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BASIC INFORMATION

Conveniently located along the river Sava, Brod-Posavina County has a great investment potential due to good traffic position, skilled people and industrial tradition.

LOCATION

The County is situated in the Eastern Croatia in the southern part of the Slavonian plain, with river Sava as a natural border with Bosnia and Herzegovina.

This particularly favourable geostrategic position, at the intersection of European transport corridors (X and Vc) makes the County particularly suitable for the development of industry and economy.

RAILWAY PORT

AIRPORT

RAILWAY

HIGHWAY

LOCAL ROAD

REGIONAL HIGHLIGHTS

GREAT GEO-STRATEGIC POSITION

SUPPORTING INSTITUTIONS FOR BUSINESS DEVELOPMENT

YOUNG AND EDUCATED WORKFORCE

COST COMPETITIVENESS

LAND AREA

2,030 km²

COUNTY SEAT

Slavonski Brod

ADMINISTRATION

2 towns and 26 municipalities

POPULATION (EST. 2016)

151,012

CLIMATE

Continental

GDP PER CAPITA (2015)

€ 5,962

UNEMPLOYMENT RATE (2017)

22.4 %

AVERAGE MONTHLY GROSS SALARY (2016)

€ 942

PAN EUROPEAN CORRIDOR 10
(Salzburg - Ljubljana - Zagreb - Belgrade - Skopje - Thessaloniki)
(E-70 ZAGREB-BELGRADE)

INTERNATIONAL RAILWAY ROUTE
(Munich - Ljubljana - Zagreb - Belgrade - Sofia)

SLAVONSKI BROD HARBOUR
Located on the international waterway IV class, connected to road and rail infrastructure with international infrastructure corridors

AIRPORT
Osijek airport is 90 km away
Zagreb airport is 185 km away
Belgrade airport is 190 km away
Tuzla airport is 140 km away
HUMAN CAPITAL

One of the County's development goals is the continuous development of the education system aligned with the labour market needs, namely stronger connection between educational and business sectors.

The County continuously develops lifelong programs and encourages gaining the knowledge and skills needed for industry and high value added technologies.

AGE STRUCTURE

Cost-competitive

Cost competitiveness, in terms of initial investment costs, utility prices and salaries, provides significant advantage that qualifies Croatia and the Brod-Posavina County as an ideal destination for expanding business activities, increasing the market share and improving profitability.

Investment costs 33% lower than EU28 average

THE LOWEST ELECTRICITY PRICES FOR INDUSTRIAL USERS

NATURAL GAS PRICES ARE AMONG THE LOWEST IN EUROPE

ALMOST 3X LOWER AVERAGE MONTHLY GROSS SALARY THAN IN THE EU

HIGHER EDUCATION AVAILABLE IN THE COUNTY

- Mechanical Engineering Faculty Slavonski Brod (J.J. Strossmayer University Osijek) - graduate programmes in Mechanical Engineering and Production Engineering; post graduate specialist studies in Development of Products and Technologies and PhD study in Mechanical Engineering
- Slavonski Brod Polytechnic - Management; Production Engineering; Eco Agriculture and Rural Development; Plant Production, Horticulture and Farming
- Faculty of Educational Sciences Slavonski Brod (Pre-school education; Teachers Studies)
- Lifelong learning: Technical School Slavonski Brod offers programmes such as CNC operator and management of solar energy systems; Slavonski Brod Polytechnic offers the CAMT programme (CISCO Academy), IT professional - Microsoft certified programme, MCITP server administrator programme; Mechanical Engineering Faculty offers short programmes in the mechanical engineering field.

THE LOWEST ELECTRICITY PRICES FOR INDUSTRIAL CONSUMERS

(AVERAGE 150 000 MWh < Consumption < 70 000 MWh)

Source: Eurostat 2018, the latest available data (70 000 MWh < Consumption < 150 000 MWh)

AVERAGE GROSS EARNINGS PER HOUR (2016)

Price level indices for investment (2017)

Source: Eurostat 2018
MANUFACTURING TRADITION IN BROD-POSAVINA COUNTY

The most represented business activities in the County are the manufacturing/processing industry, wholesale and retail and construction. The processing industry has the largest part in revenues from exports (predominantly metal industry, followed by wood processing and production of furniture, as well as chemical products), with its most important export markets in Bosnia and Herzegovina, Austria, France, United Kingdom and Italy.

MANUFACTURING TRADITION IN BROD-POSAVINA COUNTY

BUSINESS ENVIRONMENT IN BROD-POSAVINA COUNTY

ĐURO ĐAKOVIĆ GROUP

Slavonski Brod is a home to the Đuro Đaković Group, one of the biggest metal industries in the Southeast European region. The Đuro Đaković (ĐĐ) scope of activities include:

- DEFENCE - main battle tanks and combat vehicles
- TRANSPORT - railway cargo wagons
- INDUSTRY AND ENERGETICS - industrial plants for oil and gas, chemical and petrochemical industries, power generation plants, food industry, cement industry, metallurgy.

