Croatia for Investors

REPUBLIC of CROATIA
Ministry of
Economy

Croatia boasts a strong track record of political stability and economic growth. It is a member of the European Union, the Eurozone, and the Schengen Area. All three major rating agencies–Moody's, S&P, and Fitch–rank Croatia's credit score at an investment-grade level. This stability fosters a favourable environment for businesses to operate and expand. Croatia offers numerous benefits and opportunities to foreign investors, including:

Convenient location — at the heart of the EU

Croatia occupies a strategic location at the heart of Central and Eastern Europe, serving as a gateway for trade with countries across the region. Its capital, Zagreb, is within a four-hour drive of Vienna, Venice, Budapest, and Belgrade, and just two hours from the Adriatic coast. Croatia's quality seaports also offer the shortest transit times from the Far East to Europe. Additionally, the proximity to other European Union capitals provides easy access to a vast European market of nearly 450 million potential customers.

All of Europe within 3 hours

9 International Passenger Airports

Pan-European Corridors (X, Xa, Vb, Vc) cross its territory

Shortest transit time from the Far East through 6 quality seaports

Direct access to Rhine-Main-Danube waterway through four main river ports

Corridor VII

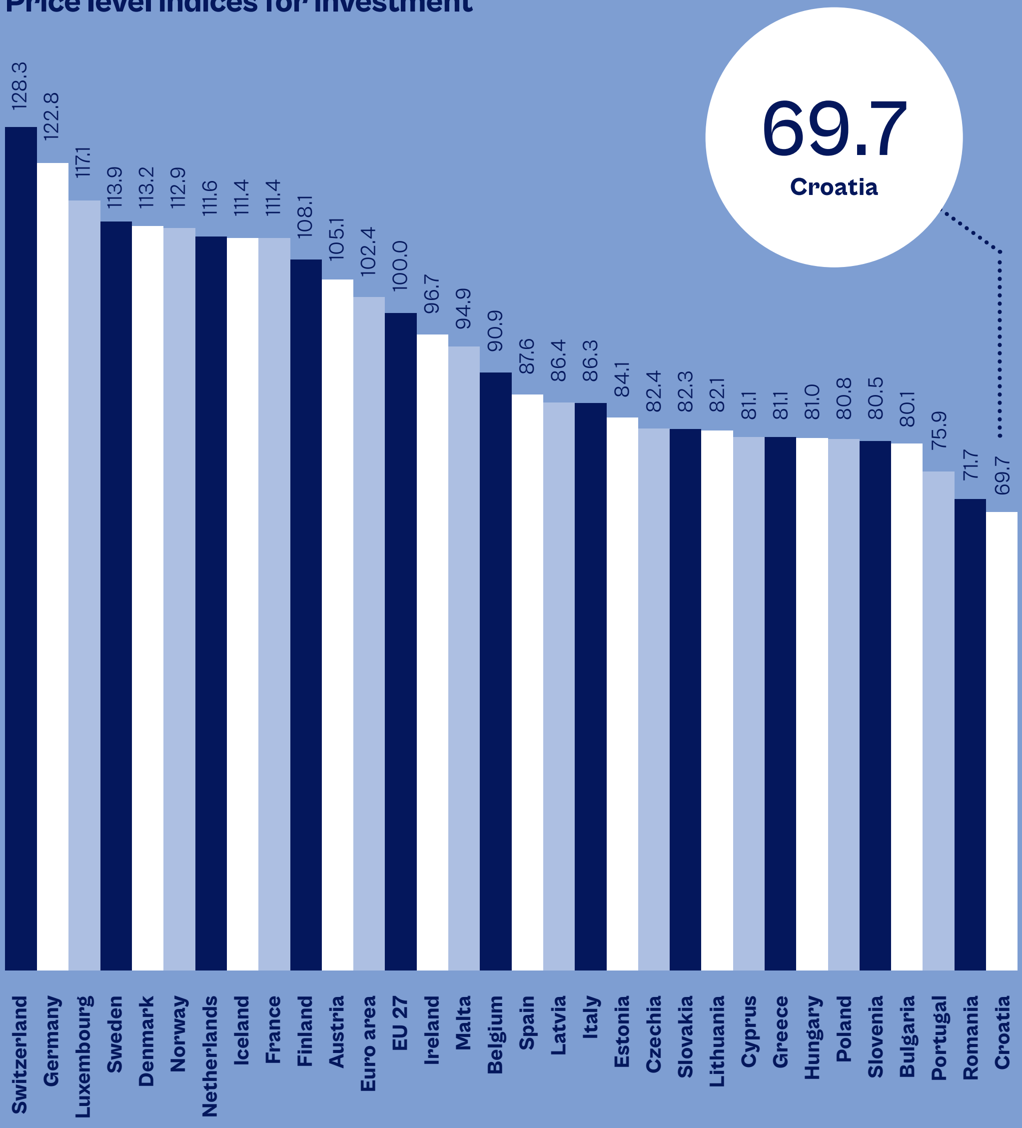
EU Member

Companies established in Croatia by foreign investors can compete for the EU funds under equal conditions as national ones.

