

# COUNTRY: CROATIA

## INDEX

<a href="#">Introduction</a> .....	2
<b><a href="#">Part I Context</a></b> .....	3
<a href="#">Facts &amp; Figures</a> .....	3
<a href="#">Legal framework</a> .....	4
<a href="#">EDUCATION: policy to support individual knowledge</a> .....	4
<a href="#">WORK: Labor market policy to enhance re-employment of youth</a> .....	4
<a href="#">WELFARE: social policy to support individual welfare of youth</a> .....	5
<a href="#">Opportunities</a> .....	5
<a href="#">Which sectors experience a growth in your country?</a> .....	5
<a href="#">What are the bottleneck professions in your country and for what reasons?</a> .....	5
<b><a href="#">Part II Best practices &amp; future (to fill in after meeting in your country)</a></b> .....	6
<a href="#">Best practices</a> .....	6
<a href="#">Future</a> .....	6
<a href="#">Ideas, suggestions in order to activate young people</a> .....	6
<a href="#">Recommendations to policy makers</a> .....	6

## INTRODUCTION

In 'part one' each partner can offer some 'facts & figures' and 'legal framework' which gives an idea about the context of the host country. The aim is not to be complete nor to compare with other countries, but to give relevant information in order to help the participants/visitors to better understand the 'best practices' presented to them during the coming meetings.

After the meeting, the host partner can be asked to complete 'part two'. Best practices can be 'tools, programs, initiatives, methodologies...' which have proven to be effective in enhancing the employability of young people and in activating them. During the meeting the presented 'best practices' can be discussed: what are the results? what are their strengths/weaknesses? Are there other opportunities? Are there new ideas/suggestions? What about the transferability to another country? Are there any recommendations to make towards policy makers?

## PART I CONTEXT

### FACTS & FIGURES

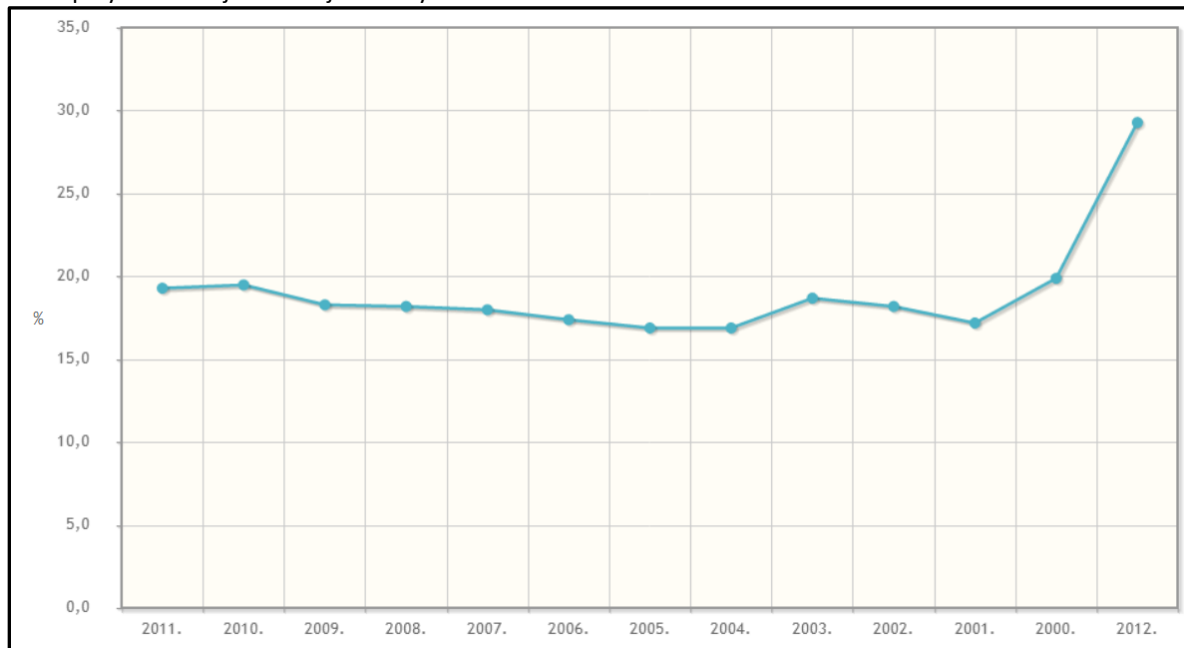
#### 1. Unemployment rates of your country: national, regional, local averages

Unemployment rate in Croatia 10/2013: 20,3% (354.676 people on 3.12.2013.)

