

## TOPICS OF THIS ISSUE:



**Siniša Horak, Sc.D.**  
Senior research scientist  
Institute for Tourism

Presenting the draft  
Strategy of Tourism Development  
in the Republic of Croatia



**appr.arch. Borka Bobovec, Ph.D.**  
Head of Directorate for Construction,  
Housing and Municipal Economy  
Ministry of Construction and Physical Planning

Architectural policies of the  
Republic of Croatia 2013-2020,  
Apolitika, National guidelines  
for excellence of building and  
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CREN Patrons:

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## 1. TOPIC OF THIS ISSUE



**Siniša Horak, Sc.D.**  
Senior research scientist  
Institute for Tourism

# Presenting the draft Strategy of Tourism Development in the Republic of Croatia

### Could you please present yourself to our readers?

My name is Siniša Horak, I am a senior research scientist in the Institute for Tourism, and I headed the multi-disciplinary team that developed the background document for the *Strategy of Tourism Development in the Republic of Croatia until 2020*. The background document, which we entitled the Master Plan and the Strategy of Tourism Development in the Republic of Croatia was presented in public, at the Days of Croatian Tourism conference in Dubrovnik, on 19th October 2012, when it was put up for public debate. The public debate is now closed, and the drafting of the *Strategy of Tourism Development in the Republic of Croatia until 2020* is now under way, and it should be soon adopted by the Government and the Parliament of the Republic of Croatia. My background is in transport-related education, I graduated from the Inter-Faculty Transport Studies at the University of Zagreb, after which I worked at the Institute of Transport Sciences in Zagreb on complex projects of spatial and transportation planning, such as the Transport Master Plan for the City of Zagreb, the Concept of Long-Term Transport Development for Croatia and

other projects. I completed my Masters and Doctoral studies at the Faculty of Economy of the University of Zagreb, and I have worked at the Institute for Tourism for about thirty years where I have so far headed a series of science, research and development projects from the field of tourism. Now, I am a senior research scientist, and my scientific interest is primarily related to inter-dependence of tourism and transport.

**At the Days of Croatian Tourism, the 2012 Conference in Dubrovnik, the working draft of the Master Plan and the Strategy of Tourism Development in the Republic of Croatia were presented – documents, which should have provided answers to the question of how to manage the future of tourism in the long run and how to protect the landscape as a component of this development. In your opinion, what are the key structural points of this plan?**

What everybody expects from this document is a step forward, and the document offers precisely that. Actually there are several levels of proposed changes. One of them is to finally remove or at least minimize the negative impact of the existing development limitations, which have been the 'plague' of Croatian tourism for quite some time, such as the institutional

environment, by which I primarily mean the over-regulated, unaligned and inappropriate existing legislation, the treatment of tourism within the spatial planning system, negative investment climate and management of tourism destinations. We have defined 13 limitations classified within those four groups, which have to be eliminated in order to start any kind of meaningful tourism development. In considering the development of tourism, we have started from the fact that the demand is focused on the narrow coastal belt and the islands, and the predominating product is "the sun and the sea", the consequence of which is a short, but intensive tourism season with a series of negative consequences – insufficient utilization of existing capacities, high pressure on utility infrastructure, the problem of workforce etc. In order to resolve the issue of seasonal tourism, we primarily need such destination products or contents, which can attract more guests in low season, and in parallel to that we need accommodation facilities, which are suitable for year-round operation. However, this cannot be achieved by issuing a decree or waving a magic wand, but only by long-term, persistent action at the destination level. It is up to the government to create prerequisites to

initiate such processes, and in this Strategy we have proposed how to do so, but also what kind of tourism development we wish to have. We have consulted many of the Croatian tourism stakeholders on these issues, and their opinions did not diverge

