>	<b>6 699 416</b>	<b>6 108 627</b>	<b>7 810 956</b>	<b>2 849 878</b>	<b>5 411 208</b>	<b>301 020</b>	<b>955 021</b>	<b>1 039 965</b>	<b>3 051 967</b>	<b>445 740</b>	<b>56,40</b>
	Acquisition (A+B)	7 024 180	6 836 371	8 378 646	2 974 325	5 849 881	392 283	1 029 695	1 247 110	3 482 645	479 001	59,53
	A) Budgetary Central Government	1 828 818	1 908 482	3 043 906	1 495 267	3 887 915	192 875	651 196	913 811	2 344 684	343 913	60,31
	B) Extrabudgetary users	5 195 362	4 927 889	5 334 740	1 479 058	1 961 966	199 408	378 499	333 299	1 137 961	135 088	58,00
	Disposals (A+B)	324 763	727 744	567 689	124 447	438 673	91 263	74 674	207 145	430 678	33 261	98,18
	A) Budgetary Central Government	275 149	352 690	498 685	107 479	357 403	66 593	69 392	70 627	261 826	31 010	73,26
	B) Extrabudgetary users	49 614	375 054	69 004	16 968	81 270	24 670	5 282	136 518	168 852	2 251	207,77
	<b>NET LENDING-BORROWING (1-2-31)</b>	<b>-6 389 083</b>	<b>-4 467 430</b>	<b>-3 499 780</b>	<b>-4 305 203</b>	<b>-3 688 056</b>	<b>1 383 332</b>	<b>1 574 052</b>	<b>201 133</b>	<b>2 660 398</b>	<b>-1 019 962</b>	
	<b>TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES (FINANCING) (33-32)</b>	<b>6 389 083</b>	<b>4 467 430</b>	<b>3 499 780</b>	<b>4 305 203</b>	<b>3 688 056</b>	<b>-1 383 332</b>	<b>-1 574 052</b>	<b>-201 133</b>	<b>-2 660 398</b>	<b>1 019 962</b>	
<b>32</b>	<b>NET ACQUISITION OF FINANCIAL ASSETS (321+322+323)</b>	<b>1 609 760</b>	<b>-2 576 689</b>	<b>-2 939 156</b>	<b>-4 941 507</b>	<b>601 789</b>	<b>1 971 844</b>	<b>1 079 307</b>	<b>-110 193</b>	<b>4 539 398</b>	<b>980 730</b>	<b>754,32</b>
<b>321</b>	<b>Domestic (A+B)</b>	<b>1 614 616</b>	<b>-2 593 370</b>	<b>-2 957 192</b>	<b>-4 951 509</b>	<b>589 328</b>	<b>1 971 844</b>	<b>1 072 193</b>	<b>-110 193</b>	<b>4 526 954</b>	<b>975 400</b>	<b>768,16</b>
	A) Budgetary Central Government	1 747 681	-3 063 855	-3 752 817	-5 562 941	102 061	1 695 519	659 353	-442 218	3 497 227	1 018 940	3 426,60
	B) Extrabudgetary users	-133 065	470 485	795 625	611 432	487 267	276 325	412 840	332 025	1 029 727	-43 540	211,33
<b>322</b>	<b>Foreign (A+B)</b>	<b>-4 857</b>	<b>16 681</b>	<b>18 036</b>	<b>10 003</b>	<b>12 461</b>	<b>0</b>	<b>7 115</b>	<b>0</b>	<b>12 445</b>	<b>5 330</b>	<b>99,87</b>
	A) Budgetary Central Government	-4 857	16 681	18 036	10 003	12 461	0	7 115	0	12 445	5 330	99,87
	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>7 998 843</b>	<b>1 890 741</b>	<b>560 624</b>	<b>-636 304</b>	<b>4 289 845</b>	<b>588 512</b>	<b>-494 745</b>	<b>-311 326</b>	<b>1 879 000</b>	<b>2 000 692</b>	<b>43,80</b>
<b>331</b>	<b>Domestic (A+B)</b>	<b>12 041 678</b>	<b>5 282 792</b>	<b>2 017 095</b>	<b>-1 287 397</b>	<b>5 169 429</b>	<b>1 049 525</b>	<b>67 558</b>	<b>-17 050</b>	<b>3 093 988</b>	<b>1 997 799</b>	<b>59,85</b>
	A) Budgetary Central Government	10 591 560	3 166 260	1 477 615	-924 979	4 206 602	1 085 784	-341 966	-201 048	2 366 700	1 814 725	56,26
	B) Extrabudgetary users	1 450 118	2 116 532	539 480	-362 418	962 827	-36 259	409 524	183 998	727 288	183 074	75,54
<b>332</b>	<b>Foreign (A+B)</b>	<b>-4 042 835</b>	<b>-3 392 051</b>	<b>-1 456 471</b>	<b>651 093</b>	<b>-879 584</b>	<b>-461 013</b>	<b>-562 303</b>	<b>-294 276</b>	<b>-1 214 988</b>	<b>2 893</b>	
	A) Budgetary Central Government	-5 080 612	-3 943 248	-2 980 166	2 010	-1 286 142	-525 927	-645 558	-379 927	-1 529 488	-4 822	
	B) Extrabudgetary users	1 037 777	551 197	1 523 695	649 083	406 558	64 914	83 255	85 651	314 500	7 715	77,36

