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- *Recommendations for Tax Reform in 2019*
- *AmCham Lunch with Minister of Justice*

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TISKANICA

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Američka gospodarska komora u Hrvatskoj
American Chamber of Commerce in Croatia

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ISSUE 2/2019

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Dear Members and Friends,

AmCham continues to relay what has been a key message to Croatia's policy makers: expectations for judicial reform are high. Stable and efficient judiciary is what needs to be established in order for Croatia to be perceived as an attractive investment destination. The fall season opened with a lunch with Mr Bošnjaković, Minister of Justice, who presented many areas which will be tackled by reform. Digitalization has been chosen as the key driver, and we hope to see increased efficiency and transparency, which is very much needed to support consistent rule of law.

Tax reform is another topic among the top three most relevant for businesses, being in our focus since July. AmCham has produced an unusually voluminous position paper covering a broad scope of tax topics. Director of Tax Administration Mr Kutleša and his team gave it a thorough read ahead of our meeting. We continued a constructive relationship through balancing arguments and the reality of the state budget, with the advancement of Croatian competitiveness as a common goal. Some of last year's proposals were accepted for implementation this year (such as meal allowances for employees). However, we would like to see further improvements in 2020 for certain other achievements made last year, such as a further decrease in stock options taxation.

Following the very positive reception of last year's anniversary gala, we decided to carry on with a similar concept of music, networking, and fine dining at Hrvatski glazbeni zavod on October 24. Our now bigger community, which has grown to 250 member companies, accompanied by guests from the public sector, will provide some excellent meet-and-greet opportunities.

Only months are dividing Croatia from the start of its first EU presidency. AmCham is planning a series of events on occasion of this important responsibility. On November 5, our members will be able to meet their colleagues from AmCham EU during their delegation's visit to policy makers of the soon presiding country. As the introduction to start Croatia's January 1 presidency, in early December our members will be invited to attend a cocktail reception in Brussels and meet our MEPs as well as the Croatian community in Brussels institutions.

Sincerely,

Andrea Doko Jelušić, Executive Director

IMPRESSUM

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American Chamber of Commerce in Croatia
Member of the AmCham Network
Strojarska 22, 10000 Zagreb
Phone: 385 1 4836 777 (778), Fax: 385 1 4836 776
www.amcham.hr, info@amcham.hr
Member of U.S. Chamber of Commerce & AmChams in Europe

Editor in Chief Andrea Doko Jelušić

Managing Editor Marina Vugrin

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Member Seminar

GDPR - RECORDS OF PROCESSING ACTIVITIES

April 18

PwC experts, Ms Dženet Garibović, Senior Manager, Regulatory Services, and Mr Patricio Marcos Petrić, Manager, gave a member seminar on the topic "GDPR - Records of Processing Activities".

The event gathered some 30 professionals, representatives of AmCham member companies, who deal with issues related to the implementation of relevant data protection of EU and national legislation, as part of their work tasks.

Along with the presentation, which provided an overview and framework for discussion, including a theoretical basis and overview of relevant practices, attendees got to discuss and exchange their own companies' good practices.

This event was free and open to AmCham members only.

Member Seminar

GDPR - PROCESSING CONTRACTS

May 23

Ms Marija Bošković Batarelo from Batarelo Dvojkovic Vuchetich LLP delivered a seminar on the topic "GDPR - Processing Contracts".

Representatives of AmCham member companies learned more about why it is important to determine the scope of personal data being processed in cases of business cooperation, what are the key roles during data processing (controller, processor, joint controllers), and what are the key elements processing contracts need to contain. There were also practical examples, followed by a discussion and exchange of experiences.

WORKSHOP IN PUBLIC PROCUREMENT June 4

The American Chamber of Commerce in cooperation with the Ministry of Economy, Entrepreneurship and Crafts organized a training workshop in public procurement on the topic of the most common mistakes bidders make in preparation of procurement bids. The lecturer at the workshop was Mr. Anton Tomljanović.

Additional topics covered at the workshop included:

- Permission to clarify and complete the bid (which parts of the bid may be supplemented - the guarantee, cost schedule)
- Certificate of No Criminal Record when an authorized person is a foreign citizen (in case of EU citizenship and not EU citizenship)
- Reliance on ability

Member Seminar

HOW TO IMPLEMENT THE WHISTLEBLOWER PROTECTION LAW? July 3

On July 1, a new law providing legal protection for so-called whistleblowers entered into force. It applies not only to public authorities, but also to private sector employers, with a particular emphasis on those employing 50 people or more.

A special type of lawsuit and interim measures against the employer are being introduced and regulating issues of internal and external reporting as well as public disclosure of irregularities, while employers who do not harmonize their business with the said law are being threatened with fines of up to 50,000.00 HRK.

At the member seminar, delivered by experts from Kallay & Partners Ltd. Law Firm, AmCham members could find out what is necessary to implement this law in everyday business.

BOARDROOM DISCUSSIONS

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›› MAYBE IT'S BETTER TO NEVER MAKE PREDICTIONS May 21

Mr. Tomislav Tucibat, Regional Accounts Manager - Adriatics, Fortinet, talked about all sorts of dire predictions about the future of the threat landscape and how close (or far) from the mark they landed. Some of the predictions for 2019 were also examined to see if any trends have developed year-on-year.

›› LIVIN' ON THE EDGE! June 5

Mr. Igor Grdić, Country Manager Central Southern Europe, Vertiv, talked about Edge Computing through Leading Archetypes and showed how the explosion in data and need for speed is shaping the future of network infrastructure.

›› CORPORATE VITALITY July 4

At the last session of the "Boardroom Discussions – Digital Transformation from CEO Perspective" program, Mr. Tomislav Čorak, Managing Director & Partner, The Boston Consulting Group, talked about corporate vitality.

›› BUSINESS DELEGATION TO THE USA May 4-11

Due to the great interest and excellent feedback from our members that took part, the American Chamber of Commerce organized another business delegation to the U.S. for management board members of AmCham member companies to see digital transformation at its source.

The business delegation took place from May 4-11, with the goal to learn from digital champions, traditional companies in transformation, as well as young disruptive companies. When driving your own project, it is always useful to look at how other companies approached the challenge. The delegation offered a closer look at some of the most exciting and successful transformation processes in various industries.

The delegation visited:

- San Francisco - IBM Watson Experience Center and McKinsey & Company
- Silicon Valley - The Boston Consulting Group, Fortinet, Carta, Applied Ceramics, and Cisco
- Seattle - Microsoft and Amazon.

EUROPEAN AMCHAMS SIGN SUPPORT TO THE THREE SEAS INITIATIVE

Support for Better Infrastructure, Energy and Digitalization

11 Presidents of European AmChams Sign to Support and Commit to the Three Sees Initiative for Better Infrastructure, Energy and Digitalization

At the 2019 Summit of the Three Seas Initiative in Ljubljana, 11 AmCham presidents signed their support for better infrastructure, diversified and secure energy sources, and growth of the digital realm. The joint goal of the Initiative is to build a more integrated, prosperous, and secure region within a growing single market.

The Three Seas Initiative includes the countries located between the Adriatic, Baltic, and Black Seas: Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia.

The American Chambers of Commerce in these countries stand ready to provide facilitation to clearly define the roles of the key stakeholders, provide know-how and bring together business, governments, and capital, fully deliver such cross-border projects in the fields of technology, trade, transport, energy, digital market, and cyber-security.

DIRECT FLIGHT FROM THE U.S. TO CROATIA

Every year, millions of people look forward to traveling. Whether it's to visit family and friends, or explore a new destination – it's an important experience. This year, American Airlines launched 19 new international routes, with more on the way. And while the international network is growing, American also relies on a strong domestic network in the U.S. as the foundation for adding new routes.

Flights from Philadelphia's International Airport (PHL) can connect 95% of the U.S., which is one of the reasons behind the success of its new flight to Dubrovnik, Croatia (DBV). American's new service to DBV is a perfect example of the power of connecting customers when new routes are introduced. When American first announced service between their east coast hub and DBV, the airline planned to operate three times per week. However, due to high demand, by the end of the first season service increased to operate four times per week. And American recently announced that it will provide even more opportunities to explore the southern Croatian city, with daily flights next summer from June 4 to Oct. 6. Flights will continue to operate on a Boeing 767, featuring 28 Business Class seats and 21 Main Cabin Extra seats.

AmCham Lunch

FASTER, BETTER, AND FAIRER JUDICIARY - MINISTER BOŠNJAKOVIĆ'S MESSAGE TO THE BUSINESS COMMUNITY AT AMCHAM'S BUSINESS LUNCH September 10

"Frequent changes to the law and a lack of stable and consistent practices have contributed to the view that reforms and the filling of judicial gaps are not achieved through the education and specialization of judges and lawyers, but by amending laws. On the other hand, the development of the economy and technology in Croatia and the world has presented new challenges for the legal profession," said Andrea Doko Jelušić, AmCham's Executive Director.

AmCham's Judicial Committee identified, in the recently published position paper "Education and Specialization in the Legal Profession", opportunities for improving the higher education system and some of AmCham's key recommendations with regard to education and specialization in the legal profession are:

- Introducing changes to the higher education system, in terms of aligning law school curricula with emerging market trends and needs
- Structuring practices for gaining conditions for independent work in legal professions
- Introducing continuous and mandatory education of judges and lawyers, as well as a system of promotion and gradation of salaries within courts
- Gaining experience and specialization through work, which would contribute to courts' specialization and a concentration of specific knowledge.

"The judiciary is a system that needs to be continuously worked on in order to be more efficient – the focus of our Ministry is creating better practices, not new laws," said Minister of Justice Bošnjaković at AmCham's business lunch. "Our goal is to create conditions for a faster, better, and more modern judiciary," Bošnjaković emphasized, also noting that certain improvements are already evident, such as the reduction in backlogged court cases from 1,500,000 to 350,000 in the past decade. Some of the plans the Ministry is working on, and wants to improve further, include the creation of systems for the even proceedings workload for judges, stronger digitization of judiciary, specifically commercial courts, further IT integration of land and cadastral registers in the Shared Services Center (CDU), etc.

report

A BRIEF OVERVIEW OF AMCHAM'S RECOMMENDATIONS FOR TAX REFORM IN 2019

by Hrvoje Jelić, Tax Partner, PwC Croatia

IN JULY OF THIS YEAR, the Ministry of Finance announced amendments to Croatian tax legislation, which would be effective as of 1 January 2020 (if accepted by the Parliament). This is in line with Minister Marić's good practice of changing tax rules only once a year, effective as of the beginning of the following year, which he introduced in 2016. AmCham supports this approach, as it contributes to the stability, fairness, and predictability of the overall tax system. This will be the 'fourth round' of the tax reform during the present Government's term.

The same as in previous rounds of reform, these changes are not expected to be substantial, rather a further 'polishing' of the existing tax system. The Government claims that the main goal of the tax reform is to further lower the overall tax burden for citizens and entrepreneurs and to simplify administrative procedures.

As in previous years, through its Trade and Investment Committee, AmCham has been active in providing ideas and recommendations for this reform. A position paper has been prepared accordingly. We are giving here a brief overview of AmCham's recommendations.

General recommendations are aimed at improving the performance of the Tax Administration in terms of their approach in tax audits and other communication with taxpayers, including a strict de facto (not just formal) separation of the Tax Administration from the appellation body (so called 'authority of second instance'). AmCham also recommended that a possibility for a delay of payment of liabilities determined by the Tax Administration until the end of the Administrative Court proceeding be considered. A clear regulation of the so-called self-disclosure of earlier non-disclosed taxpayers' liabilities is suggested, as well as the introduction of a 1,000 HRK threshold for Tax Administration's confirmation on the inexistence of the taxpayer's outstanding liabilities (i.e. a potential unsettled liability below that threshold would be deemed inexistent for the purpose of obtaining the mentioned confirmation).

A still high level of bureaucracy is challenged by AmCham; hence, further digitalization of the tax system is recommended, as well as an overall reduction of the number of various forms and reporting documents currently used for tax reporting.

In many EU countries and in the USA, the period for a tax loss

report

POLICY OVERVIEW

MEETING WITH MS. ANDREJA METELKO-ZGOMBIĆ, STATE SECRETARY, MFEA, JULY 25

AmCham Executive Director Andrea Doko Jelušić met with State Secretary Andreja Metelko-Zgombić at the Ministry of Foreign and European Affairs.

Other participants of the meeting included Ms Rina Eterović, Head of the Sector for Economic Affairs, Ms Irena Alajbeg, Head of the Sector for Trade and Investment Policy, Diana Mihelić, Desk Officer for North America from the Ministry of Foreign and European Affairs, and Mr. Dražen Malbašić, Policy Manager from AmCham. The topic of the meeting was Croatia's upcoming presidency of the Council of the European Union.

State Secretary Metelko-Zgombić reaffirmed Croatia's readiness to assume the presidency of the Council of the European Union in the first half of 2020. This is an important period for the Union, as a new European Commission is expected to be formed, as well as the adoption of the Multiannual Financial Framework for 2021-2027. Priorities that will be in the focus of European policy during the Croatian presidency will include topics such as digitization, demography, education funding, connectivity (transport and energy), enlargement, and security.

Ms Doko Jelušić emphasized the importance of economic topics, in particular digitization, during the Croatian presidency of the EU Council, both for the European Union and for Croatia as a Member State. The presidency represents an opportunity for Croatia to position itself as a constructive and participatory member, not only within EU institutions, but also globally.

Further cooperation was agreed on a range of economic topics of interest to the Ministry of Foreign and European Affairs and AmCham, including energy, digitalization, and health care.

NEW POSITION PAPER ''RECOMMENDATIONS FOR TAX REFORM IN 2019''

The American Chamber of Commerce in Croatia (AmCham) has published ''Recommendations for Tax Reform in 2019'' with proposals that would reduce the tax burden of the majority of the working population in Croatia.

The key recommendations are: increasing the non-taxable carried forward is longer than in Croatia. Accordingly, AmCham suggests an extension of the five-year period to ten years.

One of AmCham's most important suggestions is a liberalization and simplification of the output VAT correction where taxpayers have difficulties collecting their receivables. Croatia, unfortunately, has one of the most rigid set of rules in the EU related to this topic, unjustifiably putting suppliers in a very difficult position and not penalizing those entrepreneurs who do not settle their commercial liabilities. A substantial change is required and AmCham provided very specific solutions to the issue.

An extension of deadlines for submission of the corporate income tax declaration and certain personal income tax reporting forms/declarations is suggested in order to lighten the administrative burden on both taxpayers and the Tax Administration.

Taking into consideration the fact that many qualified Croatian workers emigrated in the last few years, seeking better paid jobs across the EU, it is AmCham's view that the overall personal income tax burden needs to be further reduced in order to encourage workers to stay in Croatia (or return) by having a better financial living standard through higher net income. In line with that, it is proposed that the basic monthly tax allowance be increased from 3,800 to 4,800 HRK, whereas a reduction of the 24% tax rate to 12% and a substantial reduction of the higher 36% tax rate is recommended. As an alternative to the latter, the threshold for falling into the higher tax bracket may be significantly increased. AmCham also suggests an increase of the non-taxable allowance amounting to 5,000 HRK for bonuses, additional salaries etc. to 12,000 HRK annually. A further clarification of the rules related to stock option plans is proposed, as well as a reduction in the applicable tax rate from 24% to 12% on this form of income.

Introduction of certain additional tax benefits is recommended: the possibility of provision of a non-taxable meal allowance (30-35 kuna per working day), a possibility for employers to provide non-taxable benefits in the form of financing their employees' sports activities and non-taxable additional health insurance premiums (up to a certain amount) are suggested. Tax treatment of cost of team building activities should also be clearly regulated and that cost should be at least partially relieved from tax. The cost of taxi transportation on business trips within the business trip location should be considered a regular non-taxable business cost and not a part of the employee's per diem. AmCham also recommended that the possibility to pay non-taxable benefit in kind in the form of accommodation and meals for seasonal workers in tourism be extended to all other industries in similar cases.

The purpose of this article was not to comment on the Ministry's proposed tax legislation amendments, but to provide just a brief overview of AmCham's recommendations outlined in its position paper prepared by the Trade and Investment Committee.

However, based on publicly available information, it seems that some of the Ministry of Finance's proposed tax legislation amendments are in line with AmCham's recommendations (e.g. the coverage of accommodation and meals expenses as a non-taxable benefit in kind would potentially be applicable to workers in all industries; additional health insurance costs would be non-taxable; the total personal income tax burden for certain categories of employees – although depending on their age only – is planned to be reduced).

We expect that the Government also remember the implementation of the EU DAC6 rules (we wrote about that in the previous edition of AmCham's Magazine). A public debate on the proposed changes is expected to take place and we are eager to see what the final outcome of the proposed changes will be. We look forward to commenting on these changes on another occasion, once they are accepted.

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personal deductions to HRK 4,800, decreasing the income tax rate from 24% to 12% and decreasing the 36% rate, or alternatively applying a 36% rate to gross monthly salaries that exceed HRK 75,000.

AmCham additionally proposes increasing the non-taxable amount of bonus payments for work results and other forms of additional rewards for workers from HRK 5,000 to HRK 12,000 per year. Reducing the tax burden on workers' individual benefits, in particular workers' health benefits such as meal benefits, sports activities benefits, tax break for supplementary health insurance, supplementary health insurance, or organizing team development activities, would allow employers to offer their employees additional benefits that they have not been able to offer so far due to high taxation. These measures would have a strong impact on improving the general well being of employees, which would also improve their quality of work.

