



# **2017 ANNUAL GENERAL ASSEMBLY**



# AmCham Activities 2016

## **EVENTS: 60 (46 own events)**

### **3 AmCham Lunches:**

- President Grabar-Kitarović,
- Minister Marić,
- Ambassador Valls Noyes

**1 Business breakfast:** The Future of E-Mobility

**2 Conferences:** Economic forum, Tourism Conference

**8 Seminars:** US Visa Program, Breakthrough Management, E-procurement lessons, Tax and regulatory news, EU data protection regulation, Private Equity, Culture eats strategy for breakfast, IDC predictions

**Patron** event with Ambassador Valls Noyes

### **Other events:**

- Independence Day Picnic
- Annual General Assembly
- Evening for Safe Steps & Thanksgiving donation
- 9 GM breakfasts
- 2 Speed networking events
- AmCham Talents program

**14 supported events**

## **POLICY**

### **Position papers: 14**

- 64 Committee meetings
- 41 meetings with stakeholders
- 5 public consultations
- 14 press releases & press statements
- 8 policy meetings with internal stakeholders
- 295 press clippings

## **International cooperation**

- Participation at AmChams in Europe conferences: Brussels Policy Briefing, Transatlantic Conference Washington DC & Minneapolis, Fall Conference in Ljubljana,
- Participation at U.S.- German Business Summit in Hannover based on invitation of the US Chamber
- Participation on Croatia Forum
- Soft Launch: Launchpad USA program in cooperation with AmCham Finland

## **Key policy activities**

- Majority of AmCham's proposals included in the Draft Proposal of Public Procurement Act Agreed cooperation on MEAT criteria education with Ministry of Economy
- DKOM decisions supporting the use of MEAT criteria in public procurement tenders for medical devices
- Tax reform – many recommendations incorporated into the draft of the new Tax Act
- Participation in working groups: IPR (State Intellectual Property Office), Public procurement and Shared Economy (Ministry of Economy)



# AmCham Activities 2017

## **EVENTS: 77 (62 own events)**

**3 AmCham Lunches:** The Role of Foreign Direct Investment in a Changing World, Lunch with Mrs. Martina Dalić, Lunch with Joseph Quinlan

**5 Business breakfasts:** Opportunities for Tourism Development through Innovative Digital Solutions, Power Breakfast with Mr. Tomislav Čorić, Power Breakfast for Health Care, Public Procurement, Is Adriatic region next big thing for PE investors?

**1 Conference:** Influence of Technology on Development of Mobility

**10 seminars:** Tax and Regulatory update in 2017, Performance Management Trends - Are We Giving Up On Annual Review?, Investing in the US Financial Markets – New Trends and Opportunities, The New Law on Antitrust Damages, Actions – What Does It Mean for Businesses, Transfer pricing 1 and 2, Cyber Security in the Internet of Things Era, 3 GDPR workshops

**2 Patron events:** Cocktail with U.S. Ambassador and Patron Cocktail with Mr. Michael Batt, Founder and Chairman of Travel Leaders Group

Independence Day Picnic, Regular Meeting of the General Assembly

Evening for Safe Steps & Thanksgiving donation

12 GM breakfasts

3 Speed networking events

Meetings with Mr. Gršić and Mr. Hinšt

### **Programs:**

10 events of AmCham Talents program

2 Launchpad USA events

4 Boardroom Discussions events

15 supported events

Number of own events per year: 2016 (46), 2015 (42), 2014 (42), 2013 (35), 2012 (32), 2011 (24), 2010 (19).

## **POLICY**

### **Position papers:**

- Human Capital Map as a Basis for Attracting Investments and Boosting Employment
- Introducing Card Payment Operations into Public Administration
- AmCham Code of Business Conduct
- Recommendations for the Development of E-mobility in Croatia
- Recommendations for Enhancing Entrepreneurship in Croatia through Direct Selling Activities
- Mobility in Tourism
- Comments on the Bylaw on Procurement Documentation and Bids in Public Procurement Procedures
- Comments on the Draft Proposal for the Protection of Undisclosed Know-how and Business Information Act (Trade Secrets)
- Comments on the Bylaw on the Procurement Plan, Register of Contracts, Prior Consultation and Market Analysis in Public Procurement
- Recommendations for Fast-track Procedures for Small Claims
- Comments on the Final Draft of the Audit Act
- Comments on the Procedure of Public Bidding for Determining Prices of Medicinal Products
- Recommendations for Better Inclusion of Croatian Stakeholders in European Decision-Making Processes

### **Activities:**

- 65 Committee meetings
- 9 press releases and press statements
- 33 policy meetings with government representatives
- 3 participation in public consultations
- 259 press clippings (similar as at the end of October 2016)

### **Policy Accomplishments:**

- The Ministry of Environment and Energy, together with HEP, plans on installing charging stations along the highway over the course of summer 2018 as advocated in the position paper "Recommendations for the Development of E-mobility in Croatia"
- AmCham partnership with the Ministry of Economy, Entrepreneurship and Crafts on the project "Measuring Administrative Burdens to the Economy Using the Standard Cost Model (SCM) Methodology"