## 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
XI	8 916 620	8 338 893	577 726	416 064	993 790
XII	9 124 246	10 668 653	-1 544 407	540 062	-1 004 345
I-XII 2006	100 392 605	98 751 408	1 641 197	5 397 046	7 038 244
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	9 219 591	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
XI	9 538 870	10 088 816	-549 946	421 506	-128 440
XII	10 233 228	11 460 099	-1 226 871	513 150	-713 721
I-XII 2007	113 386 165	109 074 989	4 311 176	5 461 240	9 772 415
I 2008	10 060 978	7 986 792	2 074 186	296 016	2 370 202
II	9 117 172	9 281 071	-163 899	1 106 805	942 906
III	8 983 314	9 209 249	-225 934	371 157	145 223
IV	11 736 173	9 695 641	2 040 532	294 547	2 335 078
V	9 681 086	9 470 466	210 621	359 791	570 412
VI	9 802 818	9 524 898	277 921	398 097	676 018
VII	11 690 868	10 612 274	1 078 594	303 806	1 382 400
VIII	9 307 884	9 077 156	230 728	398 899	629 626
IX	9 802 137	9 870 361	-68 224	406 414	338 190
X	10 407 904	9 575 840	832 064	183 998	1 016 062
XI	8 939 276	9 513 498	-574 222	214 600	-359 623
I-XI 2008	109 529 610	103 817 245	5 712 365	4 334 129	10 046 494

## MEASURES OF CONSOLIDATED CENTRAL GOVERNMENT DEFICIT / SURPLUS

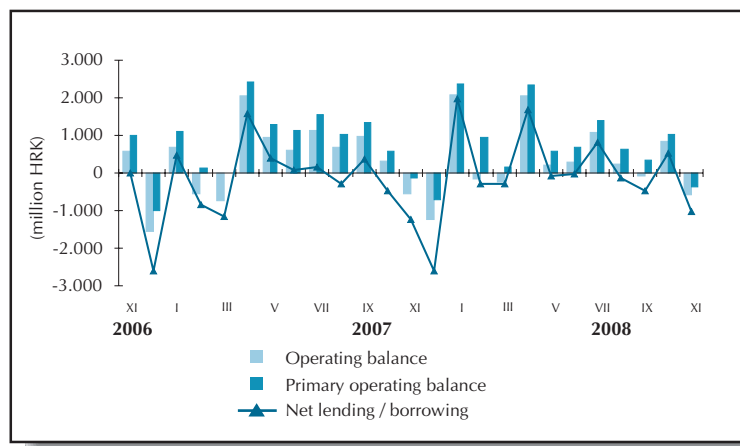


TABLE 16B: NET LENDING / BORROWING (000 HRK)

	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)
XI	577 726	586 128	-8 402	8 402	500 484	508 885
XII	-1 544 407	1 061 793	-2 606 200	2 606 200	-3 355 598	-749 398
I-XII 2006	1 641 197	6 108 627	-4 467 430	4 467 430	-2 576 689	1 890 741
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
XI	-549 946	676 815	-1 226 761	1 226 761	-1 277 773	-51 012
XII	-1 226 871	1 372 970	-2 599 841	2 599 841	-2 488 370	111 471
I-XII 2007	4 311 176	7 810 956	-3 499 780	3 499 780	-2 939 156	560 624
I 2008	2 074 186	111 405	1 962 781	-1 962 781	1 163 596	-799 184
II	-163 899	118 935	-282 834	282 834	131 461	414 295
III	-225 934	70 680	-296 614	296 614	676 787	973 401
IV	2 040 532	361 430	1 679 102	-1 679 102	1 326 194	-352 908
V	210 621	280 640	-70 020	70 020	-278 016	-207 997
VI	277 921	312 951	-35 030	35 030	31 130	66 160
VII	1 078 594	263 804	814 791	-814 791	1 055 427	240 636
VIII	230 728	369 723	-138 996	138 996	-700 603	-561 608
IX	-68 224	406 438	-474 662	474 662	-465 016	9 646
X	832 064	310 220	521 844	-521 844	617 710	95 867
XI	-574 222	445 740	-1 019 962	1 019 962	980 730	2 000 692
I-XI 2008	5 712 365	3 051 967	2 660 398	-2 660 398	4 539 398	1 879 000