"Further reducing the tax burden of salaries would enable higher net earnings of Croatian employees, which would further stimulate consumer spending and economic activity. I believe that by adopting AmCham's recommendations, the economic growth we have been seeing for some time now would gain even more momentum," said Andrea Doko Jelušić, Executive Director of AmCham.

Despite last year's changes, Croatia is uncompetitive in terms of its tax burden on labor, especially in the segment of higher salaries. This is one of the reasons why a large number of propulsive sectors in Croatia are experiencing problems with a lack of qualified workers, a fact especially evident in the ICT industry and tourism.

Income tax rates in comparable countries like Bulgaria and Romania are only 10 percent. In the Czech Republic, Serbia and Slovakia, the differentiated rates are much lower than Croatia's 36% rate.

AmCham welcomes the relief measures implemented to date, presented through three rounds of tax reform, and particularly emphasizes last year's measures regarding taxation of employee share plans, raising the monthly gross threshold to which the 24% income tax rate applies and introducing the possibility of rewarding employees through a non-taxable amount of up to HRK 5,000. AmCham believes that further reduction of the tax burden is necessary and possible, which is supported by the continued economic growth.

A clear, predictable, and stable tax system and partnerships between tax authorities and business community representatives are crucial to the functioning of the economy. Further measures to reduce the administrative burden in the sphere of the tax system would contribute to significant savings in time and resources for businesses, which would have more time to focus on their primary activities.

report

CROATIA E-MOBILITY FORUM

by Jasmina Trstenjak and Filip Pavić

April 30

CROATIA E-MOBILITY FORUM

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CROATIA MISSED TWO TRAINS, WILL IT AT LEAST MAKE IT TO THE THIRD ONE?

Croatia has an opportunity in the automotive industry – it can improve its investment portfolio with certain active and proactive measures, open up opportunities for the development of new industries and not miss this third train, as it has already missed two. Rimac Automobili is ready to help if we want to attract the automotive industry to Croatia. With work, it is possible.

This is one of the key messages of Mate Rimac, founder and CEO of Rimac Automobili, who spoke on the topic of "How Croatia Can Attract the Automotive Industry" as part of the "Croatia E-mobility Forum", held on April 30 at the Esplanade Hotel in Zagreb and organized by the American Chamber of Commerce (AmCham) and Jutarnji List.

CHANGING THE INDUSTRY

Among other things in his presentation, he analyzed the countries of Central and Eastern Europe, the benefits the automotive industry brought them (growth, jobs, contribution to GDP...), how they attracted investors, and what is Croatia's standing in this context. He made an overview of key trends that are already reshaping the automotive industry.

The automotive industry is completely changing and cars will be used as needed. People will no longer own cars, they may not even learn to drive them, but all this will open many new doors. Trends show that a significant proportion of cars will become autonomous by 2030, all will be connected to the internet, there will be stronger electrification, and car sharing will expand to a significant extent – all these trends were listed by the founder of the company, which has grown into a strong technology company in the last 10 years and attracted more investments than all technology companies in Croatia. So far, they have attracted more than EUR 60 million in foreign investments, not counting the EIB, which gave them a loan of EUR 30 million last year. The last investor in Rimac Automobili was Porsche, and this was the first time Porsche invested in another company.

He also emphasized the importance and power of the industry in which he works – if the automotive industry were a country, it would be fourth in the world! However, Croatia is a little behind when compared to others – the automotive industry has expanded throughout Europe and Croatia is almost the only exception. There have already been two waves of investments in the region. The first was in the Czech Republic, Poland, and Slovenia, the second in Romania and Slovakia, and now a lot is being invested in Serbia.

WORK AND TALENTS

In these countries, the automotive industry practically started from scratch. Through investments from other manufacturers, Slovakia has become the largest car manufacturer per capita in the world today. Rimac, in his extensive presentation, also referred to the way companies choose locations, what their criteria are, and he noted that Croatia was not among the best candidates in comparison to other countries.

"Croatia makes $13 billion in exports and has four million inhabitants. Slovakia has a million more inhabitants and makes $78 billion in exports, of which $20 billion is made only from exporting cars and car parts. Let's take a look at our close neighbors. With two million inhabitants, Slovenia exports more than us and again, their main export product are cars, ours is wood" Rimac said, adding that these countries attracted companies because of labor costs, but also talent, i.e. good faculties, infrastructure, and available capital.

He also noted that Croatia makes less than $1 billion in revenue from the automotive industry, while, say, the Czech Republic makes $41 billion, and this clearly shows potential. Therefore, Croatia derives less than half a percent of GDP directly from the automotive industry, and the Czech Republic more than five percent of GDP, which is actually a grim comparison.

Hundreds of e-car models are coming to the market. They take from four to seven years to develop, so what is in the labs today will be on the roads in a few years. This is a huge opportunity, as today's share of three percent in sales will jump to about 60 percent in the coming decades. That's why there are a lot of investments in the automotive industry, startups, and technology companies. So far, more than $25 billion has been invested through venture investments, and it shows you what direction the industry is heading in. Investments include battery development, companies that produce sensors, and the like. The portfolio is wider than it used to be. Also, a lot of investments are aimed at development and budgets are higher.

"We do not want any investments, but those that provide maximum benefit. However, it's not about how much the country will encourage the industry to come. The country must first determine which direction it wants to go, what industries it wants to have and then work proactively. England has great initiative and it works really well because it has a complex program for the automotive industry; they work proactively, they build research centers, test lanes... Therefore, proactive measures and projects are needed if one wants to go in this direction" said Rimac, who believes that the country should attract more innovative companies, those that are moving towards new solutions and making the greatest contribution to society.

In his presentation, he outlined 19 measures the country should take to accelerate the progress of the automotive industry in Croatia. He mentions that employees should be allowed to have a share in the company and taxes on high salaries should be reduced. Furthermore, universities should be encouraged to include machine learning, artificial intelligence and electrical engineering in their programs. Rimac believes that universities should hire professors from the STEM sector with a scientific reputation, invest in equipping faculties and connecting universities and investors. In addition, the country should implement tax breaks for R&D oriented companies, as well make way for relevant engineers, but also take a more proactive role in industrial development in collaboration with potential foreign investors. In terms of infrastructure, international contacts with cities with a developed automotive industry and innovation hubs should be encouraged, and additional investments should be made in the 5G network for all households.

Regarding the infrastructure of the automotive industry itself, Rimac states that the testing of autonomous vehicles on public roads should be legalized, the institute for electric and autonomous vehicles should be established, as well as an institute for artificial intelligence, competence centers, and hubs for innovators. Lastly, he believes that building a test track for autonomous and electric cars would help. Admittedly, the latter could be out of the picture because Hungary, our closest neighbor, has already done so.

THE PLAN IS TO HAVE 10% OF ECO VEHICLES ON CROATIAN ROADS BY 2025

HEP is building charging stations on highways and connecting the most attractive tourist destinations. In May, the Environmental Protection and Energy Efficiency Fund will launch a new tender for subsidizing electric vehicles worth HRK 17 million.

The question of what is needed first, a fleet of electric cars or charging stations, is one of the key issues of the infrastructure-themed panel. The country has prepared the regulation and by-laws are expected in two, three months. How this looks in practice was presented by Dino Novosel, the head of the e-mobility project at HT, and Domagoj Puzak, the head of the e-mobility team at HEP.

"HEP is now embarking on highways, and last week we set up the first two charging stations, and next week we are going further and connecting the most attractive tourist destinations. We are partnering with oil companies, which have also turned to e-mobility, trying to reach people with this story. People should also be provided with accompanying services," Puzak said.

HT jumped on the same train, and Novosel pointed out that HT had already recognized the upcoming e-mobility wave in 2012. By 2015, they were in the development phase. In the meantime, they have developed a network of 125 charging stations with domestic partners that enabled two million green kilometers. In terms of infrastructure expectations, he identified three basic criteria.

COMPETITIVE SERVICE

"For the end user, the infrastructure must be available at all times, everywhere, the access must be easy and unbiased, and service must be competitive. These are the principles that we are guided by and we want to democratize the charging service, because the frequency of vehicle charging will only increase, and the trend of using public infrastructure is increasing dramatically," Novosel said.

Ivo Milatić, State Secretary at the Ministry of Environmental Protection and Energy, revealed that they plan to launch several projects this year that would go towards co-financing the construction of charging stations and other infrastructure, as well as focusing primarily on highways and state roads, as this provides availability during the tourist season, which is an important industry sector.

Tomislav Mihotić, the Secretary of State for Infrastructure at

New Members

CORPORATE

SANOFI Empowering Life

SANOFI-AVENTIS CROATIA D.O.O.

HEINZELOVA 70
HR-10000 ZAGREB
PHONE: +385 1 6003 400
WWW.SANOFI.COM
CONTACT PERSON:
MIRELA HORVAT KIŠ,
MIRELA.HORVATKIS@SANOFI.COM

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Sanofi, Empowering Life

the Ministry of Maritime Affairs, Transport and Infrastructure, also believes that it is necessary to first create the infrastructure so vehicles have a place to drive and to charge. The plan, he said, is to have 10 percent of vehicles using alternative fuels by 2025.

"If this goal is revised, then we will raise the targets for charging sites to a higher level and strive to meet them" said Mihotić.

On the topic of the panel "Electric Shock", which, among other things, concerned the availability and subsidization of electric vehicles, Mate Rimac spoke from the audience.

"Why the incentives for electric vehicles, I do not see the point. Personally, I am against these incentives, we need investments in the industry" Rimac commented in front of the panel participants, adding that Croatia has reduced its carbon dioxide emissions by 5 percent, thereby complying with the Kyoto Protocol, which we achieved by "strategic" downsizing of the industry. Environmental subsidies are therefore not necessary in Croatia, but should be diverted to industry development.

CONTENTIOUS "THE FASTEST FINGER"

Panel participants accepted Rimac's criticism without a word, and Dubravko Ponoš, Director of the Environmental Protection and Energy Efficiency Fund, stressed at the beginning of the discussion that the Fund should not be a stakeholder in the electrification of Croatia, but this is the position they find themselves in.

"I drive an electric car myself, and I can say that my life boils down to a drive from one charging station to another. Unfortunately, technology has not yet made it possible for an electric car to be the first vehicle in the household," he said about his own experience.

According to him, the purchase of e-vehicles is still at the level of a "pilot project", suggesting that there is still distrust of vehicles that can travel barely 100 kilometers in a single charge. Surprisingly, this does not affect the interest in the Fund's incentives, which records ten times the number of applications than the amount of funding. The Fund will open a new tender for subsidizing electric vehicles in May in the amount of HRK 17 million.

Branko Kondić, Executive Director of LMG Autokuća, rebuked Ponoš for reducing the Fund's subsidy system to the "fastest finger" and also complained that the largest number of new e-vehicles subsidized by the Fund were still being imported from EU countries and not being purchased from local distributors. Robert Gogić, head of type approval and environmental protection at Porsche Croatia, also criticized the Fund, insisting that the way e-vehicles incentives are financed must change. Instead of using EU funds as before, the incentives could be financed through a carbon dioxide emission tax, through which HRK 20 million is raised annually. He claims that these national funds would make it easier to regulate the terms of the tender, pay VAT in Croatia, and that this would be a closed loop.

Asked if reducing the tax burden could encourage the purchase of electric vehicles, Zvonimir Marinović, Assistant Director of the Customs Administration, replied that Customs had abolished excise duties on electric cars.

report

THE REGISTER OF ULTIMATE BENEFICIAL OWNERSHIP: NEW REGISTRATION OBLIGATIONS IMPOSED ON CROATIAN ENTERPRENUERS

by Vicko Roca, Legal Trainee of Hrvoje Pajtak, Attorney at Law, in cooperation with KPMG Legal s.r.o. advokátní kancelár - Podružnica Zagreb

In 1978, The Who issued their Album "Who Are You". In 2019, the Ministry of Finance has issued a by-law asking the same question.

IN MAY 2019, the Ministry of Finance adopted the By-law on the Register of Ultimate Beneficial Ownership (Official Gazette No. 53/2019) ("the By-law"), which requires most entrepreneurs on the territory of Croatia to register information on their ultimate beneficial ownership with the Croatian Financial Agency ("FINA") by 31 December 2019.

The requirement to adopt the By-law was imposed on the Ministry of Finance by the Law on Prevention of Money Laundering and Terrorism Financing (Official Gazette No. 108/17 and 39/19) ("the AML Law"), which transposed into the Croatian legislation the 4th Anti-Money Laundering or AML Directive (EU) 2015/849 and the 5th AML Directive (EU) 2018/843. In line with the mentioned AML Directives, all EU member states were obliged to establish Registers of Ultimate Beneficial Ownership ("UBO Registers") initially by June 2017. The deadline was extended to January 2020 to accommodate a number of EU member states that were unable to comply with the initial deadline. As of January 2019, some of the key EU member states, such as Italy, Spain, and Poland, still had no UBO Registers established.

Pursuant to the By-law, most Croatian entrepreneurs (some exemptions being granted to public entities) must register their ultimate beneficial ownership by completing the prescribed forms and filing the same with FINA by 31 December 2019. In cases of complex ownership structures, the most difficult task in completing the forms is to determine who would constitute the ultimate beneficial owner within the meaning of the AML Law. The Instructions accompanying the forms do not provide straightforward guidance on the issue.

HOW TO IDENTIFY THE ULTIMATE BENEFICIAL OWNER?

The AML Law defines the ultimate beneficial owner as the individual who ultimately, directly or indirectly, owns or exercises control over a legal entity, or on whose behalf a transaction or activity is being conducted, and includes at least an individual who ultimately owns more than 25% of shares, or has more than 25% of the voting rights, or an individual who holds the controlling position in managing the assets of a legal entity through other means (e.g. by exercising control over the preparation of financial statements or by having the power to appoint senior management of the legal entity).

The percentage of shareholding, or the voting rights prescribed by the AML Law, does not automatically result in finding the ultimate beneficial owner, but instead one has to determine the individual that ultimately exercises control over the legal entity. In some cases, the ultimate beneficial owner may be an individual who has less than 25% of shares or voting rights, but who exercises the actual control over the legal entity (e.g. through a shareholders' agreement).

Entrepreneurs are obligated to keep records of all actions undertaken to identify the ultimate beneficial owner. The records of actions undertaken must be available at the entrepreneur's seat in the event of an inspection by the Ministry of Finance.

In cases where one is unable to determine who ultimately owns or exerts control over a legal entity, it is possible to inscribe as the ultimate beneficial owner(s) member(s) of the management board. In those cases, the records of actions undertaken, along with the supporting documents (e.g. correspondence with the founder regarding the ownership structure), will be essential to prove that all reasonable avenues have been exhausted without success. The Ministry of Finance will not consider a failure of the founder to provide the relevant information to its Croatian subsidiary, as a valid reason for having the Croatian management inscribed as the ultimate beneficial owners. It is yet to be seen what evidence will be considered by the Ministry of Finance as being sufficient.

Considering the high fines imposed by the AML Law (up to HRK 350,000.00 for legal entities and HRK 75,000.00 for their responsible persons), it would be advisable to start early with the preparation of filing documents. If there is a doubt as to how to determine the ultimate beneficial owner, or complete the documents, it may be prudent to consult certified anti-money laundering experts, or a lawyer to ensure that the filing deadline is met.

So, who are you?

report

PUBLIC PROCUREMENT CONTRACTS AND FRAMEWORK AGREEMENTS,

THEIR DURATION AND WHEN THEY MAY BE MODIFIED DURING THEIR TERM

by Mirna Pavletić Župić, PhD, Attorney at Law, Certified Expert for Public Procurement,
Law Firm ZUPIC & PARTNERI Ltd. Zagreb

INTRODUCTION

The relevance of this topic lies in the increased economic and financial significance, as well as the increased number of public procurement tenders in Croatia, which consequently leads to cases in practice that already awarded Framework Agreements, being modified during their term of implementation. The main question is to which extent is their modification allowed, without a new procurement procedure.

THE LEGAL BACKGROUND IN THE APP 2016 AND THE EU DIRECTIVES

Based on Articles 315 through 320 of the Act on Public Procurement 2016 (APP 2016), the contracting authority may amend the public procurement contract during its duration without conducting a new public procurement procedure only in accordance with the strictly determined provisions of the APP 2016, which legal institute has been incorporated into the Croatian legal system based on EU Directive 2014/24/EU on public procurement, and EU Directive 2014/25/EU on procurement by entities operating in the water, energy, transport, and postal service sectors.

CONTRACTING AUTHORITY

The contracting authority shall be obliged to carry out a new procurement procedure in the event of significant changes to the public procurement contract, namely the framework agreement, during its duration[1].

The contracting authority may modify the procurement contract during its duration without conducting a new procurement procedure if the changes, irrespective of their monetary value, were provided in a clear, precise, and unambiguous manner in the procurement documents which may include price or options changes. However, the modification provisions shall specify the scope and nature of the possible modifications or options and the conditions under which they may be applied, but shall not result in a modification of the overall nature of the contract[2]. In essence, the modifications would be allowed if the need for the same: (i) was due to circumstances that the careful contracting authority could not have foreseen; (ii) the amendment does not change the overall nature of the contract; and (iii) any increase in price does not exceed 30% of the value of the original contract. In such cases, the contracting authority shall be obliged to submit for each amendment – modification of the contract, the notices of the change, which are obligatorily published in the Public Procurement Journal[3].