**“It is certain that we want to achieve developments, which will not cause spatial or societal conflicts, developments that are economically sustainable and competitive in the long run, which are visible and that motivate us to get involved not just as tourists, but also as investors.”**

very much. It is certain that we want to achieve developments, which will not cause spatial or societal conflicts, developments that are economically sustainable and competitive in the long run, which are visible and that motivate us to get involved not just as tourists, but also as investors. We wish to have responsible, which means sustainable development. In that sense, it is important to preserve the available space to the maximum, because space is a finite resource, and it is the main factor of attraction for tourist arrivals. But at the same time, we need capacities growth and development of the tourism product, and constant quality advancement at all levels. Therefore, we propose that in the time period, to which this Strategy refers, we first use the already existing facilities, which are not used for tourism or which are used inadequately, such as abandoned industrial facilities, abandoned military facilities, non-privatized companies of the tourism industry, which appear ‘tired’ due to the lack of strategic investments or companies, which were privatised, but not in function. Greenfield investments should primarily be focused in the zones, which are already partly developed or devastated, and only by way of exception in pristine and yet undeveloped areas. And such developments should only be possible

in the zones, which are defined as tourism zones in spatial plans, and only if these are projects, which can significantly improve the tourism image of Croatia. However, this is not all we wish to achieve. We want that local products are used to the greatest

possible extent in the Croatian tourism product, we want innovations in the Croatian market approach, we want to focus the investment cycle – as motor of development – on the hotel industry, we want ‘green thinking’ to be introduced in tourism as the underlying philosophy, we want to innovate the promotion of tourism and enrich the tourism value chain with new products. We integrated all these considerations in a system of measures and projects, which should help to put all this in practice.

**Could you present the plan for introducing differentiated tourism products and their relationships with respect to the three macro-regions?**

Based on analysing the existing resources and attractions, we estimated that Croatia’s greatest opportunities – besides the “sun and the sea” as the product – lie in capitalizing the following groups of products: nautical tourism, cultural, health, adventure and sports tourism (predominantly bicycle tourism), business and environmental tourism, but it also has potential for developing rural tourism, golf tourism, and one should not neglect social tourism where activities – although they are primarily developed and implemented from the human rights perspective – also have significant market prospects, particularly from the

viewpoint of prolonging the season. For marketing needs, we divided the three macro-regions into ten regions, of which market positioning was proposed for each one of them, in view of their primary, secondary and tertiary tourism products. Thus, for instance, for the region of Slavonia, the following primary tourism products were defined: urban tourism, wine and gastro tourism, rural and bicycle tourism, and as secondary products: river cruising, heritage tourism, thermal (thalasso) tourism, environmental tourism, hunting and fishing, whereas other tourism products, such as sports preparations and others were classified as tertiary products. Promotional activities are moving away from the slogan level and more towards the level of a story that describes the primary tourist experience, which represents a move from the rational to the emotional level. For instance, the City of Zagreb is promoted as a place of meetings, a charming, intimate and vibrant capital city, which merges different cultural influences, which offers interesting contents, and which is at the same time small enough to be cosy and warm. And so on, for each of the ten zones.

**By 2020, Croatian tourism should make an additional step forward in the quality of services and differentiation of products, extending the season, raising the level of education, increased investments and revenues. Could you please present the strategy to achieve the aforementioned results?**

Around thirty measures were defined, which should be implemented in order to achieve the objectives of the Strategy. Although not all of them are equally important, and we have prioritized them accordingly, we feel that we need all of them, and that we can achieve them within the planned period. Besides, we defined a whole range of individual investment projects, in which the government should take part in this way or the other, which would actually launch a new cycle of investments in tourism and directly contribute to significantly increasing the attractiveness of the Croatian tourism products or which would change the

Croatian image of a country, which is mostly suitable for holidays with “the sun and the sea”, and on the other hand expand tourism activity towards the inland. The essence of the Plan is to increase the quality of products at all levels, to train the staff, and to introduce ‘green thinking’ as the underlying philosophy, but the key to success is to create prerequisites for the development of entrepreneurship. The emphasis is placed on developing good quality accommodation, developing “image projects” and a whole series of new attractive products, which will contribute to raising the competitiveness of tourist destinations in Croatia, and to prolonging the season. The plan defines all implementing authorities, their tasks and the pace for accomplishing the plans. Naturally, adequate education is the prerequisite for good quality development. Move towards experiential tourism requires that the quality of human resources is prioritized. In addition to that, the quantity of new knowledge and new technologies is increasing rapidly. Also, a large number of tourism entrepreneurs are micro and small companies, where the employers are also a part of the human resources, whose skills and knowledge should be constantly developed and advanced. Although the significance of education was recognized in Croatia, it is still not adequately supported by the institutional framework, and there is a lack of support and accountability on the side of the government, employers and local communities. Therefore, our proposal is to streamline the network of vocational schools, to align the teaching curricula with the needs of the economy, to provide technical equipment for schools, to set up a system for life-long learning and to establish connections to global centres of excellence.