\* Deficit according to GFS 2001 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>		31.12. 2007 <sup>§</sup>		31.3. 2008 <sup>§</sup>		30.6. 2008 <sup>§</sup>		30.9. 2008 <sup>§</sup>		31.10. 2008 <sup>§</sup>		30.11. 2008 <sup>§</sup>	
	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	mil. HRK	% GDP	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>41 660,5</b>	<b>16,6</b>	<b>39 658,2</b>	<b>14,4</b>	<b>38 131,1</b>	<b>12,7</b>	<b>38 270,9</b>	<b>12,8</b>	<b>38 557,9</b>	<b>12,9</b>	<b>39 946,5</b>	<b>13,3</b>	<b>40 007,5</b>	<b>13,4</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	29 424,0	10,7	28 071,1	9,4	27 502,0	9,2	27 268,9	9,1	28 085,5	9,4	28 017,3	9,4
2. Foreign debt of Extrabudgetary users	2 585,1	1,4	4 285,6	2,2	7 747,0	3,6	8 749,8	3,8	8 938,2	3,6	10 186,7	3,7	10 018,0	3,3	10 732,8	3,6	11 258,6	3,8	11 830,5	3,9	11 959,8	4,0
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	47,5	0,0	42,0	0,0	36,1	0,0	30,4	0,0	30,4	0,0	30,4	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>64 410,8</b>	<b>23,4</b>	<b>65 863,2</b>	<b>22,0</b>	<b>66 025,5</b>	<b>22,0</b>	<b>65 713,3</b>	<b>21,9</b>	<b>66 092,6</b>	<b>22,1</b>	<b>68 489,9</b>	<b>22,9</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	56 506,5	20,5	57 669,9	19,3	57 573,2	19,2	57 136,1	19,1	57 540,4	19,2	59 593,6	19,9
2. Domestic debt of Extrabudgetary users	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	6 332,6	2,3	6 682,0	2,2	6 751,7	2,3	6 883,5	2,3	6 858,5	2,3	7 202,5	2,4
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	1 571,7	0,6	1 511,3	0,5	1 700,6	0,6	1 693,7	0,6	1 693,7	0,6	1 693,7	0,6
<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>102 209,5</b>	<b>40,8</b>	<b>104 069,0</b>	<b>37,8</b>	<b>103 994,3</b>	<b>34,7</b>	<b>104 296,4</b>	<b>34,8</b>	<b>104 271,3</b>	<b>34,8</b>	<b>106 039,1</b>	<b>35,4</b>	<b>108 497,3</b>	<b>36,2</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	85 930,5	31,2	85 741,0	28,6	85 075,2	28,4	84 405,0	28,2	85 625,9	28,6	87 610,9	29,2
2. Total debt of Extrabudgetary users (A2+B2)	10 244,2	5,7	10 533,1	5,3	11 658,2	5,4	12 684,8	5,5	14 106,4	5,6	16 519,3	6,0	16 699,9	5,6	17 484,5	5,8	18 142,1	6,1	18 689,1	6,2	19 162,3	6,4
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	1 619,3	0,6	1 553,4	0,5	1 736,7	0,6	1 724,2	0,6	1 724,2	0,6	1 724,2	0,6
<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>14 188,2</b>	<b>5,7</b>	<b>17 399,0</b>	<b>6,3</b>	<b>17 161,2</b>	<b>5,7</b>	<b>17 776,7</b>	<b>5,9</b>	<b>18 715,2</b>	<b>6,2</b>	<b>19 147,9</b>	<b>6,4</b>	<b>19 085,8</b>	<b>6,4</b>
Foreign guarantees	8 655,3	4,8	8 622,7	4,3	7 710,4	3,6	7 186,7	3,1	6 935,9	2,8	9 531,2	3,5	9 808,0	3,3	10 172,7	3,4	10 866,4	3,6	11 076,2	3,7	10 985,5	3,7
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	7 867,8	2,9	7 353,2	2,5	7 603,9	2,5	7 848,8	2,6	8 071,7	2,7	8 100,3	2,7
<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>7 686,3</b>	<b>3,1</b>	<b>9 662,3</b>	<b>3,5</b>	<b>9 840,1</b>	<b>3,3</b>	<b>10 574,0</b>	<b>3,5</b>	<b>10 443,9</b>	<b>3,5</b>	<b>10 443,4</b>	<b>3,5</b>	<b>10 395,4</b>	<b>3,5</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	9 471,5	3,4	9 666,4	3,2	10 005,6	3,3	10 285,1	3,4	10 285,0	3,4	10 221,1	3,4
Domestic debt of HBOR	442,3	0,2	328,1	0,2	382,2	0,2	534,2	0,2	347,5	0,1	190,7	0,1	173,6	0,1	568,4	0,2	158,8	0,1	158,3	0,1	174,4	0,1