MODIFICATIONS OF THE CONTRACTS

A similar approach is entailed in the quoted EU Directives. Namely, based on Article 72 of Directive 2014/24/EU, the contracts and framework agreements may be modified without a new procurement procedure in accordance with said EU Directives, provided they are awarded before the end of their term (as in 71, 2014/25/EU).

However, any increase in price shall not exceed 50% of the value of the original contract. Where several successive modifications are made, that limitation shall apply to the value of each modification. The modifications of the contracts – framework agreements are allowed only in cases in which all of the following conditions are fulfilled: (i) the need for modification has been brought about by circumstances which a diligent contracting authority could not foresee; (ii) the modification does not alter the overall nature of the contract; (iii) any increase in price is not higher than 50% of the value of the original contract or framework agreement. Where several successive modifications are made, that limitation shall apply to the value of each modification. Finally, the contracting authorities having modified a contract on public procurement shall publish a corresponding notice to that effect in the Official Journal of the European Union[4].

CONCLUDING REMARKS

However, because the described modifications change the economic balance of the contract or of the framework agreement in a manner that was originally not provided for, such modifications must not alter the overall nature of the contract or framework agreement[5].

However, such modifications, irrespective of their monetary value, shall be provided for in the initial procurement documents in clear, precise, and unequivocal review clauses, and they shall not be closed for a period longer than four years, except in exceptional, well-justified cases related to the subject of procurement that the contracting authority must state .

[1] *Art. 314 APP 2016*
[2] *Art. 315 APP 2016*
[3] *Art. 316 – 320 APP 2016*
[4] *Art. 72 of Directive 2014/24/EU*
[5] *Art. 72 (2) and (4b) of Directive 2014/24/EU*
[6] *as in Art. 147 (2), APP 2016, and Art. 72 Directive 2014/24/EU*

report

THE ACT ON THE PROTECTION OF APPLIER OF IRREGULARITY

by Ivan Matić, Partner, Odvjetničko društvo Kallay & Partneri d.o.o.

ON 1 JULY, the Act on the Protection of Applier of Irregularity entered into force, for the first time introducing complete and unique legal protection of so-called "whistleblowers" within the Croatian legal system.

The terms "irregularity" and "employer" are very broadly defined so that the same law is practically comprehensive, with particular emphasis on employers employing 50 persons or more, which must establish an internal irregularity reporting system and appoint a confidential person for reporting internal irregularities and their deputy.

Any prevention of reporting irregularities, as well as placing a "whistleblower" in a disadvantaged position due to reporting irregularities, is prohibited. "Placing at a disadvantage" is considered termination of employment, harassment, inability to advance, failure to pay and reduction of salary and other benefits, denial of work tasks, change in working hours, and the like.

The employer is obliged to protect the whistleblower from harmful actions and take necessary measures toward stopping them and eliminating consequences, to protect the information received in the application from unauthorized disclosure, and to take measures to eliminate identified irregularities. Moreover, the whistleblower is entitled to judicial protection, damages, identity and confidentiality protection, and protection in accordance with the procedures for whistleblowing provided for by this Act.

Judicial protection is achieved by filing an action for protection relating to the report of an irregularity to the competent court, within three years from the day when the applicant learned of the harmful action, or five years from the day when the harmful action against the applicant was taken and the applicant was exempted from payment of court fees. In addition to the prohibition of harmful actions and compensation for damages, the applicant may also request (via lawsuit) that the verdict with which the violation of the applicant's irregularity is defined be published in the media at the defendant's expense.

Internal reporting of irregularities is an irregularity detection to the employer and the process itself begins by submitting the report to a trustworthy person, who is, on the basis of the report, obliged to receive the report of the irregularity and to examine it within sixty days from the day of receiving it at the latest and without delay take the necessary actions within its jurisdiction for the protection of the whistleblower, if the whistleblower has made it probable that he is or could be the victim of a harmful act due to reporting an irregularity. Furthermore, the trustworthy person is obliged to forward the report on the irregularity to the bodies authorized to act on the content of the application if the irregularity is not resolved with the employer and to inform the whistleblower, upon his request, on the course and actions taken in the procedure and to allow him to access the file within thirty days of receiving the request, wherein the employer must not influence or attempt to influence the conduct of the trustworthy person and/or his/her deputy when taking actions within their jurisdiction necessary to protect the whistleblower.

External reporting of irregularities is the detection of irregularities to the competent authority, which can occur if at least one of the statutory requirements, which as a rule is reduced to the employer's actions contrary to the provisions of the same law and failure to meet the obligations imposed on him, is fulfilled.

Public disclosure of irregularities, that is, disclosure of irregularities to the public, appears as the third stage in the procedure of reporting irregularities. The whistleblower may in exceptional circumstances, without previously reporting an irregularity to the employer or the competent authority, publicly disclose information if there is an imminent threat to life, health, safety, or from large-scale damage or the destruction of evidence.

It should also be noted that employers with 50 employees or more still have sufficient time to implement this law, seeing as the deadlines for establishing the system of internal reporting of irregularities and the appointment of a confidential person and their deputy expire on January 1, i.e. April 1, 2019. However, if they fail to do so, they are subject to misdemeanor liability.

In conclusion, let us mention that the law contains numerous ambiguities, primarily related to the appointment and revocation of the appointment of the confidential person and his/her deputy, but also with the procedure of internal reporting of irregularities and with assumptions for their external reporting and public disclosure, thereby bringing employers into the sphere of extreme uncertainty, and it is very possible that even those employers who have, in good faith, done everything in their power to implement this law and invested considerable resources in it, will still have to pay very high misdemeanor penalties and suffer other negative consequences.

report

COMPANY VALUATION

by Danijel Pevec, Partner, Alpha Capitalis d.o.o.

BUSINESS OWNERS value their company for a number of different reasons: selling a company or parts of it, transferring a family business, transferring a company stake to management as a reward for a job well done, and many other reasons.

In accordance with the many existing reasons, there are also numerous methods that can be used to value a business. However, in this text, the focus will be on the two most commonly used valuation methods: Discounted Cash Flow method (DCF method) and valuation based on multiples.

It is important to note that not all methods will produce the same results – which method will be used depends on the type of business and many other factors. Also, making a credible company valuation requires a lot of thoughtful decisions as well as adequate financial analysis done by a valuation expert.

Below you can read more about the two most commonly used valuation methods.

DISCOUNTED CASH FLOW METHOD (DCF METHOD)

The discounted cash flow method is most commonly applied when the company's assets have the ability to generate income and when there are reasonable projections of future income for the assets in question.

In estimating the value of a company using discounted cash flows, the management of the company should first and foremost critically and reasonably consider the historical business and financial performance of the company, and, consequently, analyze the business environment within which the company operates. These steps are necessary as the valuation of the company depends on income projections for future periods, and this projection, in turn, depends precisely on the factors mentioned above.

There are 4 main steps in valuing the company using the discounted cash flow method:

1. Estimating free cash flow for the planning period (5 to 10 years)
2. Estimating the terminal value i.e. the value of the business beyond the forecasted period
3. Discounting free cash flow by the discount rate
4. Subtracting the net debt from the present value of free cash flow

The aim of this method is to determine the future cash flows of the company as accurately as possible, discount them at the appropriate discount rate to obtain the present value of those cash flows, and add them all up to get a single number.

BUSINESS VALUATION BASED ON MULTIPLES

This method is based on a comparison of the financial performance of a company being valued with the relevant market indicators. This approach to valuation is often used for the sake of simplicity and ease of calculation, and is generally used when quick valuation of the company is necessary. The most commonly used market indicators (multiples) are:

- Relation between the enterprise value and company's revenues (EV/Revenue)
- Relation between the enterprise value and company's EBITDA (EV/EBITDA)
- Relation between the enterprise value and company's EBIT (EV/EBIT)
- Relation between the Net income and number of share (EPS = Earnings per Share)

This method uses multiples of comparable companies for several future periods and multiplies them by the target company's indicators (Revenue, EBITDA, EBIT, net income).

The aim of this method is to find companies as similar as possible to the target company. Comparable companies should, first and foremost, resemble a valued company in risk level, current stage of a business cycle, and growth perspective.

The disadvantage of this approach is that a peer group can be fundamentally different from the target company which will eventually distort the accuracy of the valuation.

None of the valuation methods is considered optimal, that is, each method is characterized by different advantages and disadvantages. For example, the DCF method can analyze future cash flows qualitatively, but the parameters used in these methods are rather subjective, which can greatly affect the accuracy of projections of future cash flows.

On the other hand, valuation based on multiples is fast and simple, but also of a questionable accuracy. Therefore, the financial analyst in charge of business valuation should be unbiased, aware of the uncertainties, and highly educated, in order to effectively overcome these problems and successfully value a company.

report

IFRS9 IMPAIRMENT: DEEP IMPACT

By Siniša Gjerek, Business Development Manager & Senior Consultant, IN2

INTRODUCTION

From a historical perspective – when tackling market oscillations and consequent portfolio volatility - amortization was the valuation and accounting weapon of choice for many regional asset managers.

Generally speaking, by amortizing financial securities, asset managers managed to surgically remove sensitivity to ever-changing market conditions, in effect shielding (long-term) investors. At the same time, however, they (inadvertently) removed sensitivity to credit risk, as represented by probability of default and recovery rate. In effect, amortized securities issued by companies that experienced significant changes in credit quality diverged from their 'fair value' and created numerous functional and administrative issues (e.g. client subscriptions/redemptions at amortized prices that do not reflect market prices).

BRIDGING THE GAP

IFRS9 Impairment was designed to bridge the gap between amortization and mark-to-market valuation approaches. Amortization principles (effective interest rate valuation) remained in place, with the addition of another valuation and accounting item – Impairment – used to quantify credit risk, in the form of expected credit loss allowance. The IFRS9 initial application date was 01.01.2018.

IT PERSPECTIVE

Regulatory documentation and default frameworks generated a series of open conceptual and methodological issues, such as what constitutes a 'significant increase in credit risk', or how to quantify current macroeconomic conditions in relation to long-term averages. In addition, data flow automatization was required, in terms of transition matrices, recovery rates, ratings, etc.

Navigating through significantly different interpretations and a lack of consensus from asset managers (therefore a lack of customer specifications), IT companies developing asset and risk management systems had to improvise and adapt, in effect assuming the role of solution providers. Deep business and technical knowledge are required in order to analyze available documentation, build an in-house IFSR9 model that ensures regulatory compliance while optimizing for methodological flexibility, calculation precision, and ease-of-use.

NEW NORMAL

After the IFRS9 initial application settled in, the asset management landscape underwent a dramatic change. For some, amortizing financial assets now proves more costly (in terms of resources required to support IFRS9 application) than beneficial, while others changed their asset selection and allocation processes based on IFRS9 requirements and implications. From a risk management perspective, there are new challenges to manage – since Impairment is calculated on a daily basis, long-term securities that drop from Stage 1 into Stage 2 will generate extreme losses and in effect volatility, which directly opposes the general idea behind the amortization principle. Hence, the new normal – in terms of the amortization principle – is characterized by increased analytical and operational requirements, more complex investment decision processes, as well as by additional demands and expectations from asset management IT solution providers.

On the flip side – a new, 'official' credit risk measure emerged in the form of IFRS9 Impairment expected credit loss (ECL), providing asset managers with a powerful analytical tool that can enhance existing risk management practices.

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CW CBS International enters its second decade of impeccable performance in the region, offering a broad range of integrated services including: brokerage services, valuation and development advisory, property management, project management, due diligence, and investment consulting.

CW CBS International was established in Croatia in 2018, and with over 100 employees is covering the regions of Croatia, Montenegro, Serbia, and Macedonia.

ONE OF THE PIONEERS in the field of organizational development, Richard Beckhard (1918-1999) was an American organizational theorist and Adjunct Professor at MIT. In his book "Organization Development: Strategies and Models" (1969), Beckhard defined organization development as "an effort (1) planned, (2) organization-wide, (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization's 'processes', using behavioral-science knowledge".[1] What is today's definition?

The University of Virginia (UVA) defines change management as "the structured approach to proactively manage the impacts of change both at an individual and institutional level. It incorporates strategies that help individuals and the organization make successful transitions and result in the adoption of change for desired outcomes. It is most effective when all objectives - institutional, technical, and human - are fully implemented and embedded in the institution."[2]

change management. Two hundred years ago, Thomas Jefferson, one of the Founding Fathers, third President of the United States, and founder of the University of Virginia, had insight into creating a culture that ensures vitality.

"I like the dreams of the future better than the history of the past."

"If you want something you've never had, you must be willing to do something you've never done."

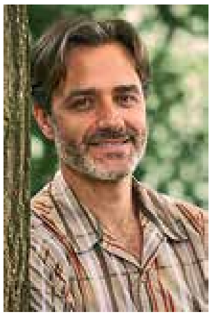
"Educate and inform the whole mass of the people… They are the only sure reliance for the preservation of our liberty."[3]

What Jefferson is alluding to are conditions conducive to facilitating change processes when needed. Culture is neither prescribed nor managed. Rather, it seeks to create and nurture forward-thinkers and risk takers. Paramount is placing people in the center by educating and informing them. Only then are humans best equipped and able to ensure a system's liveliness.

report

CHANGE MANAGEMENT: IT'S TIME FOR A CHANGE

by Jean-Pierre Kallanian, M.Ed.



Is UVA's definition much different than the one from 50 years ago? "Structured approach" and "proactive management" sound similar to Beckhard's "planned" and "managed from the top". Regarding "desired outcome", who is it that desires the change? What outcome is desired? Solely relying on top management to guide and lead change processes in an information age is the equivalent of expecting only environmental experts to resolve climate change. Effectuating meaningful and sustainable change is not a one-time project with a fixed deadline and budget. It is a never-ending process and investment.

Nomen est omen. What does change mean and what words are associated with it? Is management one of them? What does management imply and what words are associated with it? Is change one of them? Either word used alone triggers a healthy dose of skepticism. Change usually disrupts and threatens management structure and policies. Management usually prevents change by ensuring constant, predictable, and controllable conditions. Is that the current global reality? Does the term "change management" seem like it really wants to effectuate change?

The distant past can help conceptualize an evolved form of

Nowhere does Jefferson explicitly mention hierarchy, management, or control mechanisms. Organizations able to process multiple realities and appropriately respond in real time have a competitive edge in a VUCA world. Organizations fostering an aware workforce – where everyone is expected to sense and adjust as needed – will not only outperform their competitors both in scope and scale, they will lead the pack.

Process facilitation is change management in motion. Managers control service and product quality. Process facilitators working side by side with managers create working conditions that enable and empower all human resources to act not only as producers, but also as observers, data collectors/analysts, and agents of change. Process facilitators help create a workforce that is attentive, wise to know when a shift is needed, and prepared to collectively respond without being managed from high above.

ABOUT THE AUTHOR

Jean-Pierre is a human systems expert, process facilitator, and author. He optimizes employee engagement, team cohesiveness, and leadership potential by enhancing group dynamics. He is the creator of the youth inspired EPIC model of development.

1 *https://www.prosci.com/resources/articles/change-management-history-and-future*
2 *https://organizationalexcellence.virginia.edu/change-management*
3 *http://www.quoteambition.com*

report

HOME OFFICE – HOW TO HANDLE IT FROM A LEGAL AND TAX PERSPECTIVE?

By Dubravka Lacković Smole, Attorney at Law and Jasmina Margeta, Manager, Tax Consulting Services, Crowe Croatia

IN TODAY'S MARKET, for certain types of jobs, having office space is considered a commodity. In past times, many industries (particularly IT and pharmaceutical), as well as most sales positions, realized that office space is an unnecessary cost for those positions that require a mobile phone, high speed internet, and/or business car to do the job effectively. The home office decreases the cost of work, expands the labor market, and allows employers to recruit from a pool of worldwide talents. Additionally, many employees prefer the flexibility and informality of working from home and consider it an additional benefit of employment.

WHAT ARE THE LEGAL REQUIREMENTS OF THE HOME OFFICE?

In practice, usually the official seat is noted as the place of work of the employee; however, indicating the place of work as the material provision of the employment contract, should correspond to the actual place of work.

The Croatian Labor Law regulates a home office within its provisions on remote places of work. According to these provisions, a home office has to be prescribed by an employment contract or any other employer's by-law. In addition to regular material provisions, such an employment contract (or by-law) must regulate: working hours, equipment that will be acquired/installed/maintained by the employer, usage of personally owned equipment, reimbursement of related expenses and education of the employee. Any employee who works from a home office cannot be deprived of any rights that are secured to his colleagues working at the employer's business premises i.e. the salary cannot be lower. The home office is subject to regular working hours provisions and at no time is working from the home office allowed to infringe on the employee's right to use daily or weekly breaks or take annual leave. Working from the home office does not waive the obligation of the employer to keep records on working hours; however, such records can be kept by the employee.

In addition to the labor provisions, the home office is subject to workplace safety regulations. Even though the home office takes place in the private space of the employee, it is the employer's obligation to secure that the home office is in line with workplace safety requirements, while the employee is obliged to respect all prescribed measures. Further, prior to commencement of working from the home office, it is the employer's obligation to obtain a workplace safety certificate from specialized workplace safety providers. In order to issue the workplace safety certificate, the workplace safety provider must inspect the home office space and prepare a risk survey, as well as establish if the space has proper lighting, heating, valid electric installations, a fire extinguisher, a first-aid kit, etc.

