

Croatian Fastener Market and Trade Analysis



Croatia Overview

Croatia has a population of 4 million. The GDP of Croatia was USD 112.1 billion and its GDP increased by 10.2% in 2021. Croatia was ranked 27th among 45 countries in the European region. Croatia's economic growth has rebounded from a severe downturn in 2020, and a five-year trend of expanding economic freedom has accelerated. Its real GDP is forecast to grow by 3.4% in 2022 and 2.9% in 2023. For 2022, it is mostly due to better-than-expected private consumption growth in the first quarter, which compensates for the deceleration towards the end of the year. The slower pace of growth at the end of 2022 is set to continue in 2023. In 2021 they could absorb USD 1.3 billion foreign direct investment.

The manufacturing industries in Croatia include wood, food processing, shipbuilding, footwear and leather processing, textile production, automotive parts industries and among others. Presently, manufacturing in Croatia is largely based on food and beverage, which account for 24% of the total manufacturing revenue in the country.

Automotive Parts: Like the rest of Europe, automotive manufacturing plays a significant role in the economy. 11.2% of all manufacturing revenues in Croatia come from motor vehicle production. Croatia mostly produces automotive parts and software. Some of the most important sectors of this country are boilers, railway vehicles, high-performance electric cars, drivetrain, and batteries, unmanned and electric vehicles and rail transportation. It is not easy for Croatia to have a prominent economic role in its region because of the highly competitive and diversified industries of neighbours such as Italy and France. However, Croatia has made a lot of efforts to improve its manufacturing sector after the difficult and tumultuous moments of its history. Today, it is one of the most prosperous countries of the former Yugoslavia.



The Fastener Industry

In Terms of Import

The total fastener import of Croatia in 2021 was USD 54.081 million, which increased by 12% compared to 2020.

Fastener Import by Croatia (by Year)					
Year	2017	2018	2019	2020	2021
From the World	40,130	47,254	45,057	48,364	54,081
Growth	-	18%	-5%	7%	12%

Unit: 1,000 USD

39% of this market belonged to German manufacturers and their export value of fasteners to Croatia was equivalent to USD 21.136 million. Italy was on the second row with the export equal to USD 6.687 million, which shared 12% of the Croatian market. Austria was also following Italy with a small difference in value. Austria sold USD 6.677 million fasteners to Croatia, which shared 12% of the Croatian market.

In the first 6 months of 2022, Croatians imported USD 35 million fasteners, and if they continue this trend, they will reach USD70 million imports, which will be a 29% increase compared to 2021 (see the table below).

Fastener Import by Croatia (by Month)							
Month	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
From the World	4,211	4,467	6,167	6,625	5,822	6,135	5,790
Growth	-	6%	38%	7%	-12%	5%	-6%

Unit: 1,000 USD

In Terms of Export

Croatia exported USD 48.087 million fasteners in 2021, which experienced a growth of 67% compared to 2020. This export happened in 2019 and 2020 when the producers of fasteners in Croatia faced a sharp decrease in exports.

Fastener Export from Croatia (by Year)					
Year	2017	2018	2019	2020	2021
To the World	37,481	40,892	30,889	28,743	48,087
Growth	-	9%	-24%	-7%	67%

Unit: 1,000 USD

The main markets for fasteners of Croatia were Germany and Italy. Germans bought 23% of Croatia's export, which was equal to USD 11.258 million, and Italians bought 22% of Croatian fasteners, which was equal to USD 10.598 million. It is expected that in 2022, the export of Croatian fasteners will reach USD 46 million, which will experience a 5% decrease compared to 2021.

Fastener Export from Croatia (by Month)							
Month	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
To the World	3,280	2,628	4,210	3,788	3,469	4,741	4,217
Growth	-	-20%	60%	-10%	-8%	37%	-11%

Unit: 1,000 USD

Future of Croatian Fastener Industry

The news in the Croatian fastener industry is focused on the fact that Croatian investors plan to invest up to USD 50 million in the production of this industry. The vision of this investment is to double the export of fasteners of the country. Fastener exports are expected to reach more than USD 60 million in 2023, with further investments expected to increase exports to €100 million per year in the long term.

Croatia wants to benefit from the decision of the European Commission to apply a definitive anti-dumping tariff of up to 86.5% on the import of steel fasteners from China. ■

The Car Industry

"Automotive" is one of the main industries for fastener usages. In terms of BEVs, however, in Croatia, people's lack of trust in new technologies and electric transportation presents a problem, and education and awareness from users and potential buyers of electric vehicles is important. Also, residents are not sufficiently familiar with the advantages of BEVs, types of charging, expansion of the network of charging stations, and the range required for free movement throughout the territory of the Republic of Croatia. On the other hand, the number of users and buyers of passenger BEVs primarily depends on the purchase power of residents, considering the low purchasing power of the Croatian population, they concluded that low or no fuel costs can be an important factor in the transition from ICEVs. Croatia has shown a significant progress in accepting passenger BEVs, influenced by policy instruments for promoting BEV adoption in Croatia. In 2021, the number of charging stations with two vehicles per station was sufficient, while the spatial dispersion is problematic because road sections in Croatia have a minimal number of charging stations. In addition to existing measures, which include a larger number of charging stations and their proper deployment throughout Croatia, further requirements are better marketing, development of service networks and service workshops for electric vehicles, education of persons involved in the maintenance of BEVs, and development of technology for disposal and storage of electric batteries. More BEV services and parts would certainly positively impact customer attitudes.

Croatia's number of registered vehicles: Passenger Cars data was reported at 1,746,285 units in 2020. This records an increase from the previous number of 1,724,900 units in 2019.

44,912 units of new cars were registered in 2021 and the quantity of newly registered cars until August 2022 were 28,005 units. As mentioned above, the country is not a friendly place for the development of electric vehicles at the moment, as almost 81% of all new cars sold are gasoline- or diesel-powered. Another 17.8% are PHEV and LPG vehicles. Thus, BEV accounts for slightly less than 1.5%.