Source: Ministry of Finance, CBS for GDP

## PUBLIC DEBT AT THE END OF NOVEMBER 2008

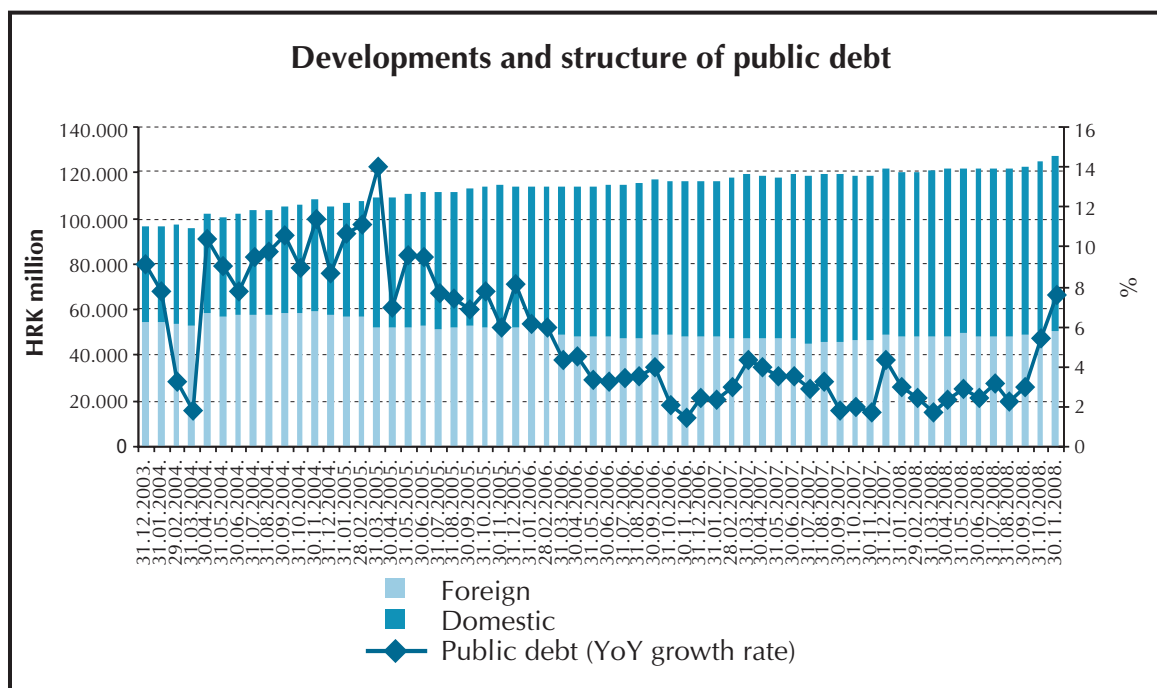
The total public debt of the Republic of Croatia amounted to HRK 127.6 billion at the end of November 2008, thus reaching 42.6 percent of the expected GDP for the year 2008. In comparison with October 2008, public debt was increased by HRK 2.4 billion. Total general government debt amounted to HRK 108.5 billion (85 percent of total public debt) while total guarantees amounted to HRK 19.2 billion (the remaining 15 percent of total public debt).

Total general government debt recorded an increase of HRK 2.5 billion in November 2008 compared to the previous month's stock. The foreign component of total general government debt recorded a monthly rise of HRK 61.0 million due to an increase of foreign debt of extra budgetary users. The domestic component of total general government debt recorded an increase compared to the previous month's stock in the amount of HRK 2.4 billion as a result of a rise of the central government domestic debt and rise of an extra budgetary users domestic debt.

According to government level, the largest part of public debt refers to central government (HRK 87.6 billion), the debt of extra budgetary users amounted to HRK 19.2 billion and the debt of local government to HRK 1.7 billion. Central government kept the trend of more pronounced domestic borrowing; 68 percent of total central government debt was created by domestic borrowing, while 62.4 percent of extra budgetary users' debt resulted from foreign borrowing.

Total guarantees issued by the Republic of Croatia stood at the level of 6.4 percent of GDP and went down by HRK 62.1 million in comparison with the previous month as a result of a decrease of foreign guarantees. Foreign guarantees account for 57.6 percent of total guarantees of the Republic of Croatia.

Total debt of HBOR amounted to HRK 10.4 billion in November 2008 and recorded a decrease of HRK 47.9 million compared to October 2008 as a result of a decrease in foreign component of the debt. Total debt of HBOR was almost entirely (98.3 percent) created by foreign borrowings.