# AmCham Activities 2018 Plan

## **EVENTS**

- 3 AmCham Lunches
- 6 Seminars or business breakfasts
- 2 conferences (Economic Forum as a major event)
- Independence Day Picnic
- Annual General Assembly
- AmCham Gala Event
- Thanksgiving donation
- GM breakfasts series
- Speed networking events
- Patron events

## **PUBLICATIONS**

- 3 issues of News & Views magazines
- AmCham Yearbook
- Policy Briefs

## **POLICY**

- Position papers based on Committee plans and Board & membership approvals
- Foreign Chambers joint activities
- Committee meetings
- Policy advocacy meetings with the Government
- Press related activities

## **BUSINESS DEVELOPMENT**

- Launchpad USA program to support first steps of Croatian companies entering U.S. market (in cooperation with AmCham Finland)
- Boardroom Discussions program
- AmCham Talents program



# **2017 ANNUAL GENERAL ASSEMBLY FINANCIAL REPORTS**

# Executive Summary

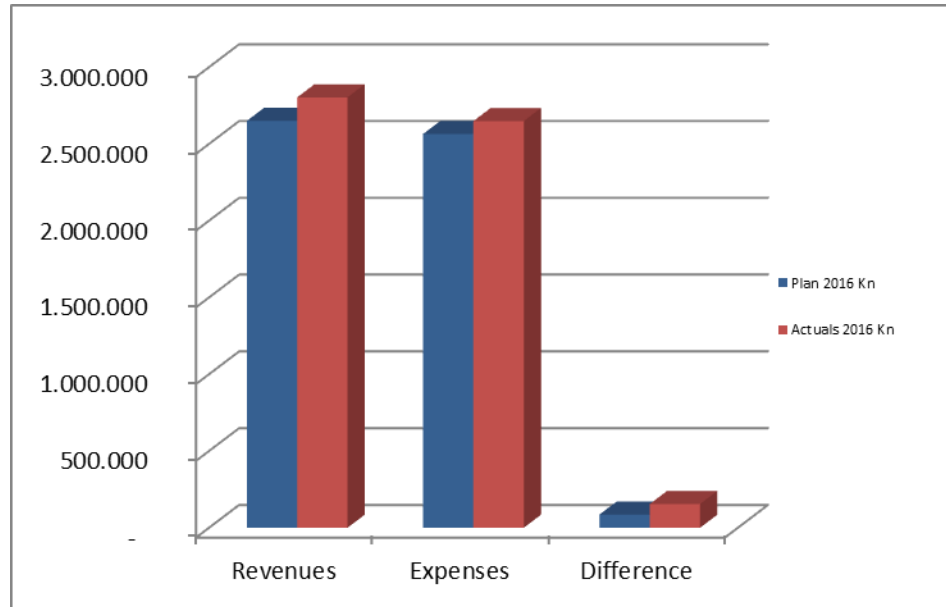
- In 2016 AmCham had significant increase in membership and delivered and exceeded its expected financial plans.
- AmCham will exceed its expected financial plans in 2017 also and will not use reserves as it was planned.
- Plan for 2018 anticipates further growth but also usage of reserves for 20th anniversary celebration.



# Financial Reports

- 2016 Financial Report
- 2018 Financial Plan and Financial Trends

# 2016 Budget/Actual (Kn)



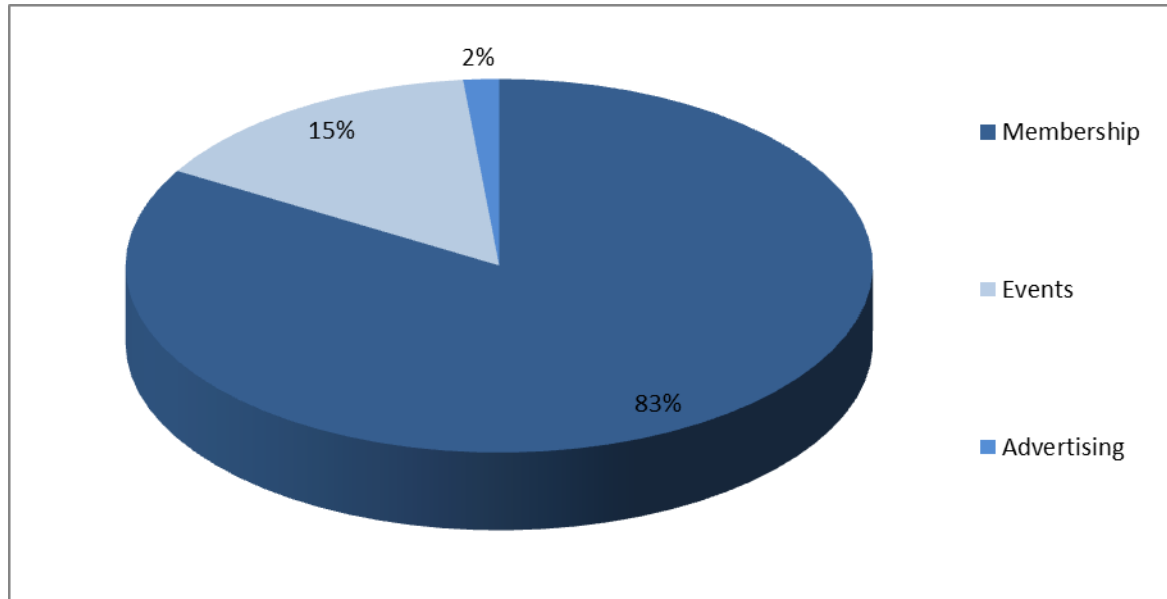
Results presented here are business results of AmCham Croatia in 2016.