**How do you perceive the future of private accommodation in Croatian tourism? What are the plans to develop and manage this segment?**

Private accommodation accounts for almost one half of all commercial accommodation facilities in Croatia.

It is a vast, but relatively underused resource. Despite that, without it, the results achieved by Croatian tourism would be much more modest than they currently are. It is therefore my opinion that this segment of tourism supply is not a ‘burden’ to Croatia, but that it should be used in a much better way. An additional reason is the fact that there are more than 80,000 persons renting out private accommodation facilities, and they are

**“The essence of the Plan is to increase the quality of products at all levels, to train the staff, and to introduce ‘green thinking’ as the underlying philosophy, but the key to success is to create prerequisites for the development of entrepreneurship.”**

an expression of our tendency that the Croatian citizens should capitalize on our main resource, and not by working for somebody else. On the other hand, private accommodation in Croatia is actually not at the level we would wish it to be, and it actually disrupts the Croatian image on international markets. Therefore, we propose a new categorization of private accommodation and imposing stricter conditions, and a part of these capacities should be transformed into smaller family hotels. Furthermore, standardizing and increasing the level of quality of private accommodation would make it possible to have new organization of the supply, such as – for instance – ‘diffuse hotels’, but also better promotion by joint advertising etc. There are very large possibilities to invest in this segment and to create special ‘home’ experience, which is difficult to achieve in large hotels, and this is something that we aspire to.

**In the presentation, it was emphasized that by 2020 Croatia would need about a hundred new hotels, several resorts, golf courses, amusement parks, new berths,**

**camping places, and almost 20 million tourists and by far a larger number of overnight stays than it is currently the case. What are your proposals to achieve the mentioned objectives?**

Yes, it is envisaged to start a new investment cycle by investing in accommodation facilities, regardless if the projects are about building new facilities or improving the quality of the existing facilities, or about

the privatization of the remaining state property in tourism, which also requires significant investments, and then investments in developing new attractions, which will make it possible to extend the tourism season, such as theme parks, visiting centres or golf courses, but also development of a series of other tourist products, which will improve the value chain in tourism destinations. In order to achieve this, it is of key importance to ensure conditions, which are attractive to investors. Croatia has potential in terms of its resources, it has good geo-transport position with respect to the tourist emission markets in Europe, and it can be very attractive for investments in tourism. It is up to us to clearly state what we want, which we have achieved with this Strategy, and then to create prerequisites that will be good enough for investors so that they accomplish these objectives for themselves and for us. This Strategy defines all the ‘leverages’ that should be used for this step forward.

**What are the revenue projections in tourism by 2020?**

By implementing the envisaged measures and projects in the planned period, tourism consumption, and overall tourism revenues by 2020 should increase by double in comparison to the current level. We expect that the revenues from international tourism should amount to about EUR 12 billion, and to about 1.5 billion EUR from domestic tourism. This is ambitious, but not unreachable. If this Strategy will only be used for showing, as the previous ones were used, then I assess that these revenues will be much smaller. But if the Strategy is truly implemented, even with some adjustments 'as we go along', depending on new conditions both in Croatia and abroad, then I think we are on a good path to accomplish what we have planned.

**What is your impression about the general state of Croatian tourism, investment potential and development of new projects in the tourism industry? What is your opinion on that? What would you commend and where do you see room for progress?**

I would say that the greatest problem of Croatian tourism today, besides its seasonal character and concentration of demand on the narrow coastal belt and the islands is the lack of clarity of its development vision and an investment standstill. The investment standstill is partly a consequence of the overall crisis, but for the most part of our lack of ability to create conditions for development. As 'hard' as it sounds, I have a feeling that Croatian administration still considers entrepreneurs as the "class enemy", who is getting rich by exploiting the natural resources and the employees. Hence they hinder them at every possible step. If we add corruption to this, we have actually said it all. This has to be changed! I am sure that there is a series of projects in preparation, for some I know for sure, they are just waiting for the prerequisites to be created to be launched. There is enough space for development, and this is currently our greatest advantage, but it does not mean that we have to 'squander' it.