**TABLE 21: CONSOLIDATED CENTRAL GOVERNMENT DOMESTIC DEBT**  
**DOMESTIC DEBT STOCK IN 000 (30 NOVEMBER 2008)**

Debt item:	Currency	Stock	Stock / HRK:	Maturity:	Interest rate:
Big Bonds - Series I	HRK	2 179 752	2 179 752	2011	5,00%
Big Bonds - Series II	EUR	32 301	230 243	2011	7,20%
Big Bonds - Series III	EUR	35 143	250 501	2012	7,20%
Bonds - Series 02 D-08	EUR	200 000	1 425 607	2008	6,875%
Bonds - Series 03 D-12	EUR	500 000	3 564 017	2012	6,875%
Bonds - Series 05 D-14	EUR	650 000	4 633 222	2014	5,50%
Bonds - Series 07 D-19	EUR	500 000	3 564 017	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	2 494 812	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 II	EUR	13 407	95 567	2012	5,00%
BRA Bonds III	EUR	36 441	259 750	2012	7,20%
BRA Bonds IV	EUR	18 352	130 817	2012	5,00%
Syndicated FX loan I	EUR	500 000	3 564 017	2010	5,65%
Syndicated FX loan II	EUR	722 004	5 146 468	2010	5,98%
Medium and long term debt			<b>45 538 789</b>		
Treasury Bills	HRK	12 119 000	12 119 000		
Other short-term debt					
Short-term debt			<b>12 119 000</b>		
Total debt			<b>57 657 789</b>		