SAINT JEAN INDUSTRIES LTD.

Saint Jean Industries Ltd. was established in 2002 as a first foreign subsidiary of Saint Jean Industries France.

Today, our expertise in manufacturing and the quality of our components are recognized throughout the world in many different industries: automotive, aeronautics, energy, chemicals and marine.

Saint Jean Industries Ltd. manufactures aluminium parts for the automotive and industry sector.

In 2017 we delivered 6,300,000 parts and melted 6,500T of aluminium.

Our main clients are PSA Group, Renault, Land Rover, FCA Group, Porsche, Aston Martin etc.

ERGO STAPLES

Ergo staples Ltd is a family-owned company, producing staples since 1973. The company produces more than 1,500 different types of staples for upholstery, packaging, construction, agriculture industry etc., with yearly volume of 3,000 tonnes. They export 95% of their production and cover more than 30 countries. The company has an inhouse R&D department and is very friendly for requests for developing new products for various applications. The company is currently investing in a new production and warehouse facility for increasing the production by about 30% in 2019.
CHROMOS SVJETLOST

The company has nearly a century of tradition in the production and wholesale of paints and varnishes. Its products are of high standards and quality and are sold, in addition to Croatia, in regional and international markets in the European Union and the Russian Federation. In addition to consumer products, the company manufactures special-purpose and anticorrosion protection products, recognized by many domestic and foreign companies and institutions. The acquired knowledge and expertise in the production of paints and varnishes is continuously improved by the usage of modern technologies, while the range of products is regularly expanded in order to meet the needs of the market.

SIMPLEX LTD.

The company's main activities are construction and modernization of elevators, as well as production of specialized elevator mounting tools and components. Since its establishment 10 years ago, it has been providing installation and modernization services to the leading global elevator manufacturers, mainly in the European Union, including some of the tallest buildings in Europe. One of the company's most recognizable references is complete installation of the next-generation elevator moving in both horizontal and vertical direction.

SIGMAT LTD.

SIGMAT Ltd manufactures a wide range of welding oriented products, sold primarily on the Croatian market but it also has regional sales activities in neighbouring markets in Serbia, Bosnia-Herzegovina, Macedonia, Montenegro and Slovenia, as well as fledging International markets in Poland, Norway, Hungary and Germany. The business consists of three core activities: (1) production and sale of company products, (2) wholesale agency activities and (3) sub-contracting production capacity to OEM to produce parts under contract in the range of stainless steel, raw steel, aluminum, copper, plastics and rubber.

MOBILAR LTD.

The Company's main business activity is the production of upholstered furniture made of leather and other materials in its newly built furniture factory.

MEDEX

MEDEX produces metal furniture and furniture metal parts. The company employs 30 workers and exports more than 60% of its products. Through constant investment in new technologies and innovations, the company established a cooperation with leading companies that sell furniture, such as EMMEZETA, LUTZ SOL, and PRIMA, while the metal parts for furniture are exported to the biggest furniture makers in Germany, the Netherlands, Slovenia, Serbia and Bosnia-Herzegovina.
### Business zone WEST (Zapad)

<table>
<thead>
<tr>
<th></th>
<th>Slavonski Brod</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of the zone (m²)</td>
<td>902,519</td>
</tr>
<tr>
<td>Available land size (m²)</td>
<td>767,141</td>
</tr>
<tr>
<td>Construction purpose</td>
<td>Manufacturing and services</td>
</tr>
<tr>
<td>Allowed construction density</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction efficiency coefficient allowed</td>
<td>1.0</td>
</tr>
<tr>
<td>Allowed construction height (m)</td>
<td>15</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>gas, electricity, water, sewage, water purifier</td>
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</tbody>
</table>

### Industrial Park Nova Gradiška Ltd.

<table>
<thead>
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<th>Nova Gradiška</th>
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<tbody>
<tr>
<td>Size of the zone (m²)</td>
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<tr>
<td>Available land size (m²)</td>
<td>570,000</td>
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<tr>
<td>Construction purpose</td>
<td>Manufacturing and services</td>
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<td>Allowed construction density</td>
<td>0.4</td>
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<tr>
<td>Construction efficiency coefficient allowed</td>
<td>1.2</td>
</tr>
<tr>
<td>Allowed construction height (m)</td>
<td>14</td>
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<tr>
<td>Infrastructure</td>
<td>gas, electricity, water, sewage, water purifier</td>
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</tbody>
</table>
**Business zone “Jelas” Ruščica**