WHAT ARE THE TAX CHALLENGES OF A HOME OFFICE?

Beside the equipment provided by the employer to the employee's home office, the employee generally uses personal equipment (e.g. a table or chair) and incurs utilities costs (e.g. electricity, internet, heating, etc.). Even though Croatian Labor Law prescribes that the employment contract (or by-law) has to contain provisions which regulate the compensation of costs for usage of personally owned equipment for business purposes (as well as other related costs), such requirements are not supported by Croatian tax regulations.

Croatian personal income tax regulations do not recognize a "home office allowance", nor reimbursement of home office costs incurred directly to the employee while working from home, as tax regulations of some other countries do. Therefore, all payments of home office allowances or reimbursement of home office costs are treated and taxed as a regular salary of the employee.

POTENTIAL SOLUTION FOR TAX REGULATIONS

Many EU countries have for decades supported the home office allowance as a non-taxable payment, and we found a potential solution and model in our neighboring country – Slovenia. In Slovenia, the legal requirements of the home office are similar to those in Croatia, however, the rules are more elaborated, workplace safety has to be periodically reviewed, and the employer has the additional obligation of registering the home office with the labor inspection.

In respect of the tax treatment, the Slovene personal income tax regulations recognize the monthly tax-free home office allowance in the amount of approx. EUR 80 or (if less) not more than 5% of the monthly salary. In order to treat a home office allowance as a non-taxable receipt, the home office allowance has to be determined by the internal by-law or employment contract; the equipment purchased for the home office must be necessary and usual for that particular job position, and the home office allowance has to be based on actual costs.

With the constant changes in the labor environment and the development of technology, it is expected that in the near future (in some industries), the sight of offices filled with desks and employees all typing away at the same time will become an archaism seen only in TV shows like Mad Men. In order to avoid archaic regulations, we hope that the "home office" will soon be fully recognized by the Croatian legislative authorities as an already existing trend.

report

HUMANS WANTED: ROBOTS NEED YOU SKILLS REVOLUTION 4.0 2019

by ManpowerGroup

ROBOT WORKERS REPLACING HUMAN JOBS – the debate of the decade. In reality, the opposite looks to be true. Our research shows more employers than ever, 87%, plan to increase or maintain headcount as a result of automation for the third consecutive year. Rather than reducing employment opportunities, organizations are investing in digital, shifting tasks to robots, and creating jobs. At the same time, companies are scaling their upskilling so their human workforce can perform new and complementary roles to those done by machines. The Skills Revolution is in full flow.

WE ASKED 19,000 EMPLOYERS IN 44 COUNTRIES ABOUT:

- The impact of automation on job growth in their organizations in the next two years
- The functions they plan to increase headcount the most, and the types of skills they are looking for
- The talent strategies they are implementing to ensure a future-fit workforce

AUTOMATION IS CREATING JOBS – AND THE TREND IS SET TO STAY

More employers than ever anticipate increasing or maintaining their workforce as a result of automation – up from 83% to 87% in three years. At the same time, the share of companies predicting job losses has fallen from 12% to 9%.

Companies that are digitizing are growing, and that growth is producing more and new kinds of jobs. Those organizations that are already automating tasks and progressing their digital transformation are also the most confident about increasing headcount.

... AND UPSKILLING IS ON THE UP: COMPANIES ARE BECOMING BUILDERS OF TALENT

With talent shortages at a 12-year high and new skills appearing as quickly as old ones disappear, more companies are planning to build talent than ever before, and this is projected to increase by 2020. Companies are realizing they can no longer expect to find just-in-time talent, on tap. Eighty-four percent of organizations expect to be upskilling their workforce by 2020.

DEMAND FOR DIGITAL SKILLS GROWING: OUT WITH THE OLD, IN WITH THE NEW

Automation is changing the skills companies need from workers, yet the speed with which this is happening across functions within organizations varies. The demand for IT skills is growing significantly and with speed: 16% of companies expect to increase headcount in IT – five times more than expect a decrease. Growth will come, too, in frontline and customer-facing, engineering, and management roles, all of which require human skills such as advanced communication, negotiation, leadership, management, and adaptability. In other functions, administrative and office roles are shrinking and overall HR headcount is expected to stay the same.

HUMAN SKILLS TRENDING: HARD TO FIND, EVEN HARDER TO TEACH

The demand for tech and digital skills is growing across all functions yet employers place increasing value on human skills as automation scales and machines prove better at routine tasks. While 38% of organizations say it is difficult to train in-demand technical skills, 43% said it is even harder to teach the soft skills they need, such as analytical thinking and communication. Candidates who can demonstrate higher cognitive skills, creativity, and the ability to process complex information, together with adaptability and likeability, can expect greater success throughout their careers. By 2030, the demand for human skills – social and emotional soft skills – will grow across all industries by 26% in the U.S. and by 22% in Europe.

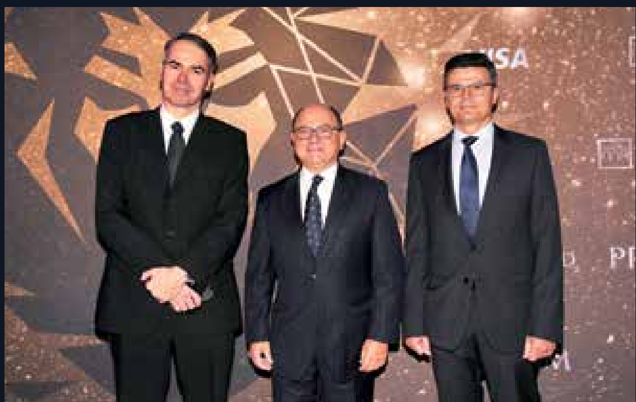
Digitization has created new ways of working and new generations of workers who are increasingly comfortable clocking in part-time, working on a contract or project basis, and pursuing other forms of alternative labor. But here's the rub: 87% of workers say they are open to these NextGen work approaches, yet only 32% of employers are offering alternative ways of working. Companies need to address this disconnect to be able to attract NextGen workers, while retaining and motivating those they have today.

''The role of HR needs to continue to evolve to help organizations drive growth and profitability. We need a new talent strategy to help all companies integrate automation with human skills.
Companies can no longer be purely consumers of work. They need to be builders of talent cycles, helping people develop their resilience and ability to move from this role to the next. In the Skills Revolution, this is how people will augment robots, rather than be replaced by them.''

››› **ALEKSANDAR HANGIMANA, MANAGING DIRECTOR, MANPOWERGROUP BALKANS**

NEW PBZ CARD PREMIUM VISA CARDS PRESENTED TO THE MARKET

The new unique and innovative card product proves, once again, the quality of the offer of PBZ Card. With contactless payments and many other benefits offered in cooperation with Visa, the PBZ Card is ready to make its card owners even more satisfied.



››› DINKO LUCIĆ, PRESIDENT OF THE MANAGEMENT BOARD OF PBZ, CATALIN CRETU, SUBREGIONAL DIRECTOR IN VISA AND MISLAV BLAŽIĆ, PRESIDENT OF THE MANAGEMENT BOARD OF PBZ CARD

FROM THIS AUGUST, the Croatian card market is richer for new and unique card products - PBZ Card Premium Visa cards that represent premium products of the Croatian card offer. PBZ Card Premium Visa portfolio offers twelve cards that combine premium card features and services developed by PBZ Card, the leader in the Croatian card market, as well as the number of benefits and privileges offered by Visa.

PREMIUM - SERVICE AND BENEFITS

PBZ Card Premium Visa cards offer technologically the most advanced contactless payments, the largest insurance package, as well as other premium benefits, such as Premium Rewards – the largest customer rewarding program, payment in instalments without interests and fees, cards based loans, Premium offers, Premium Travel Services, Global/Gold Assist road assistance etc. The cards also have Visa's additional benefits, such as the highest grade of acceptance in the country and the world, the highest security standards and modern payment solutions.

TWELVE PREMIUM CARDS

PBZ Card Premium Visa portfolio consists of twelve cards. For each segment, PBZ Card has created a product that meets the needs of a particular target group: from students, tradesmen, those who want to make a humanitarian effort for which the Company has created Visa Card with a Heart, for those who travel a lot and collect prize miles a co-brand card with Croatia Airlines was designed. There are also cards for small and large companies, then Premium Visa Gold – the core card of this portfolio, as well as cards for those looking for and needing top service and prestigious benefits accompanying their lifestyle. The portfolio also consists of Premium Visa Platinum and Premium Visa Infinite, the most prestigious card in our market.

LION AND CONSTELLATIONS - POWER AND INFINITY

Great attention is paid also to the card's appearance and therefore they feature the motifs of the constellations and lion, which symbolize tradition, strength, leadership and courage, which are also the characteristics associated with Premium Visa cards. These motifs are dominating on the Premium Visa Gold, Premium Visa Platinum and Premium Visa Infinite card.

BENEFIT FOR NEW USERS

For new users PBZ Card Premium Visa card will be available with a special benefit – exemption from subscription and membership fees for the first year, for the application forms received by December 31 this year. Existing American Express cardholders will receive their Premium Visa cards no later than the end of the year and until then they can use American Express cards. Additionally, when they switch to a new Premium Visa card they will be rewarded with additional benefits and values under the same terms of use.

"Thanks to the almost fifty years of tradition and excellence in card business, the result of which is the top service and numerous unique features and functionality that we have developed - and at times being among the first in the world - but also thanks to the exceptional cooperation and loyalty of our customers and business partners, and to the new strength we have gained in partnership with Visa, we have developed superior card products", said Mislav Blažić, President of the Management Board of PBZ Card.

report

CORPORATE VAT REFUND

by Deni Oreški, Executive Director, itialuS UTTRCO d.o.o.

A VALUE-ADDED TAX (VAT) is a consumption tax placed on a product or service whenever value is added. It is a goods and service tax. Value Added Tax (VAT) is charged on most business expenses incurred by companies who travel abroad. The tax authorities in these countries have allowed foreign companies to recover the VAT paid on their business expenses to promote foreign trade and investment.

Non-resident businesses may be able to recover the VAT incurred on business expenses, which may offer a significant opportunity to reduce tax costs. So, any company registered as a taxable person for business purposes in the country of establishment can reclaim VAT on foreign business services such as: accommodation, restaurant meals, exhibitions and fairs, trainings/conferences, car rentals/car repairs, public transport, taxi, entertainment expenses, diesel/petrol, motorway tax, tolls, etc.

The VAT refund process includes complete knowledge regarding the VAT legislative framework (9th and 13th EU Directive), deadlines, thresholds per countries, required reciprocity agreements, and applications forms. Years of experience in the VAT refund industry has enabled us to establish a set of procedures that ensure a client's claim are maximized and processed in the shortest possible time frame.

Unfortunately, VAT worth billions of Euro remains unclaimed by companies who are unaware that it can be recovered, or are deterred by the cumbersome procedures associated with the process of recovery.

LEGAL FRAMEWORK

a) Refund to EU Businesses (Directive 2008/09/EC - 9th Directive – former 8th Directive)

- The Directive lays down detailed rules for the refund of VAT, provided for in the principal VAT Directive 2006/112/EC, to taxable persons not established in the Member State of Refund, but established in another Member State. The directive allows EU business to submit a refund claim via the web site of the tax authorities of the country in which the claimant is established.
- Submitting an application to the EU Member State of refund through an electronic portal provided by their own tax authority; the Member State of Establishment
- Electronic applications should be submitted within 9 months from the end of the calendar year to which the refund period relates → the deadline is 30th September of the following year.
- The minimum for annual applications, or applications for the final part of a year, is EUR 50 and EUR 400 for the interim applications.

b) Refund to Non-EU Businesses (Directive 86/560/EEC - 13th Directive)

- Non-EU businesses are entitled to claim their input VAT by submitting an application according to the specific rules of the EU Member State concerned.
- Each EU Member State of Refund requires that the claims are submitted using their country specific form.
- Most tax authorities in the Member States of Refund require that the original paper invoices are enclosed with the application or alternatively sent upon request shortly thereafter.
- There are some mandatory documents that must be submitted in the application for the VAT refund and without the same claim pack cannot be submitted to the tax authority.
- In most member state countries, the deadline for submitting the application is the 30th of June for the previous calendar year.
- The United Kingdom is an exception because their VAT refund period is from the 1st of July to the 30th of June and the deadline for the submission is 6 months from the end of this period, the 31st of December.

RECIPROCITY AGREEMENT

The possibility of a VAT refund depends on the signed reciprocity agreements. This is applicable only for claims under the 13th Directive which is described in legal framework.

Reciprocity agreement is not required:
- Austria
- Belgium
- Denmark
- Finland
- France
- Iceland
- Ireland
- Luxembourg
- Netherlands
- Norway
- Sweden

Reciprocity agreement is required:
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Estonia
- Germany
- Greece
- Hungary
- Italy
- Latvia
- Lithuania
- Malta, etc.

report

5* LINKEDIN PROFILE

by Petra Sutlić, Search and Selection, Career and Organizational Development Consultant, Adecco Hrvatska d.o.o.

WHETHER YOU'RE seeking a new job opportunity or just new networks in your industry, a professional and engaging LinkedIn profile is a must have. LinkedIn is growing at the rate of two new sign-ups per second and is right now home to over 562 million users in over 200 countries and territories across the world. In the context of a job search, LinkedIn provides impressive visibility because nine out of ten recruiters will use it as a source of potential job candidates.

Building a strong and eye-catching profile is something that will help you gain interest from both recruiters and other experts in your field. It sounds easy, but, if you want a good profile, be aware that you'll need to put some time and effort into it.

1. GAINING BETTER VISIBILITY

Firstly, it is important to be visible in LinkedIn's search results. This is manageable by adding **skills** to your profile because they count as the keywords. You can put a maximum of 50 keywords and even if you don't have them on any other place in your profile, they will make your profile show up in a search when someone looks for those words.

People who have at least five skills on their profile are contacted 33 times more often by recruiters and other LinkedIn members, and they receive 17 times more profile views.

The second thing you can do is to **optimize your photo and headline** to gain more clicks on your profile. When searching for potential job candidates, recruiters stumble upon many profiles and it is important to attract their attention right at the beginning, through the search results. Your photo should be professional and clear, preferably a headshot with a neutral background. The headline, the sentence right below your name on your profile, is usually generated with your job title and current company. You can always change it by adding keywords, certifications, and similar things depending on what you think is important for attracting the preferred audience to open your profile. An important thing to have in mind is that the headline should be short and informative, so keep it no more than ten words long.

2. BUILDING A STRONGER PROFILE

When a person clicks on your profile, it should contain a few things to keep his or her interest. If someone is interested in your profile based on the photo and headline, the next things he or she will look for are your **Summary and Experience**. The Summary is your chance to creatively introduce yourself. You can put career choices in context, highlight your biggest achievements, describe your talents, or show off your personality. Also, you can use keywords that will help you show up in search engine results.

The Experience section in your LinkedIn profile is basically your online resume. If you have a lot of diverse experience, try to include experience that is relevant to your current career goals. When writing it, you need to put a few bullet points for every mentioned experience. While writing the points, you need to be specific. Instead of writing general sentences, put specific numbers and accomplishments so the reader will have an insight into responsibilities and achievements for every position you held.

Education is also an important part of any LinkedIn profile. It is always good to put your formal and additional education. If you attended a lot of seminars and have lots of certifications, include those that are the most relevant for your current career path, because adding them all could lead to a confusing and overly extensive profile.

3. PUTTING IN THE EXTRA EFFORT

Additionally, LinkedIn has the option to add something extra to your profile, so your profile can stand out among all others. There is the possibility to add a **video** by uploading it on a sharing site and posting the URL on your profile. Also, you can add your **publications** and a **portfolio** to your profile, so people can have an overview of all the work you have done.

4. BE ACTIVE

Once you strengthen your profile, it's time to **actively participate in the LinkedIn community**. Follow companies and people that inspire you, so you can keep step with all news and any projects they are working on. Also, this way, recruiters can see your interests and aspirations. Share some industry-relevant content through your statuses and comment on the statuses of your connections, but be careful, avoid any kind of conflict and arguments, especially those regarding professionally inappropriate themes.

As mentioned, a **strong LinkedIn profile requires some time and effort**. Be curious and search on your own for new and creative ideas to continuously upgrade your profile and catch the attention of other LinkedIn members.

report

HOW TO GROW BUSINESS WITH INNOVATION FUNDING MANAGEMENT

by Tea Markotić, Innovation Funding Project Manager, TIKO PRO

INNOVATION FUNDING PROJECT MANAGEMENT seems to be one of the most enigmatic and intriguing business challenges. Despite a strong definition of project manager work duties, there are still some misconceptions as far as the scope of responsibilities is concerned. So, let's solve the mystery and give you a hint of what an innovation funding project manager does, how he/she does it, and what is the business model when it comes to research and innovation proposal design.

What counts are your vision and your ideas. Your mission is to transform them, in close cooperation with your innovation project manager, into high-quality and concise project presentations, e.g. proposals. So, here are 6 steps showing how this works in business practice.

INNOVATION POTENTIAL ASSESSMENT

Before you embark on the innovation proposal journey, the first thing on the agenda needs to be the assessment of the innovation potential of your idea. This is done by analyzing what your competitors are up to these days. In the second step, you provide an overview as a result of your competition research and additional checking of previously granted projects of various funding mechanisms. If your idea really is outstanding compared to the alternatives, you are good to go.