Source: Ministry of Finance

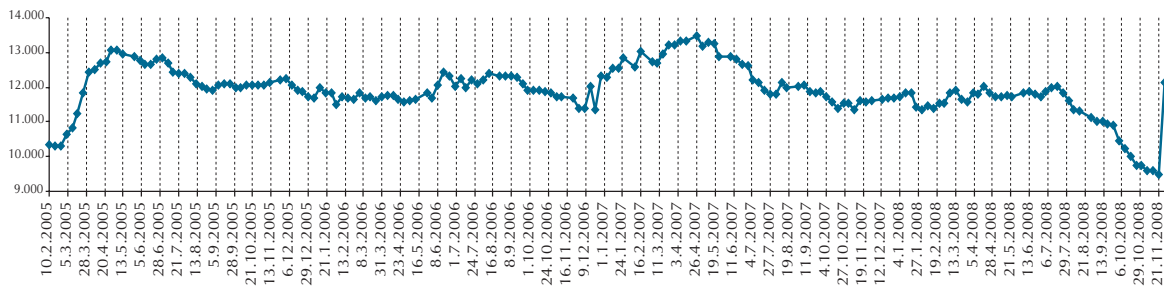
TABLE 22: RESULTS OF TREASURY BILL'S AUCTIONS HELD BY THE MINISTRY OF FINANCE

(000 HRK)		91 days				182 days				364 days				728 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 (%)	Size (HRK)	Total bids received (HRK)	Weighted average of the bids received (HRK) / Yielding (%)	Uniform price allocation per 100 HRK (HRK) / Yielding (%)	
11.12.2007	150 000	150 000	99,110/ 3,60%	99,110 / 3,60%	150 000	150 000	98,164 / 3,75%	98,164 / 3,75%	422 000	562 000	95,270 / 4,98%	95,251 / 5,00%					
18.12.2007	50 000	50 000	99,110/ 3,60%	99,110 / 3,60%	50 000	50 000	98,164 / 3,75%	98,164 / 3,75%	358 000	398 000	95,227 / 5,03%	95,160 / 5,10%					
2.1.2008									330 000	332 000	95,203 / 5,05%	95,160 / 5,10%					
8.1.2008	10 000	10 000	99,098/ 3,65%	99,098 / 3,65%	10 000	10 000	98,068 / 3,95%	98,068 / 3,95%	464 000	484 000	95,264 / 4,99%	95,160 / 5,10%					
22.1.2008									12 000	12 000	95,213 / 5,04%	95,205 / 5,05%					
5.2.2008	150 000	150 000	99,074/ 3,75%	99,074 / 3,75%					24 000	45 000	94,883 / 5,41%	95,251 / 5,00%					
12.2.2008	100 000	100 000	99,074/ 3,75%	99,074 / 3,75%					134 000	154 000	95,098 / 5,17%	94,800 / 5,50%					
19.2.2008	25 000	25 000	99,074/ 3,75%	99,074 / 3,75%					105 000	105 000	94,800 / 5,50%	94,800 / 5,50%					
4.3.2008	25 000	25 000	99,013/ 4,00%	99,013 / 4,00%	100 000	100 000	97,805 / 4,50%	97,805 / 4,50%	219 000	229 000	94,720 / 5,59%	94,711 / 5,60%					
11.3.2008	55 000	105 000	99,013/ 4,00%	99,013 / 4,00%	100 000	200 000	97,782 / 4,55%	97,805 / 4,50%	465 000	775 000	94,602 / 5,72%	94,711 / 5,60%					
18.3.2008	55 000	55 000	99,017/ 3,98%	99,013 / 4,00%					129 000	129 000	94,755 / 5,55%	94,711 / 5,60%					
25.3.2008	50 000	90 000	98,888/ 4,51%	98,988 / 4,10%	50 000	50 000	97,758 / 4,60%	97,758 / 4,60%	262 000	262 000	94,720 / 5,59%	94,711 / 5,60%					
1.4.2008	100 000	120 000	98,972/ 4,17%	98,988 / 4,10%	50 000	50 000	97,758 / 4,60%	97,758 / 4,60%	425 000	475 000	94,713 / 5,60%	94,711 / 5,60%					
8.4.2008									265 000	285 000	94,732 / 5,58%	94,711 / 5,60%					
15.4.2008									257 000	277 000	94,705 / 5,61%	94,711 / 5,60%					
22.4.2008									156 000	156 000	94,718 / 5,59%	94,711 / 5,60%					
6.5.2008					200 000	200 000	97,663 / 4,80%	97,567 / 5,00%	374 000	374 000	94,717 / 5,59%	94,711 / 5,60%					
13.5.2008	50 000	50 000	98,988/ 4,10%	98,988 / 4,10%	60 000	60 000	97,575 / 4,98%	97,567 / 5,00%	67 000	67 000	94,746 / 5,56%	94,711 / 5,60%					
3.6.2008					10 000	10 000	97,591 / 4,95%	97,591 / 4,95%	601 000	892 000	94,711 / 5,60%	94,711 / 5,60%					
10.6.2008	100 000	300 000	98,925/ 4,36%	98,988 / 4,10%	40 000	40 000	97,567 / 5,00%	97,567 / 5,00%	408 000	408 000	94,752 / 5,55%	94,711 / 5,60%					
1.7.2008	100 000	150 000	98,956/ 4,23%	98,988 / 4,10%	50 000	50 000	97,473 / 5,20%	97,473 / 5,20%	189 000	189 000	94,807 / 5,49%	94,711 / 5,60%					
8.7.2008	20 000	20 000	98,891/ 4,50%	98,891 / 4,50%	25 000	25 000	97,453 / 5,24%	97,425 / 5,30%	102 000	122 000	94,729 / 5,58%	94,683 / 5,63%					
15.7.2008									187 000	187 000	94,717 / 5,59%	94,711 / 5,60%					
22.7.2008									215 000	215 000	94,711 / 5,60%	94,711 / 5,60%					
29.7.2008		50 000	98,817/ 4,80%		5 000	5 000	97,473 / 5,20%	97,473 / 5,20%	165 000	165 000	94,757 / 5,55%	94,711 / 5,60%					
6.8.2008	50 000	50 000	98,769/ 5,00%	98,769 / 5,00%	55 000	55 000	97,434 / 5,28%	97,425 / 5,30%	328 000	328 000	94,719 / 5,59%	94,711 / 5,60%					
26.8.2008					5 000	5 000	97,496 / 5,15%	97,496 / 5,15%	178 000	213 000	94,576 / 5,75%	94,577 / 5,75%					
2.9.2008	10 000	10 000	98,769/ 5,00%	98,769 / 5,00%	5 000	5 000	97,520 / 5,10%	97,520 / 5,10%	246 000	286 000	94,537 / 5,79%	94,532 / 5,80%					
9.9.2008	205 000	207 000	98,769/ 5,00%	98,769 / 5,00%	10 000	12 000	97,473 / 5,20%	97,520 / 5,10%	272 000	437 000	94,505 / 5,83%	94,532 / 5,80%					
16.9.2008	10 000	10 000	98,775/ 4,97%	98,769 / 5,00%					190 000	230 000	94,509 / 5,83%	94,532 / 5,80%					
23.9.2008									283 000	283 000	94,530 / 5,80%	94,354 / 6,00%					
30.9.2008	50 000	50 000	98,769/ 5,00%	98,769 / 5,00%					5 000		93,912 / 6,50%						
7.10.2008									49 000	49 000	94,354 / 6,00%	94,354 / 6,00%					
14.10.2008									75 000	79 000	94,350 / 6,00%	94,354 / 6,00%					
21.10.2008	50 000	50 000	98,526/ 6,00%	98,526 / 6,00%	50 000	50 000	96,978 / 6,25%	96,978 / 6,25%	147 000	147 000	93,785 / 6,65%	93,475 / 7,00%					
28.10.2008									275 000	275 000	93,481 / 6,99%	93,475 / 7,00%					
4.11.2008									157 000	157 000	93,475 / 7,00%	93,475 / 7,00%					
11.11.2008		20 000	98,405 / 6,50%			20 000	96,627 / 7,00%		240 000	290 000	93,439 / 7,04%	93,475 / 7,00%					
18.11.2008									111 000	111 000	93,476 / 7,00%	93,475 / 7,00%					
25.11.2008													2 653 000	2 656 000	85,506 / 8,50%	85,504 / 8,50%	