The project "Evening for Safe Steps" with its contribution to revenues and expenses which vary from year to year, would significantly increase business results and disable following business trends. AmCham transfers donation in full raised amount, funds the project through separate sponsorships and gains no profit from the project, so we excluded the project from this report.

	Plan 2016 Kn	Actuals 2016 Kn	Actuals 2016 / Plan 2016
<b>Revenues</b>	2.649.900	2.803.117	106%
<b>Expenses</b>	2.564.415	2.648.880	103%
<b>Difference</b>	85.485	154.238	180%

To enable strict cost control of AmCham's operations, we track the fixed assets in full costs.

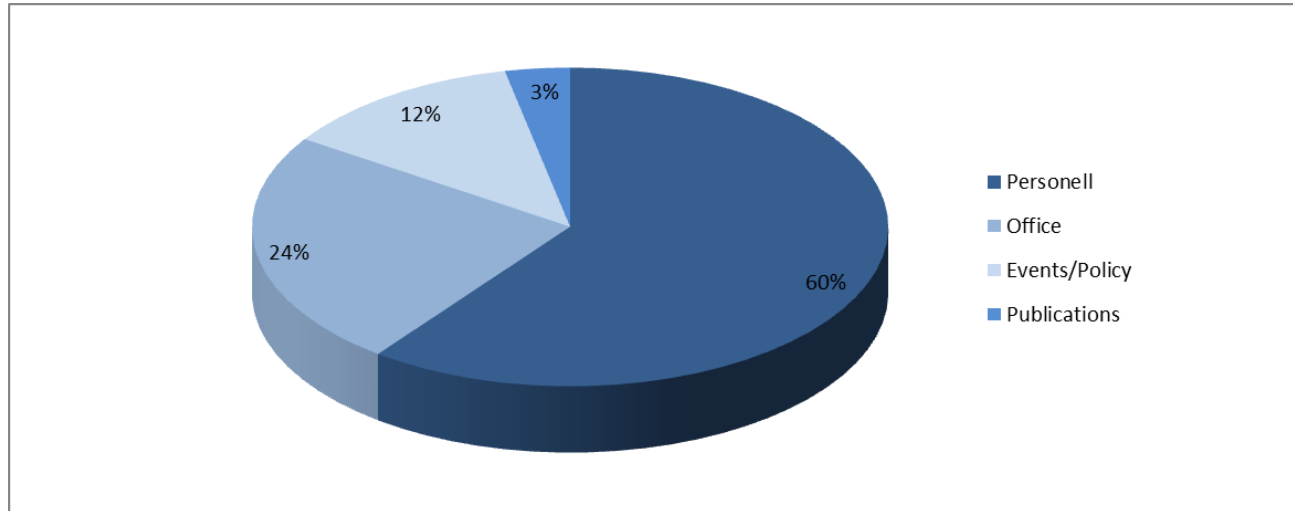
# 2016 Income Structure



2016	Kn	%
<b>Membership</b>	2.334.840	83%
<b>Events</b>	419.543	15%
<b>Advertising</b>	43.215	2%
<b>Other</b>	5.520	0%
<b>TOTAL</b>	<b>2.803.117</b>	<b>100%</b>

Membership income remained the key element in the AmCham's income structure due to significant net growth of membership in 2016.

# 2016 Expenses Structure



2016	Kn	%
<b>Personell</b>	1.594.959	60%
<b>Office</b>	634.050	24%
<b>Events/Policy</b>	328.705	12%
<b>Publications</b>	87.182	3%
<b>Other</b>	3.983	0%
<b>TOTAL</b>	<b>2.648.880</b>	<b>100%</b>

AmCham employed additional person in the last quarter of 2015. Financial effects were more visible in 2016.