Competitive investment costs

Croatia offers the lowest investment costs in the European Union, with price levels for general investment 30% below the EU average, according to the 2024 Eurostat-OECD Purchasing Power Parities (PPP) Programme survey.

Price level indices for investment

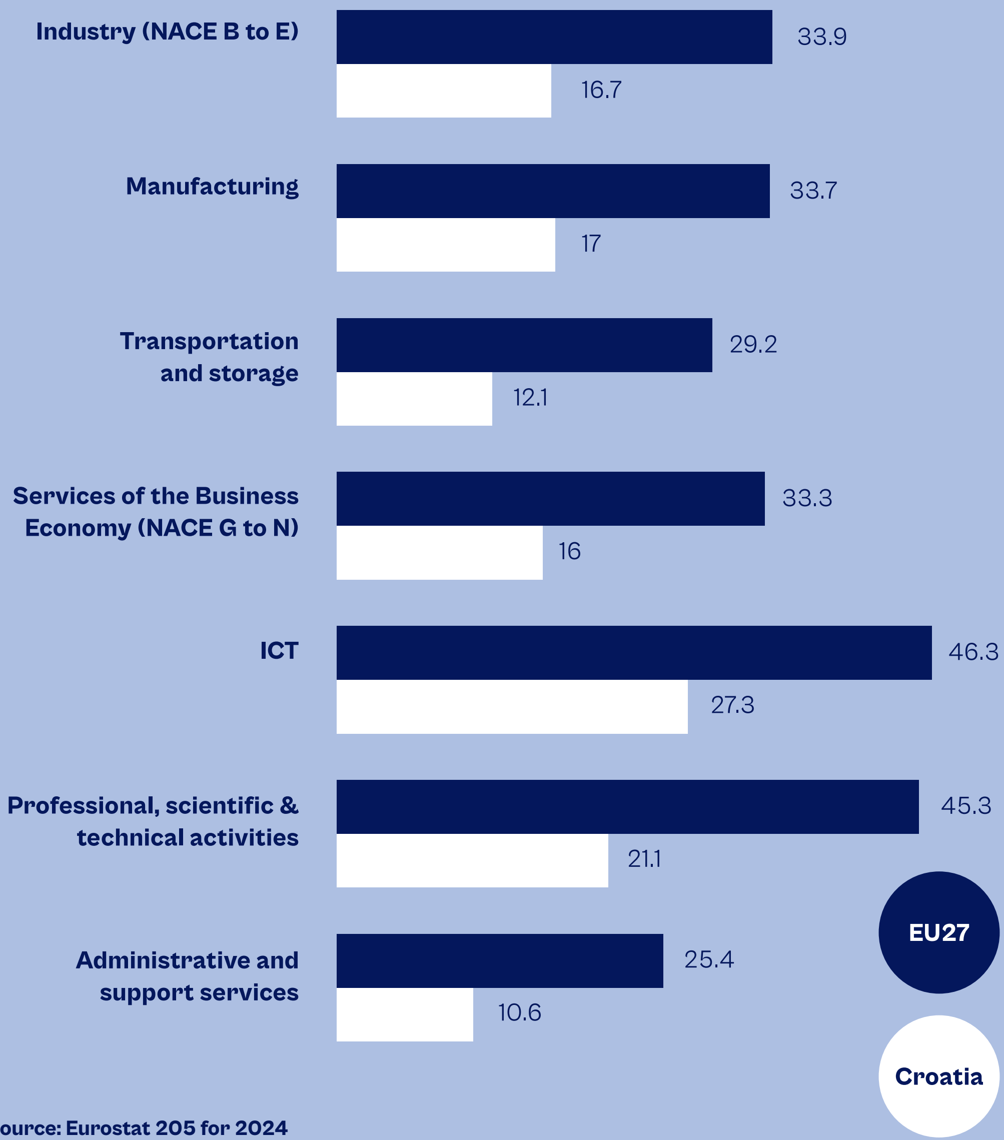


Source: Eurostat 2025 for 2024

Low hourly labour costs

Croatia offers competitive labor costs, with hourly wages averaging 2 times lower than the EU average—making it one of the most cost-effective labour markets in the European Union.