**Which large infrastructure projects may contribute to the development of new projects and to encouraging tourism development?**

**“By implementing the envisaged measures and projects in the planned period, tourism consumption, and overall tourism revenues by 2020 should increase by double in comparison to the current level.”**

Croatia has made a significant step forward in its transport accessibility, primarily by building a network of motorways. This is important, as about 90% of all tourists arrive by some kind of a road vehicle. Now, we still have to improve access roads and transport supply in the destinations, which need it. By this I mean the parking lots, tourist and other signalization, bicycle and pedestrian paths, managing transport etc. Despite the greatly improved transport supply, road safety is still quite bad in comparison to other European countries. As concerns the international airports, their number and locations are satisfactory, but technological and technical level of these airports is by far below the European average, or more precisely, according to this criterion they are among the most backward airports in Europe. Also, connections that most airports have with the catchment area is not satisfactory, and this particularly relates to the airports of Split and Dubrovnik. If we add the inadequate level of tourist facilities in the ferry ports, inadequate land infrastructure at the interface with passenger and ferry transport, then it is clear that there is more than enough room for investment. Any improvement in that respect contributes to customer satisfaction, and it increases the overall quality of the tourism product, and this is what we want, because it provides for a better position on the market and thus it makes it possible to achieve improved attractiveness and finally more profit. However, one has to bear in mind that transport accessibility is at

the very core of tourism development, however in itself it is not enough for such development to happen. There is a whole range of examples in Croatia

and internationally that have confirmed this. Besides transport, there is a whole series of infrastructure projects, which can raise the quality of tourism product in the broader sense, especially if one bears in mind the sustainable development that the whole developed world strives to achieve. Here, we still have a lot to achieve: from managing our wastewater to our landfills. But these are primarily problems of general significance for the society. I hope that it will be easier to resolve these problems with the help of the EU funds once we have become the 28th member state in July.

**In your opinion, will Croatia's EU accession contribute to improvements in tourism and attract new investors?**

Croatia's EU accession is certainly of great significance for Croatian tourism. On the one hand, there will be no borders towards the most important tourist emission markets, on the other hand this will have a positive influence on Croatia's image, and not only within the EU, but also globally, and finally it will open great possibilities to attract the resources from the EU funds. However, if it only remains at that, I do not expect any major developments with respect to foreign investments. We have to do a lot in order to achieve favourable climate for investors, to define project possibilities and to be their active promoters among investors. We all have a lot to do, because otherwise we will miss that 'train'. The fact that Croatia is joining the EU in 2013 will direct the attention of global media to this country

and we have to use this for promotional purposes. It does not seem to me that we have prepared ourselves well for these opportunities, but it is still not late to do so.

**What are the first comments and suggestions to this document?**

The comments were mostly good, which did not come as a surprise, because we have been preparing this project with full transparency towards the public, and more importantly in cooperation with the majority of stakeholders in tourism, at all levels. However, we are slightly sceptical that the Plan will not be implemented and that everything will remain as it has been thus far, that the tourism will just 'happen' instead of us managing it. Nevertheless, I am optimistic that this will not happen this time, because there seem to be 'new winds blowing' at the Ministry of Tourism, which is in charge of implementing this Strategy, and hopefully these 'winds' will 'blow' Croatian tourism towards a better future.

**What will be important and necessary to implement the mentioned guidelines?**

We have done our part of the job, as the Institute for Tourism. Now it is up to the political agents and the professionals to adopt the Strategy and start implementing it. In order to do this, some other prerequisites are needed besides the 'good will'. Primarily there is a need to understand that tourism is truly one of the most important industries in Croatia, and that all governmental departments get more intensely involved in its development than it was the case thus far. Because tourism is very diverse and interdisciplinary, so that many strategic decisions on its development are partly resolved outside of the Ministry of Tourism, and other ministries are in charge. Therefore there is not a unique set of measures of tourism policy, it is a set of policies adopted within various other sectors. In that sense, the Ministry of Environmental and Nature Protection, the Ministry of Maritime Affairs, Transport and Infrastructure, the Ministry of Construction and Physical Planning, the Ministry of Culture, the Ministry of Agriculture, the Ministry of Regional Development and EU Funds, but also local government units and/or public companies (such as Croatian Forests, Croatian Waters, Croatian