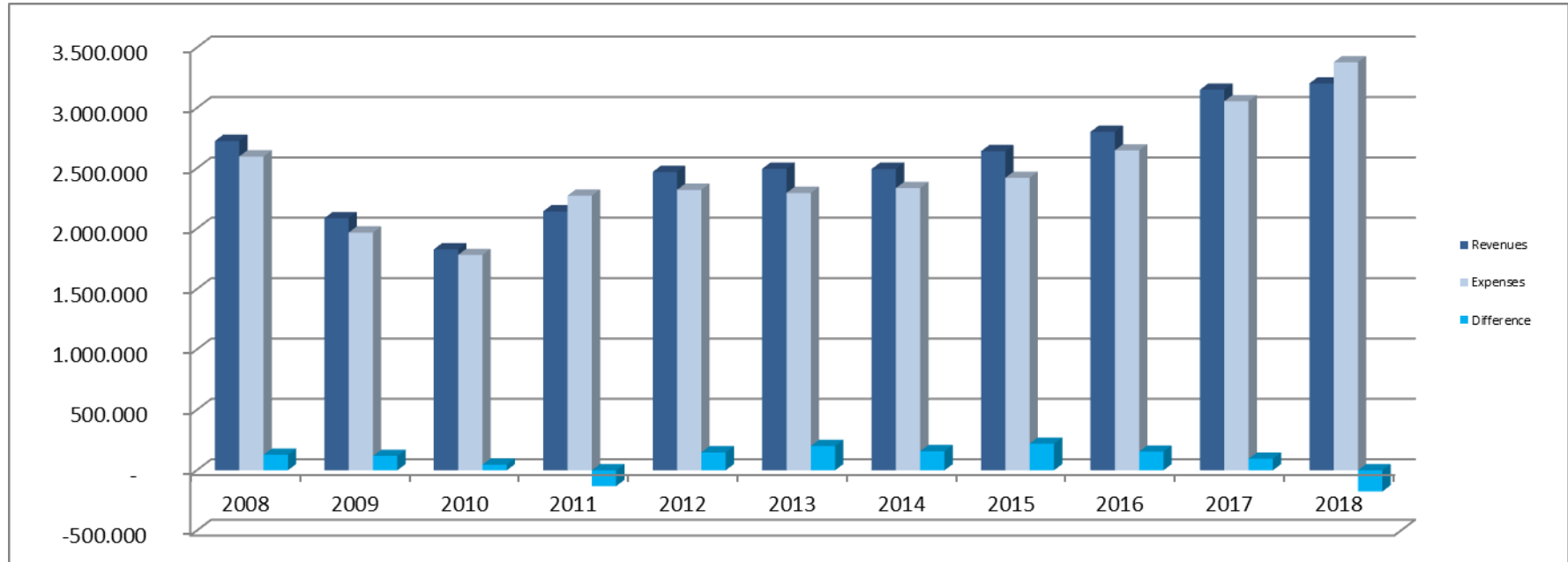
# 2016 Membership Structure

<b>Plan 2016</b>	Acquisition	Cancellation	Membership base YE Plan 2016
Patron	1	0	36
Corporate	16	6	93
Small Business	10	9	61
Non profit	1	1	12
<b>Total</b>	<b>28</b>	<b>16</b>	<b>202</b>

<b>Actuals 2016</b>	Acquisition	Cancellation	Membership base YE 2016
Patron	5	1	43
Corporate	15	8	86
Small Business	14	5	70
Non profit	3	3	12
<b>Total</b>	<b>37</b>	<b>17</b>	<b>211</b>

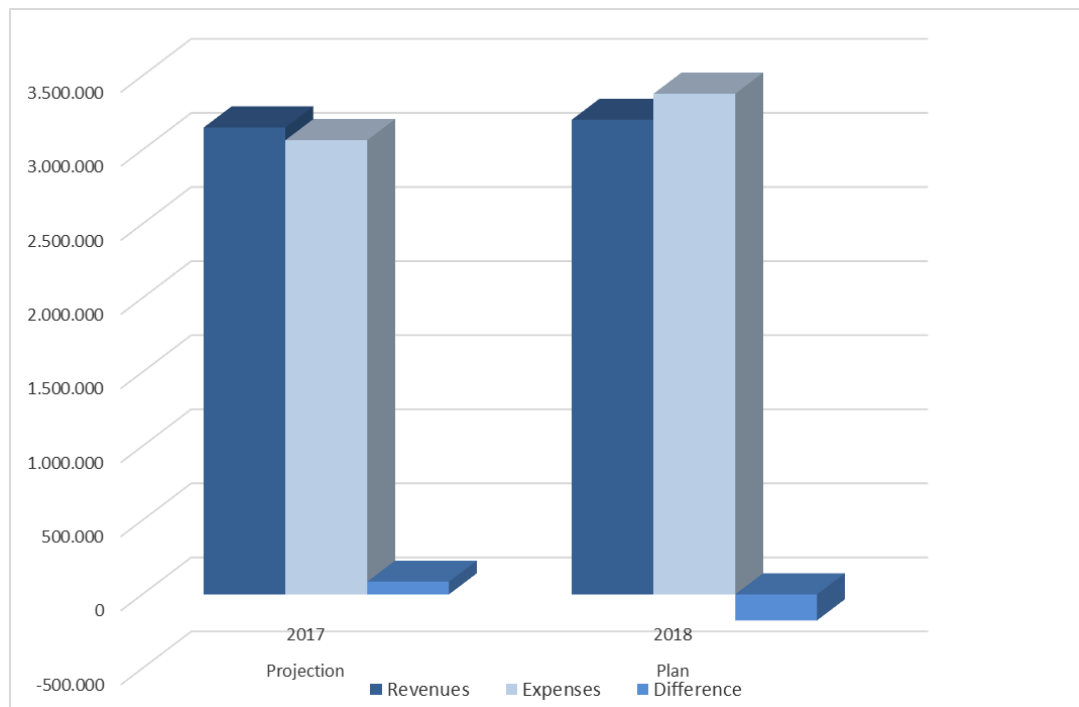
**AmCham had 20 net adds mostly due to high acquisition. At the end of 2016 AmCham represented 211 companies.**

# Financial Trends



Projected surplus for 2017 amounts **86.822** Kn compared to planned **-128.415** Kn.