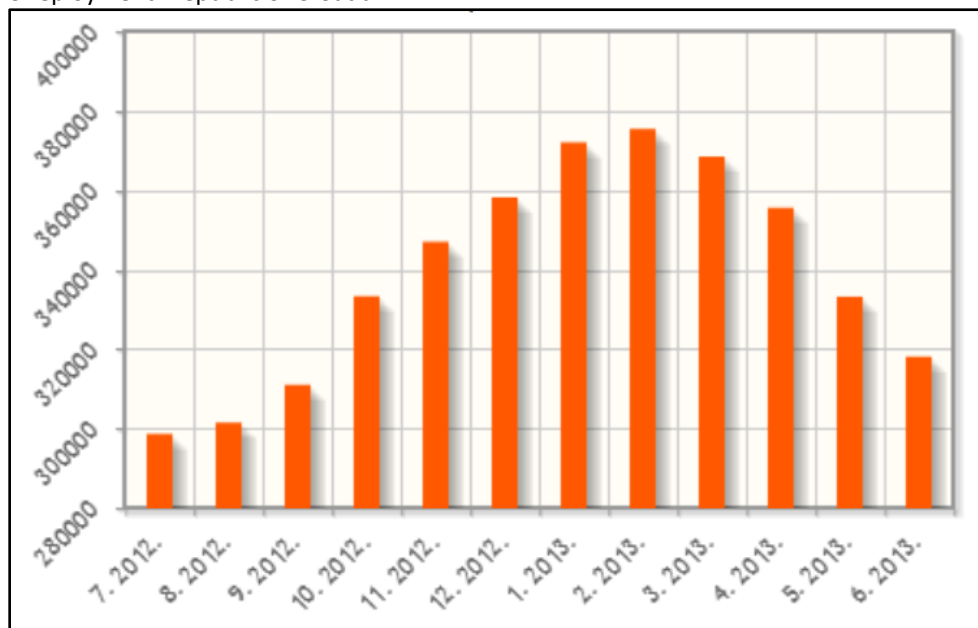
Unemployment rate in Osijek-Baranja county: 36.778 unemployed people -29,3% (10/2013)