Motorways, Croatian Roads etc.) will have a significant influence on shaping the tourism product, although most of these entities do not consider tourism development as one of their strategic priorities. Further, it is necessary to have better cooperation at the destination level, so that we suggested to rationalize, but also to transform the network of tourism boards where this is justified, so that they are transformed into management organizations. And finally, the Ministry of Tourism should prepare its departments to implement the Strategy, both from the human resources standpoint and from the professional perspective, and we have envisaged the establishment of the Interdepartmental Expert Council as a coordination body at the level of deputy ministers, with occasional involvement of the Croatian Chamber of Commerce and the Croatian Chamber of Trades and Crafts, and their associations, supporting the work of that Council. I feel that all this is a good basis to change the practice that we have had thus far, and to make a step forward towards applying the agreed Strategy.

## 2. TOPIC OF THIS ISSUE



**appr.arch. Borka Bobovec, Ph.D.**  
Head of Directorate for Construction,  
Housing and Municipal Economy  
Ministry of Construction and Physical Planning

# Architectural policies of the Republic of Croatia 2013-2020, Apolitika, National guidelines for excellence of building and building culture

The shaped area in which we live in is a preciousness of that life. Therefore, those who shape it, should be enabled to spread awareness about the standards which apply to good architecture and spatial design. The art of spatial design at all scales - from urban planning to the design of utilitarian objects - is a kind of art that completely surrounds us and therefore is closest to us, being thus occasionally understood as something that goes without saying. Architects have at their disposal options of activities on multiple levels and from multiple aspects, by simply using the knowledge and positive

energy in order to start solving problems in those segments where they exist, in such a manner that problems are solved and not only talked about, without providing any specific proposal and position of the profession with regard to the manner in which we wish to and can solve these problems.

One of the methods is the development of the document *Architectural policies of the Republic of Croatia 2013-2020, Apolitika, National guidelines for excellence of building and building culture*, which was adopted on 29 November 2012 at the 64th session

of the Croatian Government. Upon adoption, the document was published on the website of the Ministry of Construction and Physical Planning [www.mgipu.hr](http://www.mgipu.hr), and thus became publicly available, while the printing of the book is envisaged in the course of next year.

Since the May issue of CREN, when the *Working conference Apolitika INTRO* was a guiding theme and an interview with the President of the European Forum for Architectural Policies Rob Docter and a text on the subject Apolitika were published,



Author of the photograph: Mrs. Helena Knifić Schaps, M. Arch



Author of the photograph: Mrs. Helena Knifić Schaps, M. Arch

intensive work has been carried out to create conditions for the adoption of the document. After the public review the document was submitted for opinion to the Legislative Office of the Croatian Government, all ministries and local (regional) self-government units, and all constructive suggestions were incorporated into the final document. Continuous work has been carried out at the promotion of Apolitika. So in

architects of all member states of the European Union, and in every country the development of such a document leads to the goal of improved architectural production, and thus of the total built space. Almost all architectural policies designed and published until now in Europe have the same main determinants or goals that can be more closely defined by the following - increasing the quality

shaping settlements as well as ensuring a healthy and safe environment, encouraging innovative technological and technical solutions and encouraging high-quality architectural and cultural achievements in architectural solutions.

In this context it is necessary to refer in general to the Europeanization of public policies to which also the *Architectural Policy* belongs, as well as



Photograph: International conference organised by the European Forum for Architectural Policies (EFAP), Cyprus, 22-23 November, 2012; Photograph downloaded from a press material of the conference in Cyprus



Photograph: International conference organised by the European Forum for Architectural Policies (EFAP), Cyprus, 22-23 November, 2012; Author of the photograph: Mrs. Helena Knifić Schaps, M. Arch

the past month presentations of the document were held on two occasions, at the "Congress of Croatian Builders 2012" held in Cavtat from 15 to 17 November, and at the international conference under the Cyprus EU Presidency, organised in Nicosia, Cyprus from 22 to 23 November by the *European Forum for Architectural Policies (EFAP)* and the Cyprus Ministry in charge of the department of architecture. In Cavtat the presentation of the document was held by appr.arch. Helena Knifić Schaps, president of the Working group, while in Cyprus the document was presented to a European professional public by the representative of the Ministry and also member of the Working group, appr.arch. Borka Bobovec, PhD. Reactions were more than excellent, considering that we have developed and adopted the document before full membership to the Union.