# AmCham Projection YE 2017 and Plan 2018

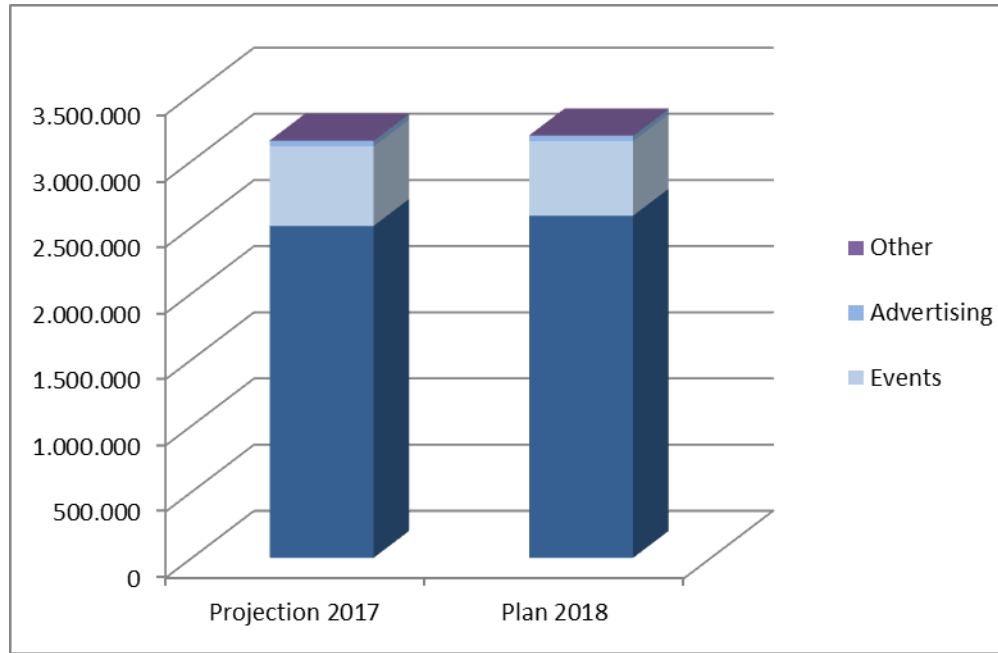


Through 2018 AmCham celebrates its 20th anniversary. We propose organization of anniversary party in the Croatian National Theatre (HNK) with app. 500 guests. Financing the event would include partial usage of reserves.

AmCham proposes to use part of the reserves in 2018 to support the anniversary gala. Due to that, planned difference in 2018 is negative but covered partly from surplus in 2017.

	Projection	Plan	2018/ 2017
	2017	2018	
<b>Revenues</b>	3.152.693	3.227.680	102%
<b>Expenses</b>	3.065.871	3.393.675	111%
<b>Difference</b>	86.822	-165.995	-191%

# Income Structure 2017 & 2018

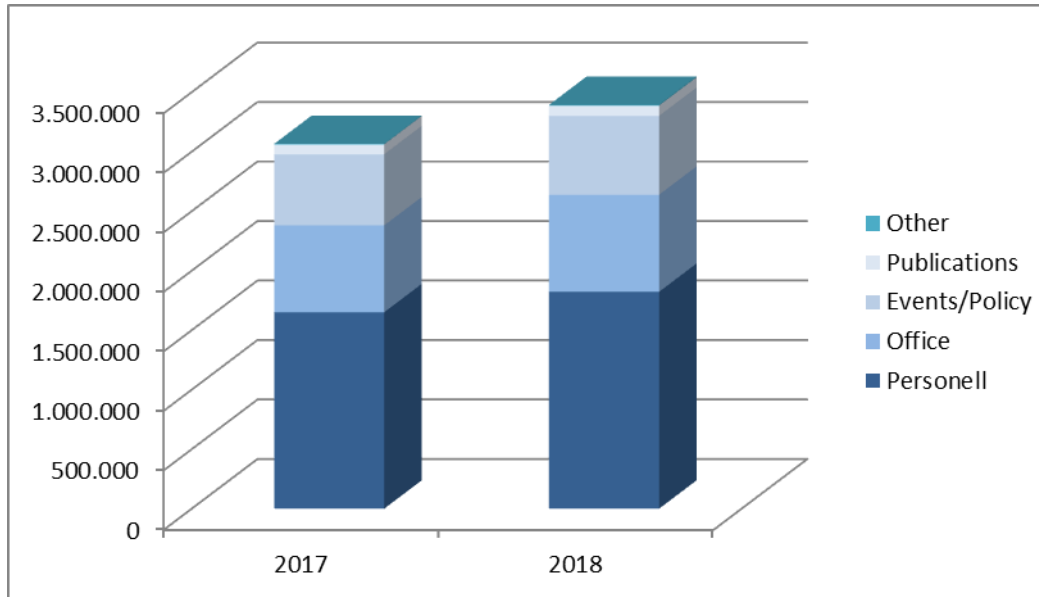


	Projection 2017		Plan 2018	
	Kn	%	Kn	%
<b>Membership</b>	2.509.770	80%	2.609.580	81%
<b>Events</b>	600.578	19%	564.000	17%
<b>Advertising</b>	40.340	1%	50.500	2%
<b>Other</b>	2.005	0%	3.600	0%
<b>TOTAL</b>	<b>3.152.693</b>	<b>100%</b>	<b>3.227.680</b>	<b>100%</b>

AmCham plans further membership growth through 2017.