Unemployment rate in city of Osijek: 13.373 unemployed people

Unemployment: Osijek-Baranja County



Unemployment: Republic of Croatia

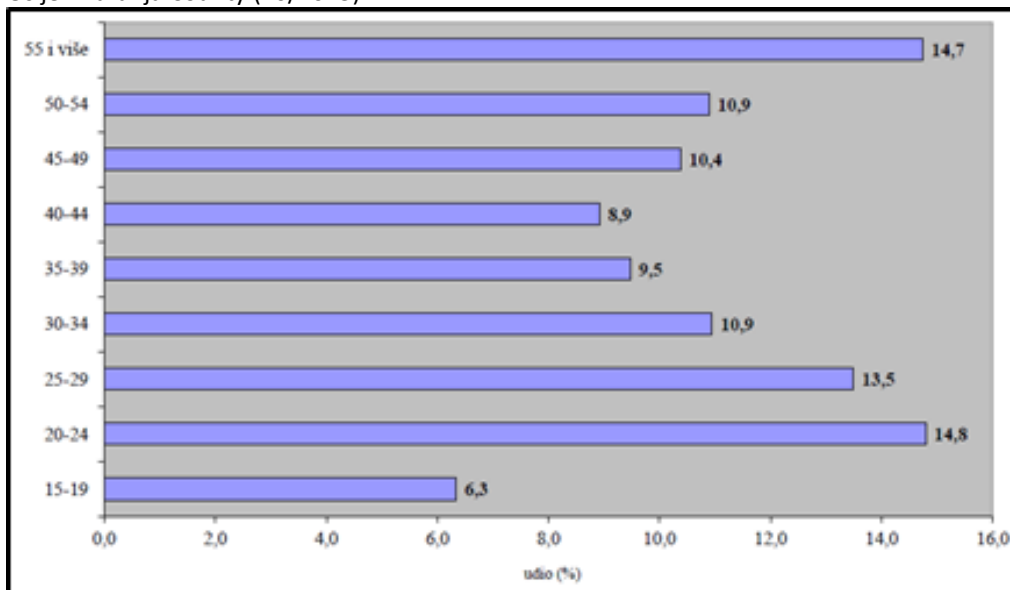


2. Youth unemployment rates of your country: national, regional, local averages (please include figures for those not in the youth category so above 25 years as it would be a useful comparison)

Republic of Croatia

Godina ▾	► 2004	► 2005	► 2006	► 2007	► 2008	► 2009	► 2010	► 2011	► 2012	► 2013
Dob ▾										
15-19	17.854	17.220	16.023	13.860	11.420	13.220	15.811	15.617	17.186	17.675
20-24	46.175	45.140	40.558	33.998	28.416	33.644	40.007	41.078	44.875	46.965
25-29	39.589	39.309	36.649	32.523	28.217	33.743	41.205	41.929	45.445	47.074
30-34	34.096	32.988	30.297	26.856	23.966	27.690	33.675	34.308	37.031	39.145
35-39	35.530	33.719	29.753	26.121	22.974	25.398	29.342	29.936	32.146	34.736
40-44	35.031	33.983	31.457	27.874	24.465	26.841	30.259	29.624	31.009	32.754
45-49	39.430	38.489	35.326	31.156	26.873	28.259	31.588	31.582	33.204	35.358
50-54	37.346	39.997	40.937	39.823	36.955	37.863	39.466	37.430	36.553	37.457
55-59	19.805	22.674	24.971	25.680	26.079	28.146	31.586	33.154	35.057	37.468
60 i više	5.019	5.223	5.644	6.555	7.376	8.371	9.486	10.675	11.816	13.475
<b>Ukupno</b>	<b>309.875</b>	<b>308.739</b>	<b>291.616</b>	<b>264.446</b>	<b>236.741</b>	<b>263.174</b>	<b>302.425</b>	<b>305.333</b>	<b>324.323</b>	<b>342.107</b>

Osijek-Baranja County (10/2013)



3. Number or percentage of people receiving a work disability benefit and/or youngster below 25 years receiving a handicapped young persons benefit

No. of people receiving a work disability benefit/ pension: 230.640

4. Unemployment benefits of your country  
(Criteria to get them, minimum amount, duration, difference in age categories, ...)

Unemployment benefit:

- Last 24 months: 9 months employed
- First 90 days- 70% of average net salary in last 3 months and the rest of the time 35% of net salary
- The minimal amount of benefit can not be lower than 50% of net minimum salary (minimum net salary is 2362 kn; cca 315 eur)

Labour history (days)	Benefit during (days)
9 months- 2 years	90
More than 2 years	120
More than 3 years	150
More than 4 years	180
More than 5 years	210
More than 6 years	240
More than 7 years	270
More than 8 years	300
More than 9 years	330
More than 10 years	360
More than 15 years	390
More than 20 years	420
More than 25 years	450

5. Social benefits of your country (if applicable)  
(Criteria to get them, minimum amount, duration, ...)

## 1. BENEFICIARIES AND SOCIAL WELFARE

### 1-1. NUMBER OF BENEFICIARIES AND SOCIAL WELFARES IN CROATIA FOR THE PERIOD 2010. - 2012. (material help)

#### *1 SUPPORT FROM THE STATE*

CATEGORY OF SUPPORT	2010.	2011.	2012.
1. Permanent support / financial help for living			
1.1. total sum of money (for single persons and families)	46.246	46.189	49.254
1.2. total number of persons	102.668	104.112	110.794
2. Support for disabled persons	16.780	19.027	21.059
3. Support for nursing care for patients	81.373	79.449	78.290
4. One-time financial support (for single persons and families)	93.063	75.367	73.195
5. Support for the personal needs of the beneficiary placed outside their own family	9.343	10.065	8.513
6. Food as a form of in-kind support	1.196	1.123	1.047
7. Funds for buying clothes and shoes	5.632	5.255	5.307
8. Paying for funerals of people that received financial support for living	1.378	1.188	1.153