The development of *Architectural policies* is one of the priorities of

of built space and the awareness of its importance, the affirmation of the principles of sustainable development in built space, then taking into consideration the needs of humans as the main instrument/criterion in



Photograph: "Congress of Croatian Builders 2012", 15-17 November, 2012, Cavtat; Author of the photograph: Mrs. Anka Javora, Mag.CE

to the necessity of changing the attitude towards "good policies". Furthermore, there is the changing of standards that includes protection and principles of sustainable environment, as well as instruments for the selection of most appropriate solutions and increasingly important social aspects. When to all this, the introduction of "external" instruments for policy making is added, which is to connect all stakeholders and relevant institutions and civil society organizations, we must be aware that a lengthy process is to follow. Only by including in the implementation of the *Architectural policies* all stakeholders, such as citizens, users of facilities and the overall built space, the private and public sector, entrepreneurs, engineers, artists, conservators, and of course first and foremost architects, the document will get a force that will lead to effects in all fields. In the following period *Architectural policies* must include educational measures at all levels, a

good awareness of the profession and particularly the public, as it is a public policy that has a direct impact on the life and satisfaction of citizens.

All those involved in planning and construction are expected not only to shape introverted buildings, but to be equally aware of the long-term impact of construction on its external public or semi-public space, and to shape it with equal attention as the building itself, despite the fact that sometimes very small buildings in terms of number of square meters are dealt with. The mass of the building, the facade design, the distribution of functions, the outdoor space around the building intended for the public - these are just some of the elements that have an important

of investors and the public interests and the creation of quality architecture begins already at the design of the project tasks and lasts until completion. The beginning of the creation of a positive atmosphere will occur at a time when architects outgrow the alibi situation of the socio-political and economic scene, and begin to study and evaluate their work through the lens of architecture, which means that it must somehow be "limited to the knowledge" for which we are trained and competent. Every architect must have direct influence and responsibility towards vocational-professional organization and activities of the Chamber of Architects and vocational social organization and operation of Associations of Architects, while architects have or may have

be clear that we as architects do not advocate this position because of us, architects, it is a question of civilization legitimizing of our professional responsibility and professional ethics. We have all the preconditions to live in a quality built space, and we hope that the constant presence of active promoters of architecture in all segments of society, in the time ahead of us, will bring new quality projects and spatial relationships. And we cannot talk only of new, but also of preserved old ones into which new life was breathed. Because houses and towns are not forever such as we see them. Both houses and towns live, and each new generation brings something new, from the way space is used to the inclusion of new materials and



Author of the photograph: Mrs. Helena Knific Schaps, M. Arch



Author of the photograph: Mrs. Helena Knific Schaps, M. Arch

impact on buildings, as well as on the space in which they are interpolated. The fundamental task of architecture is to ensure that built space is not only useful, efficient, functionally impeccable, and technically complete and economically acceptable, but in addition to this to provide cultural and aesthetic upgrade.

"How to achieve architectural success(?" is an essential, complex and continuously posed question. The nature of architectural creation is a unique process that includes the harmonization of different interests of investors and users of space, through development of concepts and designs, up to execution of construction. Alignment of interests between the market logic of capital, the interests

indirect impacts on the educational process and the legislative domain and domain of administration. All these are elements and modalities that we have at our disposal in order to ultimately come to the fundamental task, and this is shaping adequate, sustainable and high-quality built space.

Awareness about the immediate impact that the built space and the wider environment have on us is important in the light of the challenges posed by the increasing environmental problems and the limitations of natural resources, which force us to change the relationship and to treat and deal with the built environment in a comprehensive, organized and unique manner, this meaning the entire process of creating the built space. It must also

methods of construction. The document includes in its title the years 2013-2020, which means that in the said period the fulfilment of the set goals should be expected through actions and steps that are envisaged. Of course it cannot be expected that everything will be effectuated, but incorporating the elements outlined in this document in the awareness, professional rules and legislative framework will be measured by the improvement of the general situation. Better relationships between all interested parties are to contribute to the preservation, improvement and creation of sustainable settlements and cities. Because this is not once and for all, this is just the first in a series of documents which will monitor the improvement of the situation in space.