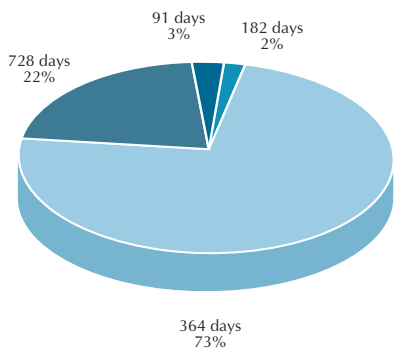
Source: Ministry of Finance



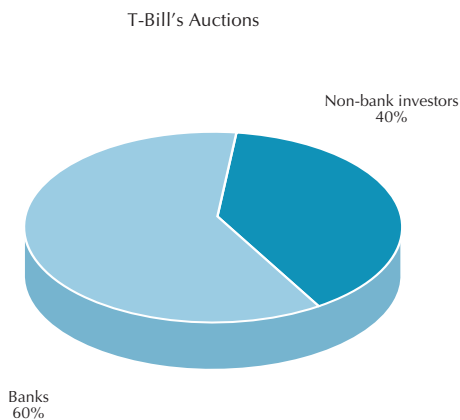
### T-bills's outstanding debt:



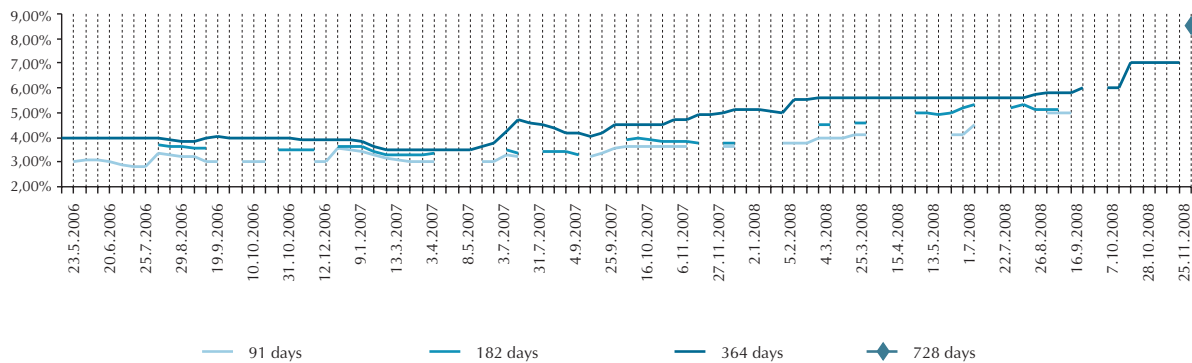
### Structure of outstanding T-Bill's on 30 november 2008



### 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 methodology of the National Bureau of Economic Research in the United States. The index predicts standard economic cycles as well as economic growth cycles in Croatia using the industrial production volume index as the reference series. In November of 2007, a thorough revision of the system of indicators, methodological procedures and CROLEI index itself took place.

The new revised index combines seven best-performing leading indicators, whose average prognostic power has increased significantly compared to the previous index, with an average prediction time of eight months in relation to the referent series. The revised index includes three components of the previous prognostic measure indicating the reliability of the method of indicators. According to the standards of the method, this represents a very stable and highly significant relation between the indicator and the referent series, which greatly helps the overall economic activity forecasting. The seven leading indicators included in the calculation of the new CROLEI index are: unemployment benefits beneficiaries, retail trade turnover, producers' price indices in the EU-25, unconsolidated budget revenues, total cash of participants in the payment system, loans to households and cash market interest rate on kuna credits not indexed to foreign currency.

In addition to CROLEI, the diffusive index is compiled as well and it is compatible with CROLEI. Its trend efficiently predicts changes in the trend of the economy.

### General note for the tables from 2 to 19:

The data are on the cash basis.

### Table 2: Budgetary Central Government Revenues

(**Budgetary Central Government** according to the GFS 2001 methodology is equivalent to the **State Budget** in terms of the Budget Act ("Official Gazette" 96/2003).)

**Budgetary Central Government 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, Budgetary Central Government 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 Budgetary Central Government 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 Budgetary Central Government 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, Budgetary Central Government 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 Budgetary Central Government. All mentioned revenues are classified according to the GFS 2001 methodology.

By the end of 2001, two new extra-budgetary funds were founded: the Regional Development Fund as well as the Development and Employment Fund. They took over some of the Budgetary Central Government 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 Budgetary Central Government.

Since 2007 all the transactions of the Croatian Institute for Pension Insurance, the Croatian Health Insurance Institute and the Croatian Employment Service) have been included in the Budgetary Central Government.

### **Table 3: Budgetary Central Government Expense**

**Budgetary Central Government 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, Budgetary Central Government 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 physical deterioration, normal obsolescence or normal accidental damage. Namely, consumption of fixed capital is not included in budgetary reports because such data are still not available for the report purposes, according to the GFS 2001 methodology.

**Interest (24)** is an expense 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 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, Budgetary Central Government 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, Budgetary Central Government 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, Budgetary Central Government 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 Budgetary Central Government 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 Budgetary Central Government.