# AmCham Expenses Structure 2016 & 2017



	Projection 2017		Plan 2018	
	Kn	%	Kn	%
<b>Personell</b>	1.650.574	54%	1.822.280	54%
<b>Office</b>	729.517	24%	815.595	24%
<b>Events/Policy</b>	598.161	20%	662.800	20%
<b>Publications</b>	83.646	3%	87.000	3%
<b>Other</b>	3.973	0%	6.000	0%
<b>TOTAL</b>	<b>3.065.871</b>	<b>100%</b>	<b>3.393.675</b>	<b>100%</b>

AmCham employed additional person in 2017 for policy work and is considering moving IT systems to hosting. Planned activities increase absolute numbers planned for 2018, but allocated structure remain the same as in 2017.

# Membership Structure

## Projection YE 2017 & Plan 2018

<b>Projection 2017</b>	Acquisition	Cancellation	Membership base YE 2016
Patron	2	0	45
Corporate	4	11	79
Small Business	20	6	87
Non profit	5	3	11
<b>Total</b>	<b>31</b>	<b>20</b>	<b>222</b>

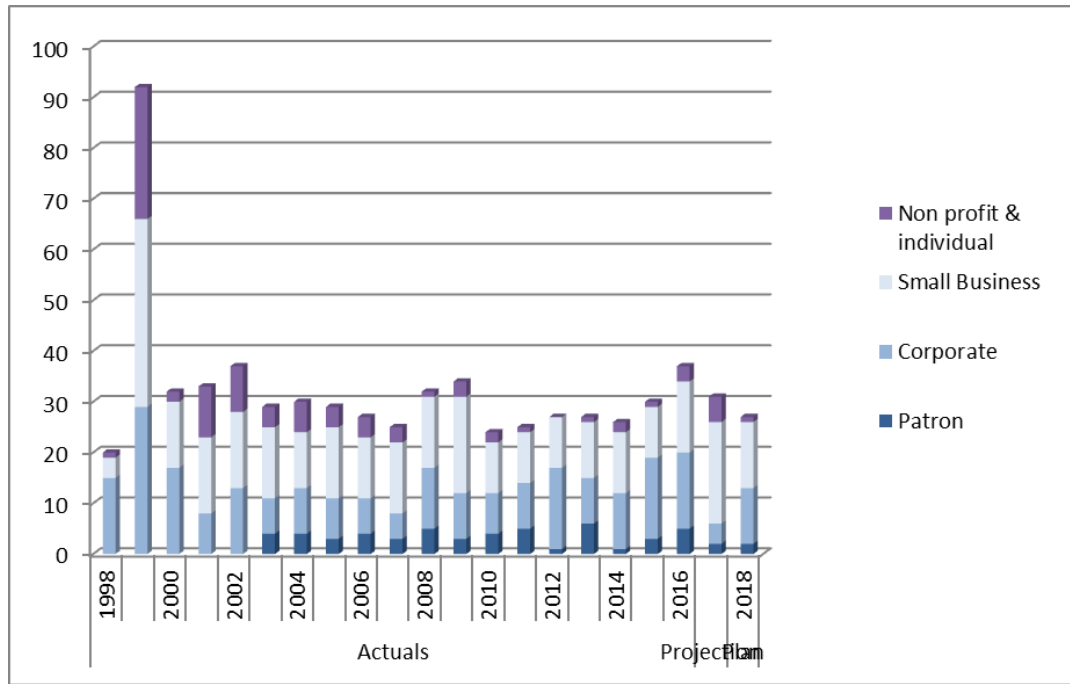
In 2017 AmCham continued with acquisition and kept cancellations close to the plan (19).

**AmCham currently represents 222 companies which employ more than 67.000 people in Croatia. This is the highest number of members since AmCham was established in 1998.**

<b>Plan 2018</b>	Acquisition	Cancellation	Membership base YE Plan
Patron	2	0	47
Corporate	11	8	82
Small Business	13	10	90
Non profit	1	1	11
<b>Total</b>	<b>27</b>	<b>19</b>	<b>230</b>

In 2017 AmCham plans to continue with net growth.