9.1. One-time financial support for schooling	18.308	12.244	8.442
9.2. Funds for buying school books	-	10.697	11.879
10. Financial support until the beneficiary is employed	3.609	3.087	3.687
11. Help and nursing patients in their home	2.461	2.135	1.995
12. Funds for placing children and youth in foster families	2.001	2.059	2.100
13. Funds for placing adults and elderly people in foster families	3.263	3.367	3.549
14. Funds for placing children and youth in foster homes	4.014	2.922	2.844
15. Funds for placing adults and elderly people in foster homes	10.557	10.784	10.372
16. Paying funeral services for the beneficiary in the foster home	445	541	542
17. Paying for expenses for placing students in the dormitories	502	388	474
18. Right to have status of parent and care-giver	2.187	2.759	2.869
<b><i>II LOCAL AND REGIONAL SUPPORT</i></b>			
1. Paying for housing expenses (for single persons and families)	29.038	32.334	25.493
2. Help in buying firewood (for single persons and families)	41.602	38.486	38.376

**Source:** data from the Ministry of social policy and youth (based on processed data from the centers for social care).

6. Figures of early school leavers (if available)

2002	2006	2008	2009
8%	5.3%	3.7%	3.9%

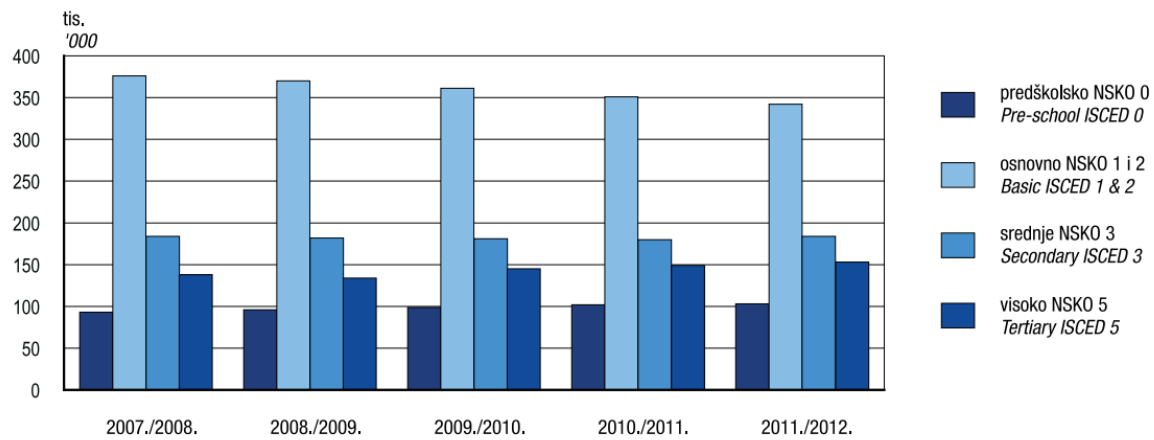


Education and Culture DG

Lifelong Learning Programme



**26-1. UPISANA DJECA, UČENICI I STUDENTI PREMA RAZINAMA OBRAZOVANJA OD 2007./2008. DO 2011./2012.**  
CHILDREN, PUPILS AND STUDENTS ENROLLED, BY LEVEL OF EDUCATION, 2007/2008 – 2011/2012



Source: Croatian Statistical yearbook 2012

7. Existence of any kind of work agency, job center, ... to support 'activation of people' (= getting a job) (name + private or public + short description of their services). Please enclose a picture of the organizational structure of leading jobseekers to work