GETTING TO KNOW THE PROPOSAL TEMPLATE

During your first brainstorming event, you should get close to the proposal template, as its chapters will give you initial tips for content creation. Your best experts versed in technology, marketing and sales, and finances are invited to the team meeting, since they are essential and have to be part of the project team throughout the proposal making period. Rules for collaboration need to be established, along with the timeline and duties, work flow processes, and working methods.

CREATION OF FIRST DRAFT PROPOSAL

In the course of the development of your innovation, you might have elaborated presentations, studies, position papers, and a preliminary business plan, which may all provide valuable input for the first draft proposal. This can be in the form of raw text material. The head project manager should take over the role of reviewing your first text inputs, quickly analyze where improvements should be made, and how you are supposed to manage it.

PROPOSAL PING-PONG

The analysis of the draft proposal and the many questions attached to it might freak you out at the beginning. You could even ask yourself why you wanted to apply for a funding project in the first place. This is an additional commitment, for sure. But immediately after that, you remind yourself that you actually want the funding body to recognize the potential of your innovation and to award it with extra development money. Your mindset starts changing, embracing the bigger picture of your innovation, thinking about the impact of your work on society as a whole. Your great inner revelations and the targeted guidelines on needed improvements represent an important backbone of the proposal design. This process (without freaking out) continues until you are fully satisfied with the project narrative.

FINAL TOUCH

As aesthetic devotees, you make that extra effort to make your proposal as visually attractive as possible. You create infographics, search for appropriate images, and highlight important content that specifically gets the message of your innovation across. The proposal has to be excellent in both ways – from the content and graphics point of view.

COMPLETION AND SUBMISSION

When all fine-tuning is done, your proposal is ready for the evaluators to do their magic. After several months (depends on the funding body), you receive the evaluation summary report with achieved scores. Having submitted the proposal, you can congratulate yourself either way – whether your project will be granted or not, by completing your proposal, you have done a tremendous job.

Designing a high-quality proposal is so much more than just inserting some fancy words and images that you think that the evaluators wish to see. When making an innovative proposal, the think-tank process always guides you through many challenges that lead to new conclusions and insights about your business of operation. They facilitate the growth of your business and strengthen added value of your company. What more could you wish for?

Now, it's your turn to grow your business with innovation funding project management!

itialuS UTTRCO d.o.o. and itialuS Human Resources d.o.o. are part of itialuS Global group which offer in its own portfolio services as following:

- Accounting and Bookkeeping, Payroll, Corporate VAT Refund, HR services, Recruitment, Manpower, Tax Advisory, Tax Registration and Company Establishment, GDPR

Our professional and experienced team all over the world can help you to cut the company costs and save the money. We have more then 500+ satisfied clients in Croatia and Europe.

Our Vision is to become a globally reliable provider of innovative Business Process Outsourcing for Human Resource Management, Accounting and Finance, and Tax Recovery services that satisfy unmet management needs.

Our Mission is to:

- Offer the right solutions for our clients' business needs through long-term relationships built on experience, insight, and teamwork – both regionally and globally
- Help our clients reduce their operational costs while providing quality support
- Create a business environment that attracts, develops and retains the best talent
- Provide shareholders with the highest return on their investment

FOREIGN VAT REFUND

Do you know that each year foregin companies lose bilions of euros in value added tax (VAT)?

INCREASE YOUR INCOME

In Europe, VAT is charged on most business expenses. You are entitled to a refund of the VAT charged on any of the following services at the expense of the employee's foreign businees trips:

- Employee accommodation, Restaurant costs, Toll / Fuel / Car rentals, Seminars / Exibitions / Fairs, Public transportation costs, Marketing etc.

NO REFUND = NO SERVICE FEES

Accounting and Bookkeeping

At your finance or payroll function, ask yourselfs do you function? Is it exhausting? Itialus UTTRCO can step in and take over.

Itialus UTTRCO has the approach you could find beneficial. Our motto is to work closely with our business partners, creating a relationship of trust and commitment. We provide services that meet each of our client needs.

We specialize in accounting and payrol

Accounting – Only with accurate financial information can weaknesses be identified and solutions strengthened

- day-books, general ledgers, cash books, accounts payable and accounts receivable and control books, claims and liabilities
- durable assets, purchase ledgers, sales ledgers, analysis of worker's wages, analysis of location of costs and other records

Payrol – we offer individual advice on all matters in regards to income tax, social insurance and labour law.

- Collection and processing of payroll data
- Calculation of payroll, deductions, pay in kind, non-taxable incomes, severance payments, etc.
- Calculation of other income, royaltie contracts
- Payroll calculation of the expatriate workers
- Health refund payments, tax form submitions for all type of payments
- Annual tax and surtax calculation

OUR GDPR CONSULTANCY SERVICES

How can we help?

We can offer you a full range of services which can be customized to suit your specific needs at any stage in your journey to GDPR readiness.

What do we offer?

GDPR Assessment: Our experts will review your current data collection, processing and transit practices and identify gaps and areas of risk across people, process and technology and will give you detailed reports that come with a breakdown of your recent GDPR Compliance situation.

GDPR Implementation: We will design and implement processes and tools to address all GDPR compliance requirements.

Data Privacy Impact Assessment: We will assess risks for specific areas, systems or projects for client organizations who are legally required to undergo Data Privacy Impact Assessment.

Data Breach Plan and Action: We will develop and implement incident response and notification plans, and in case of a data breach, we will respond with appropriate actions so that the client organizations meet the GDPR requirements.

Education and training: Our team will help client organizations to raise awareness among its employees, which is also one way to demonstrate compliance and accountability with the GDPR.

Data protection officer & EU representative

Human Resources

When looking for employees, do you often fail to find candidates that fit the requirements of the organization's positions and culture?

Leave it to us. Our team of experts will take on the entire selection process and present you the ideal candidates for your team.

- Labour market counseling, candidate selection process, candidate outsourcing, executive headhunting, candidate testing, HR policies, manpower

report

A BRIEF HISTORY OF THE PAYMENT CARD INDUSTRY

by Adrijan Rakić, Sales Manager, Printec Croatia d.o.o.

PAYMENT CARDS have become so mainstream that very few people can imagine life without them. But, they're actually quite "young" and have gone through major changes in the past couple of years.

The story of credit cards started with a restaurant bill and a forgotten wallet. In 1949, a businessman took his clients to a restaurant for dinner but had forgotten his wallet, resulting in the birth of the Diners Club card. Although this was not the first actual payment card issued by a financial institution (paper account cards), it was definitely the first card that we can equate with the credit card. This payment method became so popular that the financial institution needed a system/solution to securely charge and track the cards/transactions, which resulted in a card acceptance and transaction processing machine, what we today call the EFT-POS (Electronic Funds Transfer Point of Sale), more commonly known as a "POS terminal".

In 1967, the PIN (Personal Identification Number) was introduced, enabling cardholders to withdraw cash from an ATM (Automated Teller Machine), as an efficient way for banks to dispense cash to their customers. Barclays Bank in London introduced the first ATM system that year. A major difference from today's ATM is that it accepted checks with machine-readable encoding rather than cards, and matched the PIN to the check for user authentication purposes.

The POS terminal was first introduced in 1979 by VISA. That year, Mastercard introduced the magnetic stripe (or 'magstripe' in colloquial terms) that's still present on the back of payment cards today (although it has been rarely used since chip technology became mandatory, with its only purpose today being to unlock the card reader on an ATM during card insertion). Lloyds Bank issued the first "bank card" to feature a magstripe using the PIN for security authentication. The magstripe and PIN were the standard for many years in the payment card industry, and all face-to-face credit or debit card transactions involved the use of a magnetic stripe (or mechanical imprint (embossed card owner data) to read and record account data, and a PIN (debit card)/signature (credit card) for purposes of identity verification.

Verifone was one of the first companies to produce a dedicated POS terminal. They started in 1981 in Hawaii as a small electronic company. In 1983, they introduced the ZON terminal series, which would become the standard for modern POS terminals.

In 1984, French banks started issuing cards with a microprocessor (a small piece of semiconductor material carrying many integrated circuits) or as we like to call it – a "CHIP" – which 10 years later resulted in the creation of the EMV standard, created by a consortium of Europay, Mastercard, and VISA card issuing brands. The EMV standard today is now managed by EMVCo, a consortium with control split equally divided among VISA, Mastercard, JCB, American Express, China UnionPay, and Discover. Over time, POS terminals became more and more complex and secure due to technical evolution and anti-fraud requirements. Now, POS terminals have practically become a commodity that is an essential part of the payment card industry.

Today, we're entering a period where credit card processing is dramatically changing. Mobile phones tapping Card Acceptance Devices (CAD) that are attached to smart devices like phones and tablets are creating a more flexible way to accept card payments. Credit cards themselves are transforming as well. Although ID-1 (85,60 x 53,98 mm) is still the most commonly used banking and ID card standard, we're witnessing their transformation in shape and form, as they're becoming smaller (mini cards), irregular shaped, contactless, virtual or not even physical with P2P (person to person) payment applications and PSD2 (Payment Services Directive 2015/2366) mandates.

Printec was the first one to deploy mobile phone payment and top-up on the Verifone POS terminal, using Maestro PayPass™ technology in Romania in 2008 together with ING Romania and MasterCard.

Classic payment cards could even become "extinct" in the next couple of years, but, whatever the actual "card" might look like or become, we'll always need a secure payment device that will be capable of accepting all forms of payment, our dependable POS terminal.

report

SECURITY FOR THE NETWORKS OF TOMORROW

by Tomislav Tucibat, Regional Accounts Manager – Adriatics, Fortinet

WHEN THINKING ABOUT DIGITAL TRANSFORMATION, most people consider things like the Cloud, smartphones, and new applications. Some may also consider IoT. One of the most disruptive results of digital transformation for many organizations has been the rapid emergence of 'the edge', which in many ways is what has been replacing the traditionally static network perimeter. The advent and support of an edge-based networking model enables organizations to more dynamically expand their networks, embrace mobile users, IoT, and end-user devices, build flexible and responsive WAN and Cloud connections, and enable distributed processing.

Edge-based networking is replacing the traditional perimeter, enabling organizations to more dynamically expand their networks, build dynamic WAN connections, adopt mobility and IoT strategies, and enable distributed processing. It is also introducing a wide range of new security challenges that can't be addressed with our current security solutions or strategies.

Any time an endpoint or IoT device, a Cloud container, a branch office, or any other configuration connects back to your core environment to deliver or collect data, process information, or run an application or workload, you have created an edge.

The edge consists of several key elements:

Edge computing: One of the most consistent elements of any network change is to move data as close to the place it needs to be processed, in order to respond to events in near real-time. Today, flexibility and mobility are a requirement for many industries, including health care, telecommunications, manufacturing, and finance. Supporting this requires moving data closer to the edge.

Edge devices: Any device with a discoverable IP address is an edge device. They can be smart consumer devices such as phones and watches and cars, devices deployed at a branch office – such as specialized routers, integrated access devices (IADs), multiplexers, SD-WAN solutions, or even containers in the Cloud.

Multi-edge: Combining these elements together creates multi-edge environments, such as using an SD-WAN connection to enable interconnectivity with other branch offices, back to the core data center, out to mobile users, along with separate connections to public Internet and to Cloud applications.

SECURING THE EDGE

There are currently several times more IP-enabled devices on earth than humans, and many of these can support multiple connections. Which means there are billions upon billions of edges in use at any given moment, with billions more potential edge devices just around the corner.

And each of these requires protection.

While the security of an organization is only as good as its weakest link, a personal device at a branch network connecting to public Internet may not require the same degree of scrutiny as a video conference discussing intellectual property development. Striking a balance between securing critical data and managing limited resources such as bandwidth as technical overhead requires building a tiered security strategy.

SET TRUST LEVELS

How do you ensure that each new edge connection receives the security it requires? Here are five basic requirements:

Secure connections: Encryption is essential for devices connecting over publicly available networks. Complex communications and collaboration requirements will also require developing and maintaining a meshed VPN overlay. Keep in mind that some transactions may require encryption beyond what is provided by IPSec and SSL.

Control access: All devices need to be identified at the moment of connection, and appropriate policies need to be applied. Those policies then need to follow the connection so security and network devices along the data path, even as it moves across and between cloud and edge environments, can participate in enforcing those policies.

Segment networks: Authorized devices need to be assigned to a specific network segment where it can be closely monitored, access to unauthorized resources can be prevented, and devices or applications that begin behaving badly can be immediately quarantined.

Enable inspection: Applications and data need to be inspected. Security tools must inspect encrypted data at network speeds and detected security events need to trigger a consistent response across the entire distributed network

Centralize management: Devices need to be able to share and correlate threat intelligence, distribute policy consistently, identify anomalous behaviors, and orchestrate a consistent response through a central management system.

CONCLUSION

The growth of the edge is utterly transforming today's networks, and the delivery of 5G will only drive that transformation faster. To address the new security challenges that the edge is introducing, we need to understand two things:

1. The legacy security solutions that brought us to this point cannot take us any further. Security that focuses on a connection through a gateway on a perimeter, or even on inspecting the content flowing through that connection, has little usefulness in a world where networks, data, workflows, and devices are in a constant state of flux.
2. A one-size-fits-all approach to edge security is certain to fail. Security not only needs to span the entire distributed network, but also dynamically adjust without human intervention to continuous network changes.

Instead, enabling the networks of tomorrow requires organizations to radically reimagine the security solutions they have in place today, starting with the recommendations outlined above.

report

SMART CITY: A SUSTAINABLE FUTURE FOR ALL OF US

by Ferenc Pongrácz, GM of Innovation at Tungsram Group, former Chairman of AmCham Hungary

THE ROLE OF CITIES has become more important in this decade and all sustainability issues have a relevant urban dimension (see box). By utilizing infocommunications technologies (ICT), environmental, social, and economic sustainability issues can be handled and solved at a higher level through innovation.

The concept of smart cities (the definition itself is not agreed upon yet, there are numerous versions circulating within the industry) is a solution for environmental, economic, and social sustainability issues. The essence of the smart city approach is to employ the latest tools of technological advancement for serving the social, economic, and ecological sustainability of cities for the inhabitants and the enterprises of the city, too.

Industry 4.0 is an imagined future, which would in a direct or indirect way have a fundamental influence on smart cities, on their environment and regions, given that their primary goal is to improve a country's competitiveness. Smarter cities are utilizing ICT technologies and in order to do so, they need to innovate.

But how can a city become smart? We at Tungsram have defined the stages of smartness. There are many different smart city solution concepts competing in the world, and ours is based on stating that the lighting infrastructure of a city can easily be the network that smart tools are built on. Lampposts are at every 50 meters on every street, so they can be equipped with sensors, cameras, metering devices, and other digital data sources.

Non-smart urban areas have solutions that are not upgradeable: in our terms, this means that city lighting solutions cannot save energy and the city has no connections for smart functions.

A smart ready city has standardized connections for future extension, and in street lighting have preset lighting levels for additional energy saving.

The entry and second level of smartness means having connected lighting to a remote control system. Also, smart sensors for traffic counting, speed assumption, environmental sensing: air pollution, CO_2 concentration, noise, UV–B, temperature, humidity, and, added to these, asset management.

A smart city has all the previous infrastructure, that is, smart lighting and smart sensor boxes that are integrated with Wi-Fi, 5G, traffic monitoring and management involving public transport, camera system for traffic, parking, and safety. Smart buildings are essential, since energy and cost saving can mostly be realized inside the buildings of a city. Added is smart platforms and analytics for using the enormous quantity of information (big data) coming from the smart systems and also the wide range application of digital signage. Sustainability requires the presence of indoor farming solutions, for example vertical farming designed for unused warehouses, shopping mall spaces or office buildings where herbs and small vegetables can be produced in high quality with artificial (LED) lighting in indoor spaces.

Cities in Europe already sense the importance of getting smarter, but mostly they are only trying to acquire information on possible solutions. Of course, the first step should be analyzing which stage of smartness the given city has and then deciding on the steppingstones towards the final goal.

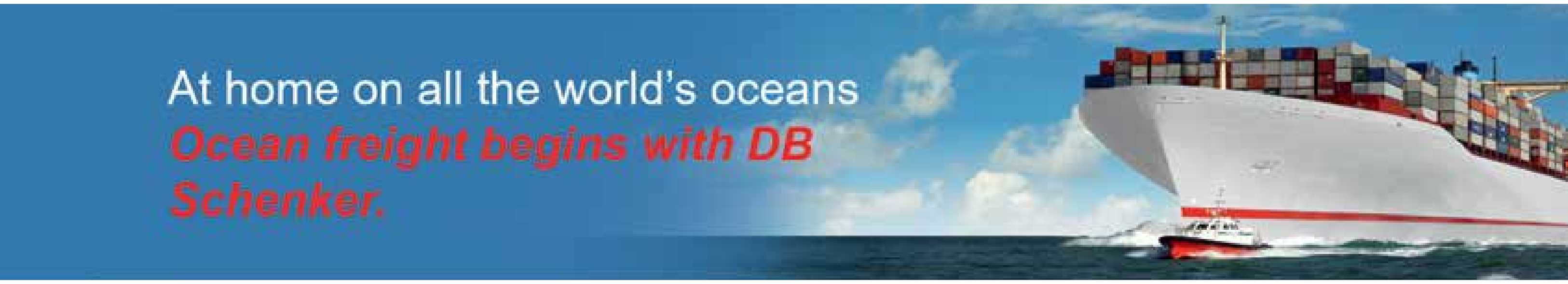
Even the question of this final goal is interesting in this world of continuous disruption by information technologies and solutions. Without entering sci-fi territory, Tungsram imagines a potential future with cities working as a network of megablocks, or superblocks. These blocks of buildings and sustainable infrastructure elements are both self-sustaining and parts of national grids at the same time. A so-called mesh network, where all the elements (sensors, cameras, computers, infrastructure systems, etc.) talk to each other without one single central unit, and all health, education, shopping demands are served locally, could become the friendly and smart future for city dwellers.