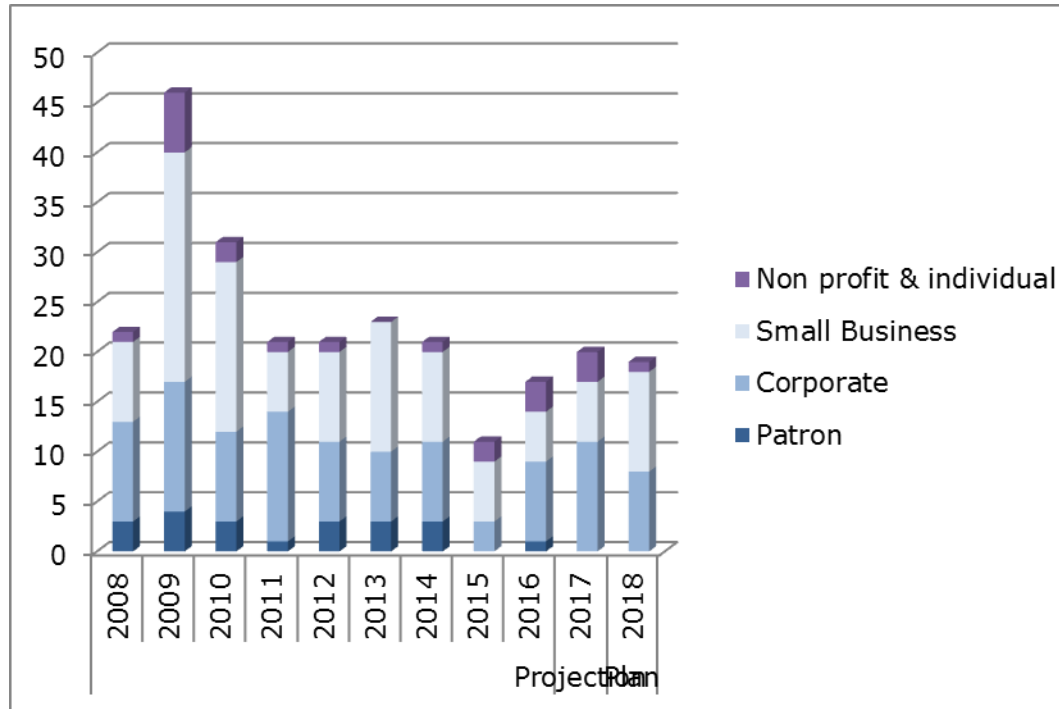
# New Members



	Actuals					Projection	Plan
	2012	2013	2014	2015	2016	2017	2018
Patron	1	6	1	3	5	2	2
Corporate	16	9	11	16	15	4	11
Small Business	10	11	12	10	14	20	13
Non profit & individual	0	1	2	1	3	5	1
<b>Total</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>30</b>	<b>37</b>	<b>31</b>	<b>27</b>

Plan to focus more on corporate members than in 2017 to keep usual Membership structure.