Hourly labour costs (LCI), €

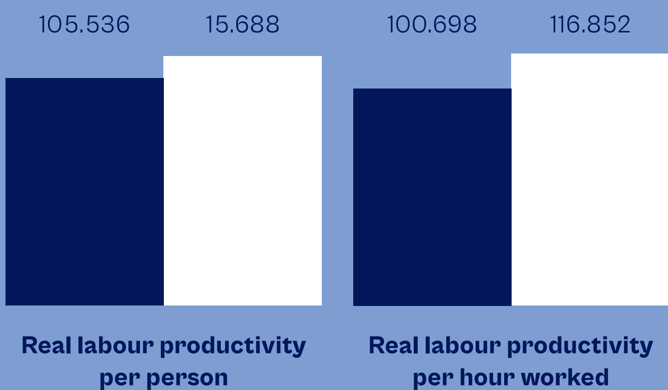


Source: Eurostat 205 for 2024

Highly skilled and multilingual workforce

Croatia offers an educated, highly skilled, and motivated labour force. In 2024, Croatia's real labour productivity per person and hour worked (index 2020=100) exceeded the EU average.

Real labour productivity per person and hour worked



Moreover, in 2023, around 29% of all students in tertiary education and 41% of all students in vocational upper secondary education were enrolled in STEM fields of study.

Source: Eurostat 2025 for 2023

EU27 Croatia

Source: Eurostat August 2025 for 2024

According to Hendal's Language Barometer Research from 2019, as many as 95.3% of the population have a basic knowledge of English, while 48.7% have a basic knowledge of German, and 22.1% of Italian.

Foreign language knowledge

95.3% English

48.7% German

22.1% Italian

Source: Hendal 2019 (at least basic knowledge)

English proficiency index

5/116

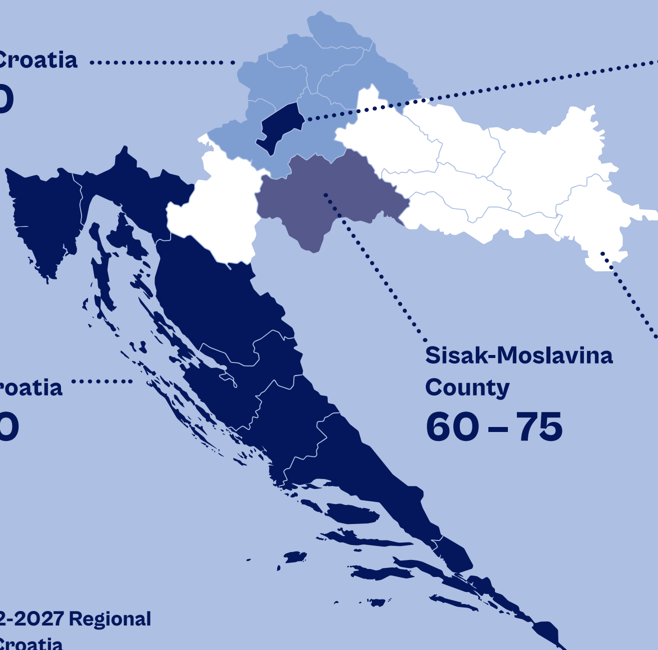
Source: Education First 2024

Croatia demonstrates exceptional English language skills, ranking 5th among 116 countries and regions in the Education First English Proficiency Index. Based on test results from 2.1 million adults in 116 countries and regions, Croatia falls into the "very high proficiency" category.

Generous investment incentives

Croatian Government offers a return of 35%-75% of eligible investment costs through various investment incentives comprising profit tax deduction/reduction and direct grants for every new employee, capital costs of investment, and development and innovation activities.

Maximum aid intensity (% of eligible investment costs)



Source: 2022-2027 Regional Aid Map for Croatia

Investment incentives

- up to **100%** profit tax reduction for up to 10 years
- up to **€ 37,500** for every new employee
- up to **€ 2,000,000** for capital costs of investment
- up to **€ 500,000** for investments in technological development and innovation activities

Source: Investment Promotion Act

High quality of life

Croatia boasts a pristine environment and abundant natural resources, with over 400 protected areas covering approximately 9% of its territory. The country features two primary climatic zones–Continental and Mediterranean–and a stunning coastline that attracts millions of visitors each year.

According to the Sustainable Development Report 2025, Croatia ranks 8th among 167 countries on the Sustainable Development Goals Index.

Source: The Sustainable Development Report 2025

Institutional support

Every investor can rely on free institutional support provided by the Ministry of Economy before, during, and after their investment. These services include:

- Providing essential information on investing in Croatia, including analysis of the business climate, investment framework, costs, labour force availability, potential partners, financing options, and more.
- Identifying potential locations (access to a database of business zones to help pinpoint optimal sites for investment).
- Organizing visits to investments sites and arranging meetings with relevant public and private stakeholders.
- Guidance on applying for incentives under the Investment Promotion Act.
- Customized assistance throughout all stages of the investment process.

Ministry of Economy
invest@mingo.hr / investcroatia.gov.hr