This solution is particularly interesting on islands, for example (of which Croatia has many) or off-grid settlements, as well as big cities.

ALARMING NUMBERS

The current world population of approximately 7 billion people is expected to grow to over 10 billion by 2060. 80% of this growth is forecasted from Africa, while, according to the UN, the population of Europe is expected to drop from 735 million to 650 million by 2100. More than half of the population of Earth lives in cities and by 2050 it is projected to be 66% - with most of the increase concentrated in Africa and Asia. Population growth, urbanization, and the information technology revolution of the last decades have resulted in huge inequality, with serious environmental issues on one side, and with non-sustainable usage of natural resources and global warming.

DB SCHENKER



DB SCHENKER EXPANSION IN CROATIA

Due to the general expansion of Schenker d.o.o., the company is expanding its distribution segment at the new Jankomir location and, along with the contract logistics business in Rugvica, is strengthening the company's position on the Croatian market. Today, the company has 6,500 square meters of logistics warehouse in Rugvica, with a capacity of 12,000 pallets expandable to 20,000, and a 3,300 square meter distribution warehouse in Jankomir.

Since August 2019, DB Schenker Croatia's new Head Office and Terminal is located at Franje Lučića 32, Jankomir. With over 80 vehicles, DB Schenker provides a domestic distribution service by providing door-to-door delivery to its customers within 24/48 hours. The new location is fully integrated through its European network (more than 700 branches) and connects Croatia to Europe on a daily basis.

Shipping security throughout the supply chain is a top priority for DB Schenker and TAPA and AEO certifications are being obtained.

DB Schenker has 115 employees in nine branches across Croatia providing comprehensive transportation and logistics services. The DB Schenker range of services includes land, air, and sea transportation, contract logistics, fairs and conferences, customs clearance, and all other ancillary services.

DB SCHENKER IN THE WORLD AND SOUTHEASTERN EUROPE

DB Schenker is a leading provider of integrated logistics services, with over 75,000 employees in more than 2,000 locations in 150 countries worldwide.

CONTACT US:

Schenker d.o.o., Franje Lucica 32, 10090 Zagreb
Phone: +385 1 2480 990, prodaja.hr@dbschenker.com, https://www.dbschenker.com/hr-en

report

AGRICULTURE AND DAIRY COWS NUTRITION INTERACTION

by Branko Stuburić, Expert Associate for Sano – modern animal nutrition Ltd.

INTRODUCTION

Every second, the world's population grows by nearly three more people, that is, 240,000 people a day. By 2025, the global population will reach 8 billion people and 9.6 billion by 2050, according to FAO. At the same time, climate change is already negatively impacting agricultural production globally and locally. The FAO's vision is a world where food is nutritious and accessible to everyone, in which natural resources are managed in a way that maintains ecosystem functions to support current and future human needs. In this vision, farmers actively participate in and benefit from economic development, have decent employment conditions, and work in a fair price environment.

TRANSFORMATION

Automation and artificial intelligence technologies are essential for the new required era in agriculture. The use of AI technology and associated data analytics is the next scientific breakthrough for the dairy industry. Investing in dairy farms holds powerful potential for rural development. Since dairy farms have revitalized rural areas by introducing economic activity, they have developed significant demographic potential. Forage and crop quality are a key factor for nutritional and financial optimization of dairy cow feeding.

ADVANCED TECHNOLOGIES

Advanced technologies for feeding dairy cows are based on the best global experience in the following three specific areas.

1. Feed analysis

There are two ways that forages are analyzed for nutrient content. Wet chemistry uses established laboratory tests to quantify protein, fiber, fat, and minerals. Near-infrared reflectance spectroscopy (NIRS) has been perfected to accurately and quickly measure on average thirty indicator nutrient content. Along with the usual indicators, NIRS analysis also gives data on the content of certain fractions of proteins, fatty acids, amino acid composition, etc. In addition to this, a unique indicator, which this analysis offers, is the digestibility of the analyzed content, which is determined in a standardized biological natural medium. Today, NIRS analysis is an indispensable element in computing composition and optimization meals of dairy cows.

2. Ration formulation

Feed (ration) formulation is a technique by which different feed ingredients are combined to provide required nutrients to animals for a period of time, usually 24 hours, at different stages of production. A ration should supply all essential nutrients and energy to maintain the vital physiological functions of growth, reproduction, and health of animals. The ration should be palatable, digestible with the permissible level of anti-nutritional factors, economical, and should have a less adverse environmental effect. The dynamic ration calculation program takes into consideration the NIRS feed analysis data according to (for example) the CNCPS (Cornell University Net Carbohydrate and Protein System, USA). Realistic dry matter-intake is very close to the optimum. Crude protein savings based on a very detailed look at the supply of the amino acids.

3. Feed and herd management consultation

Dairy farm owners and responsible persons have virtual herd management tools at their disposal for successful and profitable dairy production. It combines unique expertise, the best tools, and cutting-edge know-how. Essentially, it's a combination of new technology (full digitalization, e.g. robotics milking and in line milk lab) and observation techniques (accurate heat detection, animal ID for the milking parlor, calving alert, rest and wellbeing (over-crowding and bedding alerts), lameness detection - reliable sickness detection: mastitis, acidosis, sub-clinical ketosis, nutrition problems), along with data science to improve dairy products, cow health, welfare, and biosecurity, as well as business efficiencies. Technology is getting smarter, and breeding companies are leveraging the latest advances to keep up with growing global needs for milk and milk products.

AGRICULTURE DEVELOPMENT

Agriculture has already made great strides with innovations like better seeds, smarter farming practices, more efficient animal nutrition, and increased monitoring and collection of data. Progress should continue in this direction. In Croatia and neighboring countries, priority should be given more massive implementation of irrigation projects, e.g. through a drip irrigation approach that has great advantages over other classic irrigation technologies for forages and grain crops. In addition to optimum balance with fertilizers and avoidance of crop diseases, this method works well with low water consumption. The yield increase is approximately 30% with a very acceptable ROI. Farms must increase production through optimizing the use of forages, cereals, and other crops. They can't do it alone and they can't do it using traditional farming practices.

report

ZAGREB OFFICE MARKET H1 2019

by CBS International Croatia, Member of the Cushman & Wakefield Alliance

THE OFFICE MARKET is the most mature property segment of the Zagreb commercial real estate sector and is already well developed thanks to the high level of investments over the past years.

Facing the needs of constantly growing demand of foreign companies searching for quality office space, the first larger office buildings appeared on the market in 2004 and 2005. Zagreb's office market experienced the most intensive development in 2006, when the majority of office premises were delivered to the market, mainly in CBD. The majority of the office space offered on the market in 2006 and 2007 was modern office buildings, featuring the highest standards, being fully leased by the end of 2008. The investors were mostly local companies. After the boom, the office market stabilized and the majority of the office buildings were leased and acquired by foreign institutional investors. However, the global financial crisis has slowed down development activity, and the office market entered a phase of limited construction activity. The economic recovery of the country started in 2015, when the Croatian real estate market started to note positive trends.

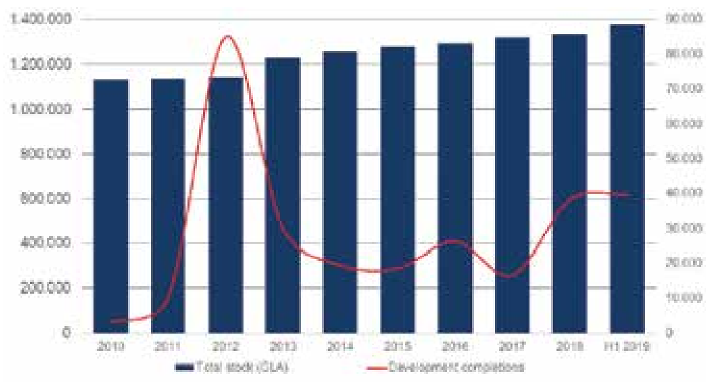
OFFICE SUPPLY

The majority of Croatia's office supply is situated in Zagreb, where the most significant local and international companies have their headquarters. The majority of office supply is located in the city center (including the Central Business District, Center, Novi Zagreb, Business District East, and Business District West), while the least favorite submarkets are in the city outskirts (Buzin, Jankomir). If we analyze per class of office space, the largest number of Class A office buildings are situated in the Central Business District.

At the end of H1 2019, the total supply of modern office stock in Zagreb amounts to app. 1.4 million square meters, including class A and class B office space, as well as speculative and owner-occupied buildings.

When it comes to the new deliveries, nearly 40,000 square meters GLA of new office space was delivered to the market in H1 2019, close to the figures achieved in the whole of 2018. The future supply will continue to rely mainly on modern office and mixed-use projects, which are in final stages of construction or announced for development. The new projects should correspond to the market demand for premium office space developed in accordance with international building certification standards. Further expansion of Zagreb's office market is expected in the following period, with several office schemes in the construction phase or announced for development.

The graph below shows the development of Zagreb's modern office stock, as of 2010.



Source: CBS International Croatia, member of the Cushman & Wakefield Alliance

OFFICE DEMAND

A significant increase in leasing activity in Zagreb started in 2014, when the market showed signs of recovery. Therefore, the demand for quality office space rose at the beginning of 2015. This is primarily due to the fact that the five-year lease term has come to an end and new contracts were signed at much lower rent prices.

Nowadays, market activity is mainly driven by tenant relocations and new leases. Such a trend has been constant over the recent period as companies continue to migrate to more flexible and modern office schemes. On the occupiers' side, the focus is on superior quality of office premises, layout flexibility, as well as additional amenities, and more comfortable workspaces for tenants. Consequently, landlords are giving significant incentives in order to keep their clients and to prolong their contracts. The high-tech sector and IT industry continue to be the key market drivers with the largest share of take-up in the first half of 2019. Location-wise, the most preferred locations remain the CBD, City Center, and Business District East.

VACANCY RATE AND PRIME OFFICE RENTS

The increased supply has not been met by demand over the previous period as the recession hit, which pushed the vacancy rate up to nearly 20% in 2013. As of 2015, due to the recovery of the market and an increase in demand, the vacancy has been constantly marking a downward trend. Despite the stock increase in 2019, the strong absorption has retained the vacancy at the same level as in 2018, standing at 4.5% at the end of H1 2019.

The asking rental values of Class A office buildings slightly increased and now vary between EUR 12.5-14/SQM/month, while the average rents of Class B stock amount to EUR 9-11/SQM/month.

New Members

CORPORATE

AGB NIELSEN ISTRAŽIVANJE MEDIJA D.O.O.

BUDMANIJEVA 1
HR-10000 ZAGREB
PHONE: +385 1 6065 555
WWW.NIELSEN.COM
CONTACT PERSON: ANITA DODIG, ANITA.DODIG@NIELSEN.COM

Nielsen is an international company present on all five continents, devoted to the highest standards of independent measurement of consumer behavior. One of Nielsen's specialties is the measurement of TV program consumption. Nielsen is also the leading company in TV measurement, providing reports, analytics, and publishing surveys about TV coverage and consumption since 1976. The company's great success has been achieved thanks to the use of electronic devices (peoplemeters), a secure weighting system, and algorithms that guarantee high data accuracy. Nielsen in Croatia has a representative panel of 2,500 respondents, each of whom is covered by clear agreement in accordance with GDPR guidelines. All Nielsen TAM data users (TV Audience Measurement) have access to this data through Arianna Software. In addition to TV viewing measurement, Nielsen has also developed advanced solutions for measuring digital content as well.

SANO - SUVREMENA HRANIDBA ŽIVOTINJA D.O.O.

INDUSTRIJSKA CESTA 1, POTOK, HR-44317 POPOVAČA
PHONE: +385 44 568 000
WWW.SANO.HR
CONTACT PERSON: BRANIMIR KAMPL, B.K@SANOEU.COM

Sano, Southeastern Europe division, represents a group of 7 companies located in the countries of the region. The group is a part of Sano concern, which is present in 35 countries. The production plants in Germany, Poland, Croatia, Serbia, Hungary, South Africa, Mexico, and China belong to the technically most modern factories of this production area in the world. The products produced in the factories amounted approximately to 300,000 products annually high-quality concentrates of biologically active materials used as animal feed. Albeit essential, the products represent only a part of the products applied within the frame of a holistic approach and customized technological solutions for each dairy or meat producer, having as the ultimate goal an increase of its manufacturing efficacy and wholesale profit.

SAS INSTITUTE D.O.O. PODRUŽNICA ZAGREB

DAMIRA TOMLJANOVIĆA GAVRANA 13, HR-10000 ZAGREB
PHONE: +385 1 4877 250
HTTP://WWW.SAS.COM/ADRIATIC
CONTACT PERSON: ASMIR MUSLIĆ, SR ACCOUNT EXECUTIVE, ASMIR.MUSLIC@SAS.COM

SAS is the leader in analytics. Through innovative software and services, SAS empowers and inspires customers around the world to transform data into intelligence. SAS's mission is to inspire companies to constantly improve their productivity by creating and using reliable data. For more than 40 years, curiosity has been a guiding principle that enables progress and creates data-based culture. SAS has customers in 147 countries. Our software is installed at more than 83,000 business, government and university sites. With almost 14 thousand employees, the revenue realized last year was US$3.27 billion. SAS has always been committed to innovation, treating employees well, and environmentally friendly business practices. This holistic approach to corporate culture keeps SAS ranked among the best workplaces worldwide.

CORPORATE

UNIQA OSIGURANJE D.D.

PLANINSKA 13A
HR-10000 ZAGREB
PHONE: +385 1 6324 202
WWW.UNIQA.HR
CONTACT PERSON:
LUKA MATOŠIĆ, LUKA.MATOSIC@UNIQA.HR

UNIQA osiguranje d.d. was established in 1999 as a company of the UNIQA Group and has been operating on the Croatian market since 2000.
The company offers all forms of property and personal insurance and sells its products and services through its own sales staff, agents, and brokers. The company is reinsured mostly within the UNIQA Group (UNIQA Re AG, UNIQA Insurance Group AG, UNIQA Osterreich Versicherungen AG) and at the most renowned global insurers such as Axa Corporate Solutions Reinsurance Co, Lloyds, Munich Re, Swiss Re, etc. UNIQA osiguranje d.d. has around 600 employees, more then 415,000 clients and 60 sales offices all over the country. With the support of the parent company and cooperation with partners, UNIQA launches innovative new products, showing that it recognizes customer needs and follows market trends in a timely manner.
UNIQA was awarded the quality management certificate Bureau Veritas according to the norm ISO 9001:2015.

WIENER OSIGURANJE VIENNA INSURANCE GROUP D.D

SLOVENSKA ULICA 24
HR-10000 ZAGREB
PHONE: +385 0800 2580
WWW.WIENER.HR
CONTACT PERSON: ALINA RADUSIN
ARADUSIN@WIENER.HR

Wiener osiguranje Vienna Insurance Group d.d. is a member of Vienna Insurance Group, the Group's leading insurance company in Central and Eastern Europe. Besides the "family name" Vienna Insurance Group, connectivity with the Group occurs through common strategic values. Responsible and consistent corporate governance is a prerequisite for safe and stable business, growth, and value development for insurers, shareholders, sales partners, and employees. Following these principles, the Company has become one of the leading insurers in the Croatian insurance market, combining the tradition of responsible and consistent corporate governance with innovative digitization projects in the spirit of modern times. The quality and success of Wiener Insurance VIG was recognized by the Croatian Chamber of Commerce and the Company was awarded with a 'Zlatna kuna' award for the Best Insurance Company in 2017. Wiener Insurance is the fourth insurer on the Croatian market, with a market share of 9.1 percent.

SMALL BUSINESS

LQ D.O.O.

PETROVA 80
HR-10000 ZAGREB
PHONE: +385 91 3311 033
CONTACT PERSON:
TINKA BULIĆ
TINKA.BULIC@LQ.HR

Strive for development.

For over 12 years, LQ has been working on employee, culture, and management system development in businesses across the region, while promoting innovative learning methods in a business environment. With its specifically designed educational programs, it successfully transforms the lives of people and organizations. The company's consultants are renowned domestic and foreign experts who hold training sessions annually for more than 2,500 employees from 70 organizations in various industries and fields of work. LQ pays special attention to the use of digital learning methods, and in this line of work it has established successful collaboration with the CrossKnowledge company, a global leader in e-learning, owned by the American corporation Wiley Group. The company is also the organizer of the regional digital learning conference 'Learning Disruption'. With his team, Alan Žepec, CEO and owner of LQ, is developing new management models such as BOOM, new learning methods like the use of gamification, and building a culture of dialogue and self-development through coaching, mentoring, and assessment.

NEPHOS D.O.O.