#### **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 flows in assets/liabilities (classification 5); and stocks (classification 6). Currently, not all the data needed to produce classifications 4, 5 and 6 are 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 flats 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 77, point (3) of the Budget Accounting and Chart of Accounts Ordinance ("Official Gazette" 27/2005 and 127/2007), 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 Budgetary Central Government 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 ceased being extrabudgetary funds and have been included in the coverage of the Budgetary Central Government 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 Budgetary Central Government. The largest share of pension payments (domestic pensions) was paid directly through the State Treasury, while the remaining payments were 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 Budgetary Central Government (through the State Treasury system). Currently, contributions for pension insurance amount to 20 percent of the salary (persons that participate in the second pillar of the pension insurance system pay 15 percent for the first pillar plus 5 percent for the second pillar). Contributions paid by employers include special contributions for the insurance against work injuries and professional diseases in the amount of 0.5 percent on salaries, health insurance contributions amounting 15 percent on salaries as well as employment contributions in the amount of 1.7 percent 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 were performed directly through the State Treasury and no longer by transfer to the Croatian Institute for Pension Insurance. As of the 1<sup>st</sup> of January 2007, all the transactions of the Croatian Institute for Pension Insurance, the Croatian Health Insurance Institute and the Croatian Employment Service have been included in the Budgetary Central Government.

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 user.

With the budget 2008 revision (July 2008), in order to align with the European statistical methodology ESA 95, the Croatian Motorways has been classified into the public non-financial corporations subsector and its transactions are not recorded within the general government sector any more. Regarding this, the data for the year 2008 have been recalculated and presented in that way as of N° 154. The said change, besides the changes in the extrabudgetary users' tables, implies also the recalculation in the tables 3, 8, 15, 16, 16A, 16B, 18 and 19.

#### **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 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, 147/03, 132/06, 26/07 and 73/08) 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 15 percent in cities with the population above 30,000 and up to 30 percent in the City of Zagreb).

Mutual taxes of Budgetary Central Government and local and regional self-government units are: property sales tax (the share of municipalities and cities is 60 percent and that of the Budgetary Central Government 40 percent), personal income tax (municipalities and cities receive 55 percent increased by share of decentralised functions, counties 15.5 percent also increased by share of decentralised functions, the share of grants for adjustment for decentralized functions is 17.5 percent and the share for decentralised functions is 12 percent. The City of Zagreb receives 70.5 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 17.5 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 Budgetary Central Government 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 - Budgetary Central Government, 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: Budgetary Central Government, 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 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 8.375 percent 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, D.Sc.

Ivana Maletić

### Ministry Secretariat:

#### **State Secretary**

Zvonko Šakić

### Bureau for Macroeconomic Analysis and Planning:

#### **Director**

Stanko Kršlović

### State Treasury:

#### **Chief Treasurer**

Vesna Orlandini

#### **Department for Budget Preparation and Financing of Local Governments:**

##### **Director**

Niko Raič, M.Sc.

#### **Department for Budget Execution:**

##### **Director**

Ivana Jakir Bajo

#### **Department for Public Debt Management:**

##### **Director**

Hrvoje Radovanić

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

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

Boris Marciuš

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

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

Dubravka Flinta

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

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

Bernardica Rubčić

### Projects and Legislation Department:

#### **Director**

### Department of Economy:

#### **Director**

Krešimir Dragić, M.Sc.

### Department for Financial System:

#### **Director**

Damir Kaufman

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

#### **Director**

Vladimira Ivandić, M.Sc.

### Internal Audit and Financial Control Department:

#### **Director**

Danijela Stepić

### Customs Administration:

#### **State Secretary,**

#### **Customs Administration Director**

Mladen Barišić, M.Sc.

### Tax Administration:

#### **State Secretary,**

#### **Tax Administration Director**

Ivica Mladineo, M.Sc.

### Financial Inspectorate:

#### **Chief Inspector and**

#### **Director**

Slavica Pezer-Blečić, M.Sc.

### Finance Police:

#### **Director**

Zlatko Jurina

### Money Laundering Prevention Department:

#### **Head of Department**

Ivica Maros

### Independent Unit for Public Relations and Communications:

#### **Spokesman**

Sanja Bach

### Independent Division for Internal Auditing:

#### **Head of Division**

Tomislav Mičetić

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

#### **Head of Department**

Marijan Čižmešija

### 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-Crossings Construction and Maintenance:

#### **Head of Division**

Ante Kapulica

### Independent Division for IPA Programme Auditing and the Verification of SAPARD Implementation:

#### **Head of Department**

Neven Šprlje

## ADVANCE RELEASE CALENDAR

Ministry of Finance Monthly Statistical Review number	Notes	Release			
		April 09	May 09	June 09	July 09
<b>SDDS Data Category</b>		April 09	May 09	June 09	July 09
<b>General Government operations</b>	<b>1)</b>	<b>(12/08)</b>			<b>(03/09)</b>
<b>Central Government operations</b>	<b>2)</b>	<b>(12/08)</b>	<b>(01/09)</b>	<b>(02/09)</b>	<b>(03/09)</b>
<b>Internal Central Government Debt</b>	<b>3)</b>	<b>(12/08)</b>	<b>(01/09)</b>	<b>(02/09)</b>	<b>(03/09)</b>

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