## 3. STATISTICS

### 3.1. Average Asking Prices of Real Estate Offered for December 2012

	average price EUR/m <sup>2</sup>	price range EUR/m <sup>2</sup>
<b>ZAGREB</b>		
<b>Housing</b>		
Apartments	1.675	549 – 6.667
Houses	1.755	341 – 9.167
<b>Commercial space</b>		
Offices	1.788	700 – 4.865
Business premises	2.009	722 – 7.500
Office blocks	1.662	132 – 3.793
<b>COAST</b>		
<b>Housing</b>		
Apartments	1.883	316 - 8.196
Houses	1.786	64 – 18.269
<b>Commercial space</b>	1.784	80 - 4.338
<b>Tourist facilities</b>	2.186	292 – 15.748

Average is calculated on the basis of the currently quoted prices on the Burza nekretnina d.o.o. (Real Estate Stock Market Ltd.), which is available online: [www.burza-nekretnina.com](http://www.burza-nekretnina.com).

### 3.2. Statistical Reports of the Central Bureau of Statistics from the Area of Construction

#### 3.2.1. Construction work indices, October 2012

According to basic indices, in October 2012, as compared to October 2011, construction works decreased by 4.9%. According to working-day adjusted indices, in October 2012, as compared to October 2011, construction works decreased by 7.5%. According to seasonally adjusted indices, in October

2012, as compared to September 2012, construction works increased by 2.6%.

**Advice:** *Construction work indices, October 2012, Central bureau of statistics, Zagreb, 2012*

### 3.2.2. Completed construction works, orders and residential building, legal entities employing 20 or more persons, third quarter of 2012

Value of new orders:

- in the third quarter of 2012 decreased by 13.2%, as compared to the same period of 2011.
- in the period from January to September 2012 decreased by 17.5%, as compared to the same period of 2011.

Value of construction works done with own workers:

- in the third quarter of 2012 decreased by 0.4%, as compared to the same period of 2011.
- in the period from January to September 2012 decreased by 6.6%, as compared to the same period of 2011.

In the period from January to September 2012, construction companies employing 20 or more persons completed 1.910 dwellings, which was by 3.4% less than in the same period of 2011. At the end of September 2012, these companies were working on 4.582 dwellings (uncompleted dwellings), which was by 12.0% less than in the same period of 2011.

**Advice:** *Completed construction works, orders and residential building, legal entities employing 20 or more persons, third quarter of 2012, Central bureau of statistics, Zagreb, 2012*

### 3.2.3. Building permits issued, October 2012

In October 2012, there were 703 building permits issued, which was by 20.0% less than in October 2011. The total number of building permits issued in the period from January to October 2012 was by 13.0% less than in the same period of 2011. In October 2012:

- by types of constructions, 79.9% out of the total number of permits were issued on buildings and 20.1% on civil engineering works
- by types of construction works, 79.8% of permits were issued on new constructions and 20.2% on reconstructions.

According to permits issued in October 2012, it was expected for 721 dwellings with the average floor area of 95.5 m<sup>2</sup> to be built.

**Advice:** *Building permits issued, October 2012, Central bureau of statistics, Zagreb, 2012*

**PUBLISHER:**

**Filipović Business Advisory Ltd.**

Trg bana Josipa Jelačića 3/V

10000 Zagreb – Croatia

Tel: +385 1 481 69 69

Fax: +385 1 483 80 60

e-mail: [cren@filipovic-advisory.com](mailto:cren@filipovic-advisory.com)

It is our wish that the Croatian Real Estate Newsletter / CREN be a source of speedy and quality information for all who are active in the real estate sector – developers, planners, contractors, mediation agencies etc.

Please send your comments, proposals and opinions to [cren@filipovic-advisory.com](mailto:cren@filipovic-advisory.com) to help us improve CREN and make it the leading medium on the Croatian real estate market.

**Editorial staff:**

Vladimir Filipović – editor-in-chief, Natalija Kordić, Marija Noršić i Petra Škevin.