BAUEROVA 25
HR-10000 ZAGREB
PHONE: +385 99 2992 900
WWW.NEPHOS.EU
CONTACT PERSON:
TOMISLAV TIPURIĆ
TOTIPU@NEPHOS.EU

Nephos products and services, based on 20 years of experience of working with the world's largest companies, are aimed at achieving our clients' business goals faster, helping them to get the most from their investments in information technology. Clients can rely on our experts, who are capable of understanding their strategic goals and global technology trends. With our products and services, we help clients answer questions like:

- how to use technology to adopt new business models?
- how to improve business, optimize costs, improve efficiency, and gain control over business operations by utilizing appropriate technology?
- how to streamline investment in IT technology?

SMALL BUSINESS

PETRIĆ & KAJIĆ ODVJETNIČKO DRUŠTVO D.O.O.

TRNJANSKA CESTA 37
HR-10000, ZAGREB
PHONE: +385 1 4843 023
WWW.PETRIC-KAJIC.HR
CONTACT PERSON:
PETAR PETRIĆ
PPETRIC@PETRIC-KAJIC.HR

Petrić & Kajić Law Firm LLC provides legal counseling services to both domestic and international legal entities, particularly in the areas of commercial and corporate law, law of obligations, and property law. Also, it provides advising and legal support to domestic and international investors, in particular to those investing in tourism, the IT business, the medical device industry, energetics, banking sector, etc. These services are provided by attorneys in accordance with high professional standards. Acting on behalf of clients in dispute resolution before courts and other competent bodies, attorneys are seeking and achieving the best solutions for their clients, taking due account of whether a dispute may be resolved by applying an alternative dispute resolution, all in order to find the most beneficial resolution in the shortest possible amount of time. The attorneys practicing in the firm are licensed mediators and members of the Croatian Mediation Association.

VINGD D.O.O.

BUDMANIJEVA 5
HR-10000 ZAGREB
PHONE: +385 1 4680 463
WWW.VINGD.AI
CONTACT PERSON:
BOJAN STIPIĆ
BOJAN@VINGD.COM

Vingd builds emotionally intelligent AI products. Organizations who value relationships with their employees, partners, and customers already invest in keeping these relationships healthy and productive. However, emotionally intelligent AI can give organizations superhuman abilities in handling these relationships. They go from reactive to proactive, because AI detects patterns in the data they're already collecting. They go from sometimes interesting to super relevant because AI personalizes every experience. Organizations don't need to build a huge new infrastructure because Vingd's AI solutions can foster engagement through channels already in use, such as WhatsApp, text messages, CRM, e-mail, mobile apps, websites, etc. Vingd is currently helping to build stronger relationships in several industries: healthcare, banking, telecommunications, recruiting, HR, and wholesale.

CROATIAN POST – DIGITALLY AND VISUALLY TRANSFORMED

The Croatian Post is undergoing a big investment cycle in recent years. The most important investment, worth almost 50 million EUR, is the construction of a new sorting center near Velika Gorica. Completing construction of the largest capital investment in the history of the Croatian Post is the right time to change the company's visual identity and to focus further on its core business and additional digital operations.

The Croatian Post Introduces a New Visual Identity

This summer, the Croatian Post introduced a new logo and visual identity. Starting with the methods and principles of contemporary design, the Post's old logo has been redesigned and reduced to basic forms.

Ivan Čulo, Chairman of the Board: "The Croatian Post has changed significantly in recent years. We are investing in people and business, we are introducing digital substitutes for various postal services, and we are also developing new services. The modernization of the logo symbolically marks the beginning of the new age of the Croatian Post. The Post is a leading logistics company with a state-of-the-art sorting center in this part of Europe. We provide modern, digital services, we are focused on core business and digitization as an important development philosophy which is all in line with the Development Strategy Post2022. "

This approach to the company's new visual identity has resulted in the recognizable form of the postal horn that has always symbolized postal activity around the world. It also has a new association that is consistent with the time in which we live, which is the symbol of the location pin.

Focus Is on Modern, Digital Services

In recent years, the company has put great effort into diverse digital substitutes for many of its postal services, one of them being ePošta (ePost), a digital platform available to all Croatian citizens. Since this summer, the Post has developed a special one for corporate clients. In order to make it possible for juridical persons to issue e-Invoices in a simple and affordable manner, the Croatian Post introduced a new service – the Corporate e-Invoice.

INTEREST RATES BELOW 2 PERCENT AVAILABLE TO NUMBER OF ENTREPRENEURS

To additionally facilitate access to finance for Croatian entrepreneurs, HBOR condensed its existing 25 loan programs into 9 loan programs that contain all the current benefits and introduce some new ones. Market-competitive entrepreneurs engaged in activities of special

interest – agriculture and fisheries, the processing industry, or computer programming – can fund their investments at an interest rate of 1.5 percent as of now, with the possibility of additional reductions of 0.2 p.p. for youth employment and up to 0.572 p.p. for innovative entrepreneurs (according to InnovFin criteria), which means that the interest rate charged to these entrepreneurs can equal 0.728 percent. Under the Pre-Export Finance loan program, the interest rate can be as low as 1.75 percent. The interest rate charged on working capital loans has been reduced to 3.5 percent for long-term loans and 2 percent for short-term loans, whereas the public sector can borrow funds for investment finance at interest rates of 1.75 percent or 2 percent without a commitment fee charged. The implementation of financial instruments for rural development and energy efficiency has been announced.

"Amendments to the loan programs we introduce today will result in interest rates below 2 percent being available to a large number of our entrepreneurs. This relates to HBOR's loans and to the financial instruments we implement," pointed out Tamara Perko, President of HBOR's Management Board. She stressed that HBOR's focus in the coming period would be on the development of new products, such as venture capital funding.

After the ESIF Venture capital fund intended to start-up companies and investments in the early stage of operations becomes active in mid-2019, the selection of a company to manage the CROGIP funds has been announced to take place at the end of the year. It is a joint initiative of the EIB and HBOR, which has launched a program for promoting investments in the capital of small and medium-sized and mid-cap companies with up to 3,000 employees that are not start-ups.

"TESLA & FRIENDS" EVENT HELD FOR THE 10TH YEAR IN A ROW

Zagreb was once again home to the "Tesla & Friends" event which was held from the 9th to the 11th of July. The 9th was filled with a rich cultural program, including demonstrations of Tesla`s experiments and concerts held for the citizens of Zagreb. The celebration continued on Wednesday night with a festive dinner at the Hotel Esplanade and the award ceremony for the yearly award Nikola Tesla – Genius for the Future in honor of the 163rd birthday anniversary of Nikola Tesla and the 6th Day of Nikola Tesla – Day of Science, Technology, and Innovation in the Republic of Croatia. This year`s winners are: Anton Kontić, student of the Faculty of Electrical Engineering and Computing, University of Zagreb, Davor Širinić, student of the Faculty of Mechanical Engineering and Naval Architecture, University of Zagreb, and the Recro Topusko company. This year`s conference Tesla u Zagrebu (Tesla in Zagreb), which was held in the Croatian

Chamber of Economy – Chamber of Zagreb, was themed Putovima Nikole Tesle: Nikola Tesla od Smiljana do New Yorka (Following the track of Nikola Tesla: Nikola Tesla from Smiljan to New York). The lecturers were: Markita Franulić, Director of the Technical Museum Nikola Tesla, Snježana Štranjgar, Headmistress of the Karlovac Gymnasium, Slavomir Goga, Deputy Ambassador of the Czech Republic in Croatia, Nedjeljko Perić, Head of the Innovational Center Nikola Tesla, President of the Board of Directors of the international organization Klaster puteva kulture Manuela Graf, Executive Director of the American Chamber of Commerce in Croatia Andrea Doko Jelušić, and author and producer of educational Tesla-inspired multimedia projects Helena Bulaja Madunić. They spoke about Tesla`s legacy and gave examples of successful cultural and scientific projects which were inspired by Tesla. Nedjeljko Perić presented the new mobile app about the journey of Nikola Tesla, which was made at the initiative of the Nikola Tesla Association.

››› SONGWRITING ROYALTIES – GROWING SOURCE OF REVENUES FOR CROATIAN AUTHORS AND MUSICIANS

It has been an eventful year for creators and the copyright management society HDS ZAMP which, in 2018, was part of far-reaching decisions for all its members, authors, and rights holders. Songwriting royalties were a growing source of revenue, while music activity of the creative scene encouraged the growth of the tourist sector in the country.

For another year in a row, HDS ZAMP continued recording a rise in collected royalties as well as a reduction in operating costs, making them one of the most successful collective rights management organizations. In 2018, nearly 99 million HRK were distributed to members, songwriters, and rights holders, which is by 9.42% more than in the previous year.

The year 2018 was also marked by the endeavors of European authors for a better position in the digital market and the vote for a new EU Copyright Directive. The voices and activities of HDS members and representatives were fruitful and the members of the EU Parliament finally adopted the new Directive on March 26th, 2019, making it an important piece of law that will ultimately regulate the digital market and secure fair and balanced play, while also providing an even richer offer of creative works online for citizens.

“We look forward to

a free, open and fair internet that will also be enjoyed by the creators whose work was the foundation for internet platforms," said Nenad Marčec, CEO of HDS ZAMP.

New digital challenges were welcomed by HDS ZAMP – direct licensing of Croatian repertoire on online music services (YouTube, Google Play, and Deezer) began in early 2018 in 40 different countries. In September 2018, a licensing agreement was reached with Spotify, making the catalogue of Croatian authors available in more than 40 countries. HDS ZAMP is also working on the localization and availability of Spotify on our market.

During 2018, the society participated as partner in a total of 290 benefit concerts and events across Croatia, opening the year with the benefit project for the Center for Autism and concluding it with 12 thousand HRK raised for young families in Vukovar.

››› ZAGREB'S ESPLANADE RECOGNIZES WWF'S 'FOOD WASTE' GLOBAL INITIATIVE

The WWF and Esplanade Zagreb Hotel joined forces for a food waste reduction initiative aimed at sustainability, zero food waste, and environmental impact reduction.

In Europe, there is an estimated 88 million tons of food waste, while one in five citizens are at risk for poverty. The amount of global food waste is more than sufficient to feed every hungry person on the planet. In the past 40 years, the amount of food waste has doubled. More than 50 million tons of fruit and vegetables grown in Europe are thrown away each year just because they are deformed or the wrong size. These are just some of the worrisome facts that prompted the Esplanade to join the WWF's (World Wildlife Fund) global food waste project as the first hotel in Croatia and the region, seeking to contribute to reducing food waste and thus reducing its harmful impact on the environment and planet Earth.

'Through its responsible business and waste management program, the Esplanade Hotel has for many years sought to properly and efficiently manage ingredients in the procurement, preparation, and recycling of food waste, but through this initiative the intention is also to further maximize the use of food in kitchens and restaurants. Through staff training and informative and educational messages aimed at guests, we will strive to highlight this global problem. Of course, we also want to encourage other individuals and institutions to move in this direction,' said Esplanade General Manager Ivica Max Krizmanić, and added: 'The Esplanade Hotel has a zero-waste strategy. This project is challenging, it requires some changes in the behavior of staff and guests in their handling of food, but with the right tools and a focused leadership, through proven methods and examples of good practice, we believe we will achieve measurable results.'

››› TAKEDA'S ACQUISITION OF SHIRE

At the beginning of the year, several months ahead of plan, Takeda's acquisition of Shire was completed. The acquisition makes Takeda one of the world's leading value-based biopharmaceutical companies, focused on the research and development of innovative medicines, and highly dedicated to patients' better health for a brighter future. By joining these two companies together, Takeda has continued with a corporate philosophy named takedism, cherished for over 230 years and based on the values of ethics, fairness, congeniality, and persistence, which is the base of everyday work.

Takeda's R&D efforts are focused on its four therapeutic areas of Oncology, Gastroenterology (GI), Neuroscience, and Rare Diseases. With targeted R&D investment committed to Plasma-Derived Therapies (PDT) and Vaccines, Takeda is like four biotech companies in one, according to the words of CEO Cristopher Weber. Takeda's strengthened, highly innovative R&D engine enables the company to have a more global, robust, and modality-diverse pipeline, as well as to focus on breakthrough innovation.

Takeda seriously understands its social responsibility, which is primarily the development of open business relationships with healthcare providers, patient associations, government organizations, and pharmaceutical industry bodies. Together with the global community, Takeda has a vision of providing healthcare for all, with a strong focus on education that will help prevent and mitigate illness.

Takeda, dedicated to being a good partner in society, strives to promote a sustainable society through various activities and programs, designed to create value and promote sustainability, build trust, strengthen reputation, and contribute to further development of the pharmaceutical business.

››› NEW PROGRAM AT RIT CROATIA

This fall marks the start of a Master of Science program in Information Sciences in Technologies, RIT's program which will be delivered at RIT Croatia's Zagreb campus.

The program was created in response to the needs and demands of the market considering Big Data. The core of the program is based on data science and data analytics, which is one of the fastest growing fields in the IT industry. The program will be delivered as a combination of online and in-class sessions, which makes it a perfect fit for employed people.

The program is intended for students with a background in the field of IT technologies, with the aim of deepening their knowledge in the field of data science, with an emphasis on data analysis, processing and visualization. Some of the courses include Visual Analytics, Data-driven Knowledge Discovery, Project Management, Geographic Information Science and Technology, Data Warehousing, and Analytical Thinking.

GLOBAL THREAT LANDSCAPE REPORT

Fortinet recently launched the findings of its latest quarterly Global Threat Landscape Report. It appears that cybercriminals continue to look for new attack opportunities throughout the digital attack surface. In addition to that alarming observation, these cybercriminals are leveraging evasion as well as anti-analysis techniques as they become more sophisticated in their attempts.

Even if many modern malware tools already incorporate features for evading antivirus or other threat detection measures, cyber adversaries are becoming more sophisticated in their obfuscation and anti-analysis practices to avoid detection. For example, a variant of the Dridex banking trojan can change the names and hashes of files each time the victim logs in, making it difficult to spot the malware on infected host systems.

The report shows that ransomware attacks continue to move away from mass-volume, opportunistic attacks to more targeted attacks on organizations, which are perceived as having either the ability or the incentive to pay ransom. It poses a serious threat for organizations going forward, serving as a reminder of the importance of prioritizing patching and infosecurity awareness education.

Cybercriminals are also searching for new opportunities to commandeer control devices in homes and businesses. Sometimes, these types of devices are not as prioritized as others, or are outside the scope of traditional IT management. The security of smart residential and small business systems deserves elevated attention, especially since access could have serious safety ramifications.

Threat intelligence that is dynamic, proactive, and available in real-time can help identify trends showing the evolution of attack methods targeting the digital attack surface and to pinpoint cyber hygiene priorities. Only a security fabric that is broad, integrated, and automated can provide protection for the entire networked environment, from IoT to the edge, network core, and to multi-clouds at speed and scale.

HILTON GARDEN INN ZAGREB

The Hilton Garden Inn Zagreb Is the Brand's First Property in Croatia, Offering Guests Access to World-Class Hospitality in the Capital

The 153-guestroom hotel is just a short 20-minute drive from

sponsored article

INTERVIEW WITH DENI OREŠKI

DEAR MR OREŠKI, CAN YOU PRESENT YOURSELF AND YOUR ORGANIZATION?

My name is Deni Oreški and I'm a Executive Director of itialuS UTTRCO d.o.o., itialuS Human Resources d.o.o. and Ushop Tax Free d.o.o. in Croatia and director of Ushop Tax Free companies in Serbia and Slovenia. I'm also supervising operations in 5 more countries and acting as a Regional Manager.

itialuS Group is an international corporation specialized in providing Financial services, Human Resource Management solutions, VAT/Tax Recovery, Compliance and Consultancy Services with headquarters in London-UK with 6 Offices in USA , Croatia, India, Qatar, Egypt and Philippines.

In 2019 UTTRCO became franchisee partner of itialuS group and rebranded business but kept the same quality for satisfied 500+ clients in Croatia and Europe and spread our portfolio of services.

We strive to expand our business globally through diversified market approach. In addition to expanding geographically, we are enhancing our solutions to meet the needs of organizations across a range of industries.

I would also like to present Ushop Tax Free companies that works under the Export Retail Scheme, which allows travelers who meet the criteria to reclaim VAT from countries which allows refund of the VAT (Value-Added Tax) on purchased goods. Our mission is to enable our retail clients to increase their sales to foreign customers by providing a no-cost and hassle-free Tax Free Shopping service that offers money saving opportunities to travelers. Thousands of retailers across the world have partnered with Ushop Tax Free to provide a tax-free shopping experience to their customers.

Ushop has introduced digitalized tax-free shopping technology, which is unique and totally new to the market. It has helped retailers to boost their sales by using Ushop retailers' club technology.

Shop Tax Free
Tax free shopping just got easier

We are currently present in more then 2000 shops in Croatia offering the best service to retailers and buyers from NON-EU countries.

Zagreb Airport, and also within walking distance from main city attractions including Maksimir Park, Arena Zagreb Concert Hall, and the Museum of Broken Relationships.

Guests can select from several room types, including king or twin rooms, ensuring they enjoy a comfortable stay. All are equipped with a 49-inch TV, tea and coffee making facilities, and a desk with an ergonomic chair.