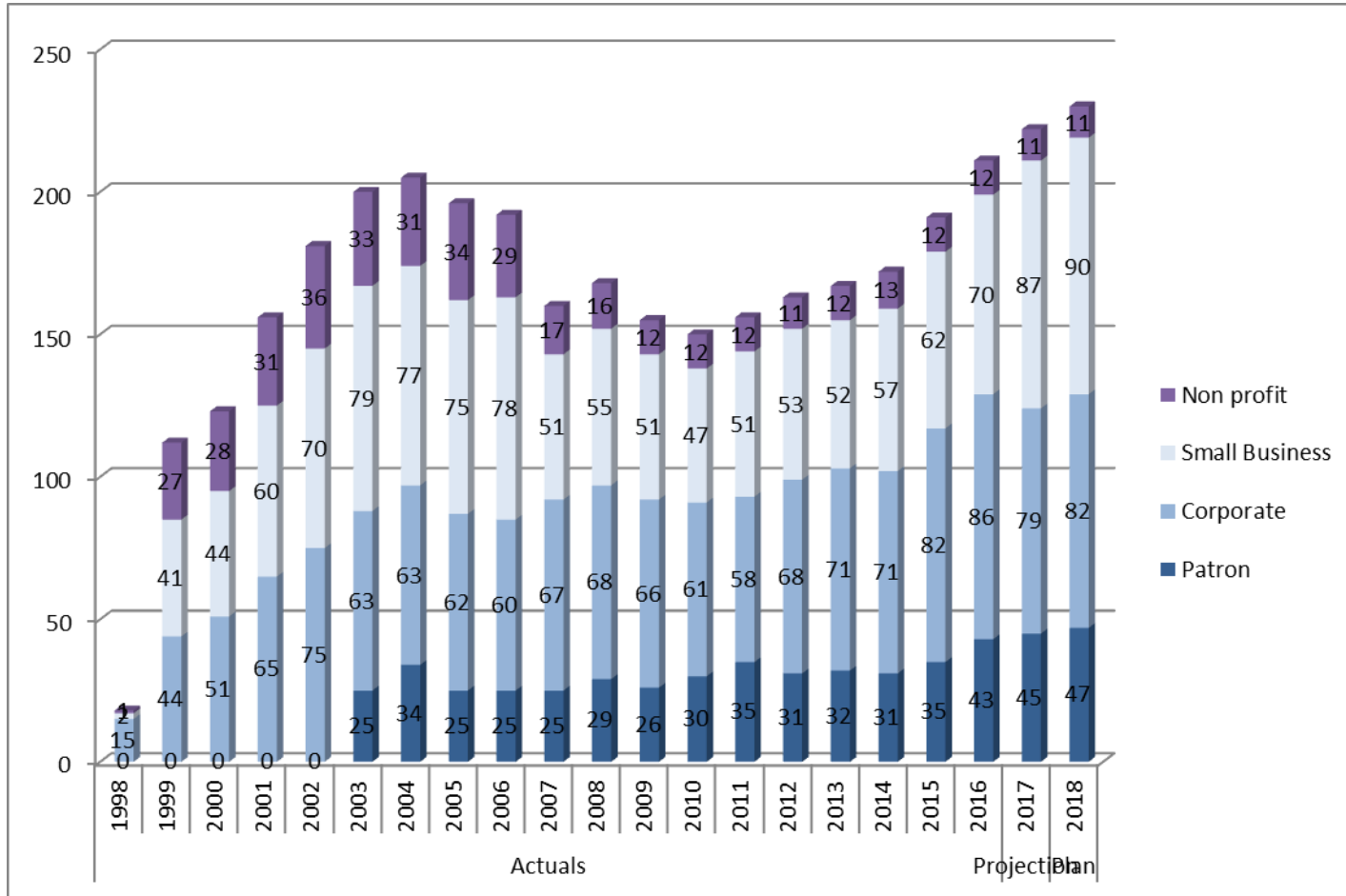
# Membership Cancellations



	Projection	Plan
	2017	2018
Patron	0	0
Corporate	11	8
Small Business	6	10
Non profit & individual	3	1
<b>Total</b>	<b>20</b>	<b>19</b>

Despite growing membership base, we plan to keep cancellations stable.

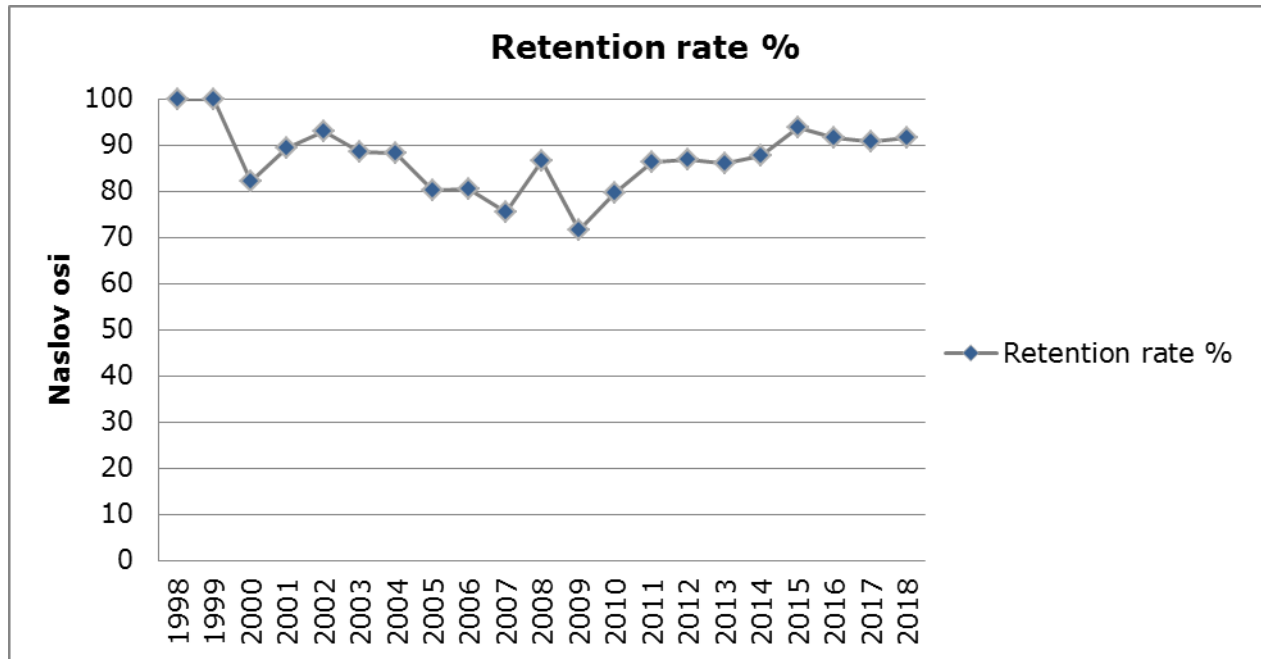
# Membership



AmCham exceeded 220 members in 2017 and its members employ more than 67.000 people in Croatia.

Major share in membership structure make patron and corporate members.

# Retention rate



90% is average retention rate among 40 European AmChams in 2016 and AmCham Croatia had 92%. In 2017 AmCham Croatia has 91% and planned retention rate in 2018 is 92%.

Average net growth rate among 40 European AmChams is 1% which puts AmCham Croatia in high growth category of chambers with the **3rd highest growth in Europe** in 2016.

# 2017 ANNUAL GENERAL ASSEMBLY

## LIST OF PROPOSED ARBITERS

<b>MEMBER COMPANY</b>	<b>NAME</b>
Aion d.o.o.	Nada Burić
EX-ALTO d.o.o.	Goran Rihtarić
Hrvatska banka za obnovu i razvitak	Marko Topić
KPMG Croatia d.o.o.	Marinela Mostić
Meridian 16 business park d.o.o.	Ivana Bakunić
Odvjetničko društvo Vedriš & Partneri	Ivana Markovinović Žunko
Odvjetničko društvo Vedriš & Partneri	Vlatka Vedriš
Odvjetničko društvo Vukmir i suradnici	Mladen Vukmir
Odvjetničko društvo Župić i partneri d.o.o.	Mirna Pavletić Župić
Pliva Hrvatska d.o.o.	Vjeran Malenica