<table>
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<th>Location</th>
<th>Klakar</th>
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<tbody>
<tr>
<td>Size of the zone (m²)</td>
<td>1,470,000</td>
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<tr>
<td>Available land size (m²)</td>
<td>1,470,000</td>
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<tr>
<td>Construction purpose</td>
<td>Manufacturing and services</td>
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<tr>
<td>Allowed construction density</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction efficiency coefficient allowed</td>
<td>0.8</td>
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<tr>
<td>Allowed construction height (m)</td>
<td>20</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>gas, electricity, water, water purifier</td>
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</tbody>
</table>

**The Port Authority Slavonski Brod**

<table>
<thead>
<tr>
<th>Location</th>
<th>Slavonski Brod</th>
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</thead>
<tbody>
<tr>
<td>Size of the zone (m²)</td>
<td>900,000</td>
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<tr>
<td>Available land size (m²)</td>
<td>192,788</td>
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<tr>
<td>Construction purpose</td>
<td>Manufacturing and services</td>
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<tr>
<td>Allowed construction density</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction efficiency coefficient allowed</td>
<td>0.6</td>
</tr>
<tr>
<td>Allowed construction height (m)</td>
<td>15</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>gas, electricity, water, sewage, water purifier</td>
</tr>
</tbody>
</table>
ATTRACTION INVESTMENT INCENTIVES

- Up to 1 million € cash grant for capital costs of the investment project
- 0% corporate profit tax for 10 years
- Up to 18,000 € for each worker employed in Brod-Posavina County
- Up to 0.5 million € cash grant for investment in development and innovation activities
- EU funds available
- Guarantee scheme, up to 80% of investments, provided by the Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO)
- Subsidized business loans programmes by the Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO) with interest rates starting from 0.5%
- Subsidized business loans programmes (loan repayment up to 17 years provided by the Croatian Bank for Reconstruction and Development (HBOR)

SUPPORT INSTITUTIONS FOR ENTREPRENEURS

CTR (Center for Technological Development) – Development Agency of Brod-Posavina County (www.ctr.hr)

Business Incubators:
BISC - Business Innovation Support Center (BISC) Nova Gradiška (http://tehnopark.ipng.hr)

RaSB – Development agency of Slavonski Brod – www.ra-sb.hr

LOCAL/REGIONAL INVESTMENT INCENTIVES

SLAVONSKI BROD

Relief in the form of reduction/exemption of payment of communal contributions:
- 100% for investments of more than 0.27 million €, if employing at least 20 new employees residing in Slavonski Brod
- 75% for investments with applied new technologies, if employing at least 20 new employees residing in Slavonski Brod
- 50% for investments of more than 0.13 million €, if employing at least 10 new employees residing in Slavonski Brod
- 25% for investments of more than 0.13 million €, if employing at least 5 new employees residing in Slavonski Brod
- 25% for investments in own manufacturing facility, if employing at least 3 new employees residing in Slavonski Brod

NOVA GRADIŠKA

The town of Nova Gradiška has certain incentives for entrepreneurs employing new workers.

These include:
- Exemption from the payments of communal fee for investors investing more than 150,000 € and employing more than 5 new workers (total exemption in the first year; 50% in the second year and 25% in the third year).
- Exemption from the payment of communal contributions: 100% exception for investments of more than 6.7 million € and employment of 60 new workers; 75% for investments of 4.3 million € and employment of 30 workers; 50% for investments of 1.15 million € and employment of 15 workers; and 25% for investments of 270,000 € and employment of 7 workers.
INTERESTING FACTS ABOUT BROD-POSAVINA COUNTY

THE BROD FORTRESS

The Brod Fortress is the most important historic building in the Slavonski Brod, Brod-Posavina County. Although located in the very centre of today’s Slavonski Brod, its monumental size makes it look almost unreal.

The Fortress, whose construction began in 1751, took almost sixty years to build. It was built upon impetus of Prince Eugene of Savoy as part of a system of fortifications in the north-eastern part of Croatia. The Fortress was designed for accommodating 5,000 soldiers. Huge moats, bastions and accompanying buildings stretched over an area of two square kilometres, far surpassing in size the town of Brod which was spreading to the east of the fortress.

IVANA BRLIĆ-MAŽURANIĆ

The town is also known for the world famous children’s writer Ivana Brljić Mažuranić, who spent her most productive years in Slavonski Brod. Every April, the Slavonski Brod hosts a manifestation called ‘In the Fairy-tale Word of Ivana Brlić Mažuranić’, which offers an abundance of content aimed at children, such as acting, artistic and computer workshops, stage shows, playing activities, storytelling, meetings with writers, galleries, musical theatre programmes, etc.
Patria military vehicle produced in Slavonski Brod – Croatia
Photo: Đuro Đaković Special Vehicles