The Hilton Garden Inn Zagreb also offers a number of amenities and services, including complimentary Wi-Fi throughout the property, a 24-hour business center, a fitness room, and The Shop retail outlet with convenience items to suit travelers' needs. This is in addition to over 8,000 sq. ft. of event space boasting beautiful panoramic views of the city, making it an ideal venue for hosting or celebrating a special occasion.

Additionally, the onsite restaurant offers local and international cuisine served in a cozy atmosphere. Alternatively, guests can relax in The Lobby Bar with delicious cocktails, Croatian wines, and local beers. The Hilton Garden Inn Zagreb joins two other Hilton properties in the city: DoubleTree by Hilton Zagreb, which opened in 2012, and Canopy by Hilton Zagreb, which opened last year. Zagreb City Hotels operates all three hotels. Hilton Garden Inn Zagreb is located at Radnička street 21.

››› FENOMEN PLITVICE PROJECT

''It took several years to build a resort which met the strict environmental rules, which was extremely important to us given that we are at the heart of one of the most beautiful national parks in the world. House by house was built by the best local craftsmen with the best local materials, and for the success of this project, the synergy of investors and the local environment, as well as responsible behavior towards the environment, was extremely important."

METROHOLDING GROUP's hospitality company Potestas d.o.o. is the owner of the Hotel Park Split and the luxurious Villa Petra on the island of Brač, whose guests often sought the opportunity to visit Plitvice Lakes, without giving up on luxury. It was also one of the motives for launching and investing in the Fenomen Plitvice project, a resort that opened last year with the slogan – "Where luxury meets nature". This project is co-financed by the European Regional Development Funds wih the amount of HRK 10 million, which is the maximum possible amount for this type of project.

It is actually a resort that is similar in architecture to Lika village and has nine wooden houses with specially decorated interiors. It is located near the Great Waterfall in the Plitvice Lakes National Park, on almost 142 thousand square meters in the Plitvice Selo area. Spread over several houses, the resort includes a restaurant, spa area, outdoor gym, playground for children, barbecue area, a garden with native plants, and other amenities.

The concept of Plitvice Lakes follows the latest trends of rural and so-called transformational tourism, as part of a trend towards a return to self, nature, and being, which abandons the commercial-consumer lifestyle and is based on experience.

Fenomen Plitvice is an ideal place for business gatherings, board meetings, team buildings, and smaller meetings of up to 50 participants.

››› EXPANDING WELLNESS CULTURE IN CONGRESS TOURISM

The global wellness industry is booming. As more and more people embrace concepts such as wellness tourism, anti-aging, and personalized alternative medicine in their personal lives, topics such as work-life balance, meditation, better sleep programs, mental health awareness, nutrition tips, and stress management techniques are becoming more and more popular and therefore more wanted in congress tourism.

It all started with healthy meals at events, and so with us. Our aim is to keep up with trends in congress tourism, so we have introduced healthy and refreshing meals and drinks into our offer. As trends continue to develop, the popularity of wellness culture at events grows as well.

Healthy snacks are important too. Fruit, in addition to other refreshments at events, is not only there to enrich your meal, but also to boost your concentration. In addition, you must not forget the most important thing - water. Be aware of the fact that it is important that we constantly hydrate our bodies. Have a glass of water with a slice of lemon or lime in our dining room! All these small, but not insignificant changes will help you feel more at ease during your event.

FORUM Zagreb has gone one step further and included, in its rich offer of additional services, activities that will revitalize and refresh participants during breaks. Thus, beside Kisikuru - pure oxygen therapy and an active break in the form of low-intensity physical exercise, it now also offers massage on a portable chair, as a quick and effective way to instantly relax and “come back to life”. Just take 15 minutes during your lunch break, sit in a massage chair, and let the professionals refresh you for the rest of the event.

››› POSLOVNA INTELIGENCIJA ANNOUNCES THEIR FIRST CROATIAN PRODUCT WITH TM FORUM FRAMEWORX CERTIFICATION

Poslovna inteligencija is proud to announce that they have successfully completed the TM Forum Frameworx Conformance Certification process for their Data Warehouse data model for communication operators, and that their PI Telco DWH model® is now a TM Forum Frameworx certified product!

“Congratulations to Poslovna inteligencija for achieving TM Forum Frameworx Conformance Certification, which reflects the company’s commitment to industry standards and interoperability. As technologies become more complex, this type of commitment from vendors is essential for supporting the business processes and operations of leading service providers and enterprises,” says Nik Willetts, CEO of TM Forum.

The conformance of the PI Telco DWH model® with TM Forum’s Business Process Framework (eTOM) and Information Framework (SID) demonstrates Poslovna inteligencija’s commitment to providing their customers with an industry standards-based model designed to support and adjust to the different needs of their customers, from reporting and analysis all the way to complex simulations and prediction models.

“We are extremely proud of the hard work our team has put into the certification process and the fact that in doing so, the PI Telco DWH model® 4.0 has become the first Croatian product ever with TM Forum Frameworx Certification. We are seeing on a daily basis high demand for analytical solutions in communications and media industries, and our model is the best foundation to build any kind of analytics – it really provides our customers with a competitive advantage,” says Dražen Oreščanin, President of the Board of Poslovna inteligencija.

The project is co-financed by the EU from the European Regional Development Fund. The total project cost is HRK 639,416.44, of which HRK 332,496.54 are EU funds.

Member to Member Discounts

FOR FULL DETAILS ON DISCOUNT PROGRAM AND CONTACT INFO, PLEASE SEE AMCHAM'S 'MEMBERS ONLY' WEBPAGES

››› **CONSULTING**
››› EURONAVIGATOR d.o.o.
››› HORWATH HTL CROATIA - HORWATH I HORWATH CONSULTING ZAGREB d.o.o.
››› METROTEKA d.o.o.
››› POSLOVNA INTELIGENCIJA d.o.o.
››› TIKO PRO d.o.o.

››› **CULTURE**
››› ZAGREB PHILHARMONIC

››› **DISTRIBUTION / LOGISTICS**
››› AGS ZAGREB d.o.o.

››› **EDUCATION**
››› PRICEWATERHOUSECOOPERS d.o.o.
››› RIT CROATIA
››› SELECTIO KADROVI d.o.o.
››› ZAGREB SCHOOL OF ECONOMICS AND MANAGEMENT

››› **FINANCIAL SERVICES**
››› CROWE HORWATH d.o.o.
››› DELOITTE SAVJETODAVNE USLUGE d.o.o.
››› ERNST & YOUNG d.o.o.
››› KPMG CROATIA d.o.o.
››› PBZ CARD d.o.o.
››› TMF CROATIA d.o.o.
››› UTTRCO d.o.o.

››› **HEALTH**
››› POLIKLINIKA TERME

››› **HOSPITALITY INDUSTRY**
››› AMADRIA PARK HOTELI (Solaris d.d.)
››› ESPLANADE OLEANDER d.o.o. - ESPLANADE ZAGREB HOTEL
››› HOTEL DUBROVNIK d.d.
››› HUP ZAGREB d.d.
››› JADRANKA HOTELI d.o.o.
››› RORAIMA 5 d.o.o. – FORUM ZAGREB
››› SUPETRUS HOTELI d.d.
››› VALAMAR RIVIERA d.d.
››› ZAGREB CITY HOTELS d.o.o. (DOUBLETREE BY HILTON ZAGREB)

››› **HUMAN RESOURCES**
››› ADECCO d.o.o.
››› MANPOWER d.o.o.
››› SELECTIO KADROVI d.o.o.

››› **INFORMATION TECHNOLOGY**
››› ETRANET GROUP
››› HEXIS D.O.O.
››› INFO NOVITAS d.o.o.
››› INTEA

››› **INSURANCE**
››› ALLIANZ ZAGREB d.d.

››› **LEGAL SERVICES**
››› ODVJETNIČKO DRUŠTVO ŠOOŠ MACELJSKI, MANDIĆ, STANIĆ & PARTNERI

››› **MANUFACTURING**
››› HS PRODUKT d.o.o.
››› OSIJEK-KOTEKS d.d.

››› **MEDIA/PUBLISHING**
››› HT produkcija d.o.o.
››› NOVA TV
››› PRESSCUT d.o.o.

››› **NEWS SUBSCRIPTION**
››› ALPHEUS

››› **REAL ESTATE**
››› COLLIERS ADVISORY d.o.o.

››› **RISK MANAGEMENT**
››› OFFLINE SOLUTIONS d.o.o.

››› **TELECOMMUNICATIONS**
››› TELE2

››› **TRAVEL / TOURISM**
››› ANTERRA d.o.o. / HERTZ CROATIA FRANCHISEE
››› ATLAS d.d.

››› **TRANSLATION SERVICES**
››› AION d.o.o.

ADVERTISING / PR
- Alpheus d.o.o.
- BBDO Zagreb d.o.o.
- Europlakat d.o.o.
- Graml d.o.o.
- Kiara Maria d.o.o.

AGRICULTURE
- Agroproteinka d.d.
- Puck Custom Enterprises International d.o.o.
- Sano - suvremena hranidba životinja d.o.o.

ASSOCIATION
- European Institute of Compliance and Ethics
- Hrvatsko društvo skladatelja
- Hrvatsko društvo za kvalitetu
- Hrvatsko-američko društvo
- Savez izviđača Hrvatske
- SOS Dječje selo Hrvatska
- Udruga 'Nikola Tesla - Genij za budućnost'
- Udruga za istraživanja i razvoj ODAS

AUTOMOTIVE
- Grand Auto d.o.o.
- LMG Autokuća d.o.o.
- Porsche Croatia d.o.o.

CONSULTING
- Altera Savjetovanje d.o.o.
- Avelant d.o.o.
- BCG - The Boston Consulting Group
- BDO Savjetovanje d.o.o.
- Car Fleet Management d.o.o.
- Corporate Performance Advisory - Callidus patronus adeptiorum d.o.o.
- Crowe Horwath d.o.o.
- Deloitte savjetodavne usluge d.o.o.
- DNV GL Adriatica d.o.o.
- Energo-data d.o.o.
- Equestris d.o.o.
- Ernst & Young d.o.o.
- EuroNavigator d.o.o.
- Grant Thornton revizija d.o.o.
- Horwath HTL Croatia - Horwath i Horwath Consulting Zagreb d.o.o.
- KPMG Croatia d.o.o.
- Kulić i Sperk Revizija d.o.o.
- LQ d.o.o.
- McKinsey & Company, Inc. Croatia
- Metroteka d.o.o.
- Offline Solutions d.o.o.
- PricewaterhouseCoopers d.o.o. (PwC Croatia)
- Terrma Capital (Europe) d.o.o.
- Tiko Pro d.o.o.
- TMF Croatia d.o.o.
- Vlahović Grupa d.o.o. - Vlahovic Group Government Relations

CONSUMER GOODS
- Atlantic grupa d.d.
- Carlsberg Croatia d.o.o.
- Coca-Cola Adria d.o.o.
- Coca-Cola HBC Hrvatska d.o.o.
- Gavrilović d.o.o.
- HERBALIFE d.o.o.
- JT International Zagreb d.o.o.
- Matić d.o.o.
- Nike CR d.o.o.
- Orbico d.o.o.
- Philip Morris Zagreb d.o.o.
- PHILIPS d.o.o.
- Podravka d.d.
- TOKIĆ d.o.o.
- Vindija d.d. Prehrambena industrija
- Zagrebačka Pivovara d.o.o.

CULTURE
- Zagrebačka filharmonija
- Zagrebačko gradsko kazalište Komedija"

DEMINING
- Piper d.o.o.

DISTRIBUTION / LOGISTICS
- AGS Zagreb d.o.o.
- HP-Hrvatska pošta d.d.
- Rhea d.o.o. - UPS Authorised Service Contractor
- Schenker d.o.o.

EDUCATION
- American International School of Zagreb
- RIT Croatia
- Visoko učilište ALGEBRA
- Zagrebačka škola ekonomije i managementa

ENERGY
- General Electric Hrvatska d.o.o.
- Petrol d.o.o.
- Schneider Electric d.o.o.
- Tungsram Operations kft
- Vertiv Croatia d.o.o.

FINANCIAL SERVICES
- Addiko Bank d.d.
- Allianz Zagreb d.d.
- Alpha Capitalis d.o.o.
- Croatia Osiguranje d.d.
- EOS Matrix d.o.o.
- Erste Card Club d.o.o.
- Hrvatska banka za obnovu i razvitak
- Hrvatska poštanska banka d.d.
- itialuS UTTRCO d.o.o.
- MasterCard Europe - Podružnica Zagreb
- OTP banka d.d.
- PBZ Card d.o.o.
- Raiffeisenbank Austria d.d.
- UNIQA osiguranje d.d.
- VISA Europe ltd.
- Wiener osiguranje Vienna Insurance Group d.d
- Willis Towers Watson d.d.
- Zagrebačka Banka d.d.

HEALTH CARE
- 3M (East) AG Podružnica RH
- Abbott Laboratories d.o.o.
- AbbVie d.o.o.
- Amgen d.o.o.
- AstraZeneca d.o.o.
- Bayer d.o.o.
- Becton Dickinson Croatia d.o.o.
- Biomedica dijagnostika d.o.o.
- Bolnica za ortopediju i rehabilitaciju "prim.dr.Martin Horvat" Rovinj
- Eli Lilly (Suisse) S.A. - Predstavništvo u Hrvatskoj
- Fresenius Medical Care Hrvatska d.o.o.
- GlaxoSmithKline d.o.o.
- Johnson & Johnson S.E. d.o.o.
- Medical Intertrade d.o.o.
- Medtronic Adriatic d.o.o.
- Merck Sharp & Dohme d.o.o.
- Mylan Hrvatska d.o.o.
- Novartis Hrvatska d.o.o.
- Oktal Pharma d.o.o.
- Olympus Czech Group, s.r.o.
- Pfizer Croatia d.o.o.
- Pliva Hrvatska d.o.o.
- Poliklinika Bagatin
- Poliklinika Terme
- Roche d.o.o.
- SANDOZ d.o.o.
- Sanofi-aventis Croatia d.o.o.
- SHIRE d.o.o.

HOSPITALITY INDUSTRY
- Amadria Park Hoteli (Solaris d.d.)
- Esplanade Oleander d.o.o. - Esplanade Zagreb Hotel
- Globalna hrana d.o.o. - nositelj franšize McDonald's za područje RH
- Hotel Dubrovnik d.d.
- Hotel Le Premier d.o.o.
- HUP-Zagreb d.d.
- Jadranka hoteli d.o.o.
- Roraima 5 d.o.o. – FORUM Zagreb
- Supetrus hoteli d.d.
- Valamar Riviera d.d.
- Zagreb City Hotels d.o.o. (DoubleTree by Hilton Zagreb)

HUMAN RESOURCES
- Adecco d.o.o. za privremeno zapošljavanje
- EPIConsulting
- International Workers Group d.o.o.
- Manpower d.o.o.
- SELECTIO Kadrovi d.o.o.

INFORMATION TECHNOLOGY
- Adacta d.o.o.
- Adcubum d.o.o.
- Burza d.o.o. - web.burza
- Calisto d.o.o.
- Cisco Systems Hrvatska d.o.o.
- Coadria d.o.o.
- DignetSoftware d.o.o.
- Diverto d.o.o.
- ESKA d.o.o.
- Etranet group d.o.o.
- FORTINET B.V.
- Fractal d.o.o.
- Google Hrvatska d.o.o.
- Hattrick-PSK d.o.o.
- Hexis d.o.o.
- HP Computing and Printing d.o.o.
- HT produkcija d.o.o.
- IBM Hrvatska d.o.o.
- IN2 d.o.o.
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- Microsoft Hrvatska d.o.o.
- NEPHOS d.o.o.
- Oracle Hrvatska d.o.o.
- Poslovna Inteligencija d.o.o.
- Printec Croatia d.o.o.
- SAS Institute d.o.o. podružnica Zagreb
- Sigurna mreža d.o.o. - NetSafe
- SPAN d.o.o.
- Synnefo sustavi d.o.o.
- TIS Grupa d.o.o.
- Vingd d.o.o.

INVESTMENT
- Adriatic Capital Partners d.o.o.
- Alternative Invest d.o.o.
- Nova europska ulaganja d.o.o.

LEGAL SERVICES
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- Petrić & Kajić odvjetničko društvo d.o.o.
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- DOK-ING d.o.o.
- Draco d.o.o.
- Ecolab d.o.o.
- Enikon Aerospace d.o.o.
- HS Produkt d.o.o.
- Intea d.d.
- Intra Lighting d.o.o.
- Kelteks d.o.o.
- Končar - Elektroindustrija d.d.
- LPT d.o.o.
- Nexe grupa d.d.
- Osijek-Koteks d.d.
- Teknoxgroup Hrvatska d.o.o.

MARKET RESEARCH
- AGB Nielsen istraživanje medija d.o.o.

MEDIA / PUBLISHING
- Business Media Croatia d.o.o.
- Diplomacy&Commerce - Color Media Communications d.o.o.
- Hanza Media d.o.o.
- NOVA TV d.d.
- Presscut d.o.o.

REAL ESTATE
- CBS International d.o.o.
- Colliers Advisory d.o.o.
- Globalne nekretnine d.o.o.
- Meridian 16 business park d.o.o.
- Metroholding d.d.
- TransAssist d.o.o.
- VMD Grupa d.o.o.
- Woodsford Grupa d.o.o.

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- TELE2 d.o.o.

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- Obzor putovanja d.o.o.
- Uber Croatia d.o.o.