



## Interview with Rob Soda, the President of the Australian-Croatian Chamber of Commerce and Industry



*Australia has historic links with Croatia, in the form of a large Croatian-Australian community. We interview Rob Soda about the economic links between South Australia and Croatia, and his views on matters such as EU membership.*

### Can you tell us something about yourself and the ACCI (SA)?

The Australian-Croatian Chamber of Commerce and Industry (SA) incorporated commenced activities in 1993, and is one of several Australian-Croatian chambers in Australia. The Chamber was established to foster bilateral trade between Croatia and South Australia. Its members come mainly from the Croatian business community and are involved in a wide range of business activities, including building & construction, manufacturing, fishing, professional and set-vice areas.

As for myself, I am a relationship executive with the Commonwealth Bank of Australia's Corporate Banking division, have completed a Bachelor of Business in Banking and Finance from the University of South Australia in 1997 and more recently completed a Masters degree in Business Administration through the University of New England in Armidale. I have been actively involved with the Australian-Croatian Chamber of Commerce SA since 2002 and now as President, am mainly involved with the promotion of cross investment opportunities in Australia and Croatia by maintaining contact with Government agencies involved with investment promotion in both countries. Our aim is to also promote the local business interests of south Australian-Croatian owned businesses.

### How much trade is there between Croatia and Australia, and South Australia in particular?

There is nominal trade between Croatia and Australia (previously estimated at approx \$1m from south Australia to Croatia) however, the majority of Australian goods sold in Croatia would enter via European distributors and therefore not be registered. The Croatian government is however promoting Croatia as a point of entry for Eastern European markets via the port of Rijeka. Whilst exports from South Australia may be low, south Australian owned business are however operating in Croatia and "exporting" our intellectual property. For the 2002 year, South Australian owned businesses in the tuna, retail & tourism industries of Croatia will turnover approx AUD \$ 60 million and employ over 500 people.

### What will the ACCI be doing to promote trade with Croatia?

The ACCI works closely with our networks in Croatia to assist with linking Australian businesses wishing to trade in Croatia. We liaise regularly with delegates from Austrade who offer good assistance. We are also looking to hold another trade mission to Croatia in September 2006 where appropriate business matching visits will be arranged.

### How successful was your recent trade mission to Croatia?

The trade mission was a sound success for this being our first ever trade Mission from south Australia. Abbey rock wines are negotiating to sell wine through a Croatian distributor and Vrama Fisheries Pty Ltd will be sending a consignment of SA king prawns and blue crabs for a food fair being held shortly in Zagreb that will promote the quality of their product and is expected to generate future export sales. The ACCI has also developed a stronger network of contacts in Croatia and is a lot more knowledgeable about where to refer businesses for assistance in Croatia along with understanding the types of exports that will have a greater chance of success in Croatia.

### What is the extent of Croatian-Australian (i.e. Diaspora) business as a part of the Australian business with Croatia?

Members of the Croatian community in South Australia control over 70% of the state's tuna industry and 60% of its prawn industry. In both cases our members have pioneered the fisheries in south Australia. The industry employs over 400 people and adds AUD \$300 million to the economy. The Croatian Community's contribution to the construction industry in south Australia has been substantial and is estimated to contribute over AUD \$60 million to the Economy. Croatian-Australians control 75% of the ship building market and goes hand in hand with its involvement with the fishing industry. The industry employs over 200 contributing AUD \$30million to the state's economy.

### From an Australian perspective, how important is it for Australian investors and businesses that Croatia join the EU?

The feeling we receive from Australian business is that Croatia's current status is not reducing any interest in people willing to invest or do business in Croatia. It is unknown whether this will become more or less attractive if Croatia joins the EU but

there are countless business opportunities in Croatia now that can be pursued for the right businesses. This is based on the fact that regardless of EU entry, Croatia is still in a growing phase of rebuilding its infrastructure and has an ever growing tourism industry that can be tapped into by the goods and services from Australian business.

**Is there anything you feel that Croatia could do more of to attract foreign business and investment?**

Sentiment amongst foreign business people is that Croatia needs to focus on developing a stronger legal framework, backed by appropriate enforcement that provides better protection against potential corrupt practices. This should strengthen Croatia's future economic viability through better taxation policy and collection. In this regard, confidence by foreign investors and businesses willing to do business in Croatia will grow further.

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