Croatian Employment Service - public

Private

Addeco

Adecco privremeno zapošljavanje

Agencija za povremeni posao

Dekra zapošljavanje

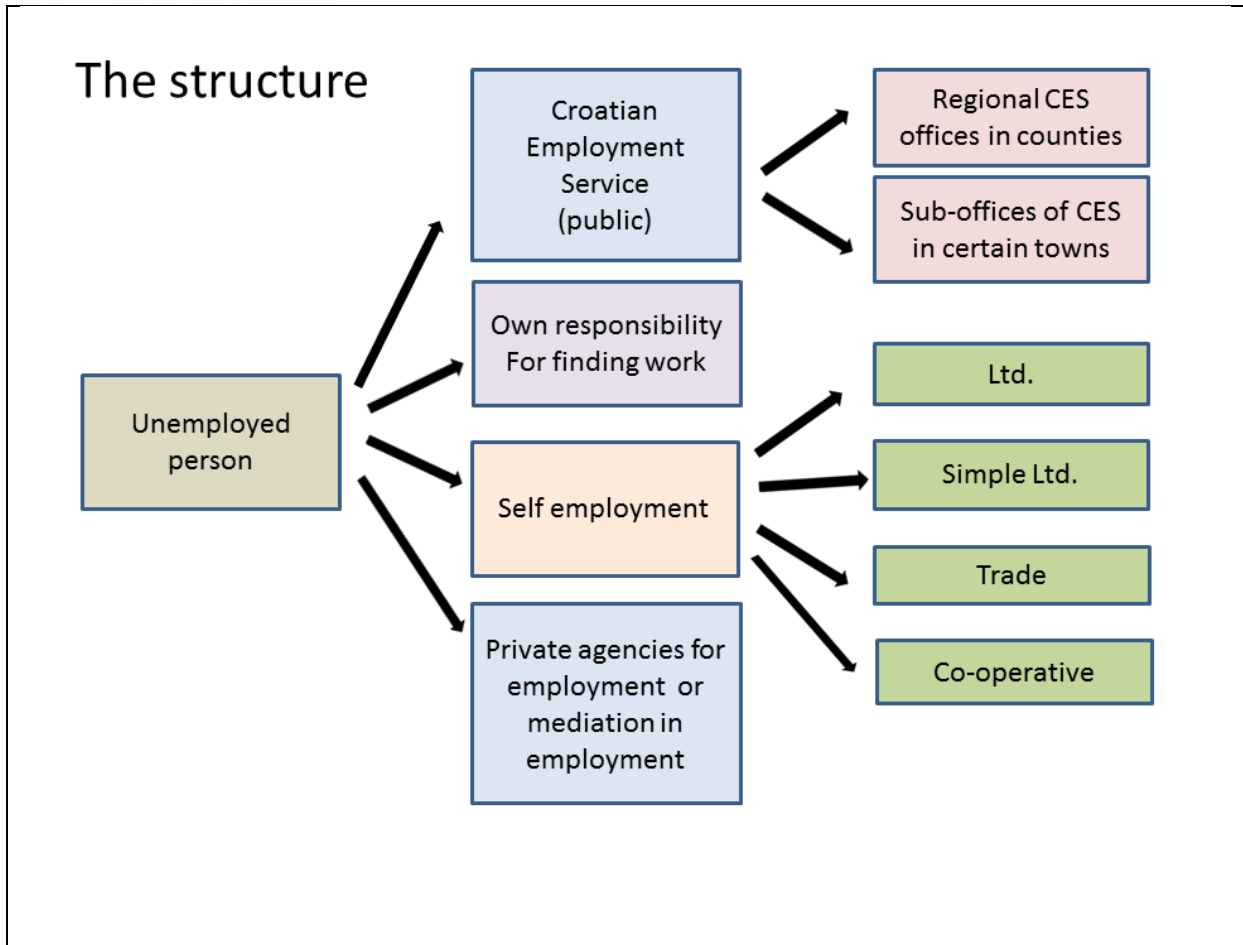
Uspinjača - private

Posao i karijera d.o.o.

Selectio

Smart Flex za privremeno zapošljavanje

Trenkwalder za privremeno zapošljavanje



8. The average budget available to reintegrate an unemployed person (on state/municipal level)

In Croatia:

- National plan for employment stimulation 2011-2013
- Each County in Croatia (20): Human resources development strategy

<u>The funds for active employment policy</u>	<u>USERS</u>	<u>PER USER/EUR</u>
<b>2012:</b> 366.881.225,00 kn (cca 45.000.000 eur)	41.555	1082
<b>2013:</b> 521.637.767,00 kn (cca 69.000.000 eur)	47.920	1440

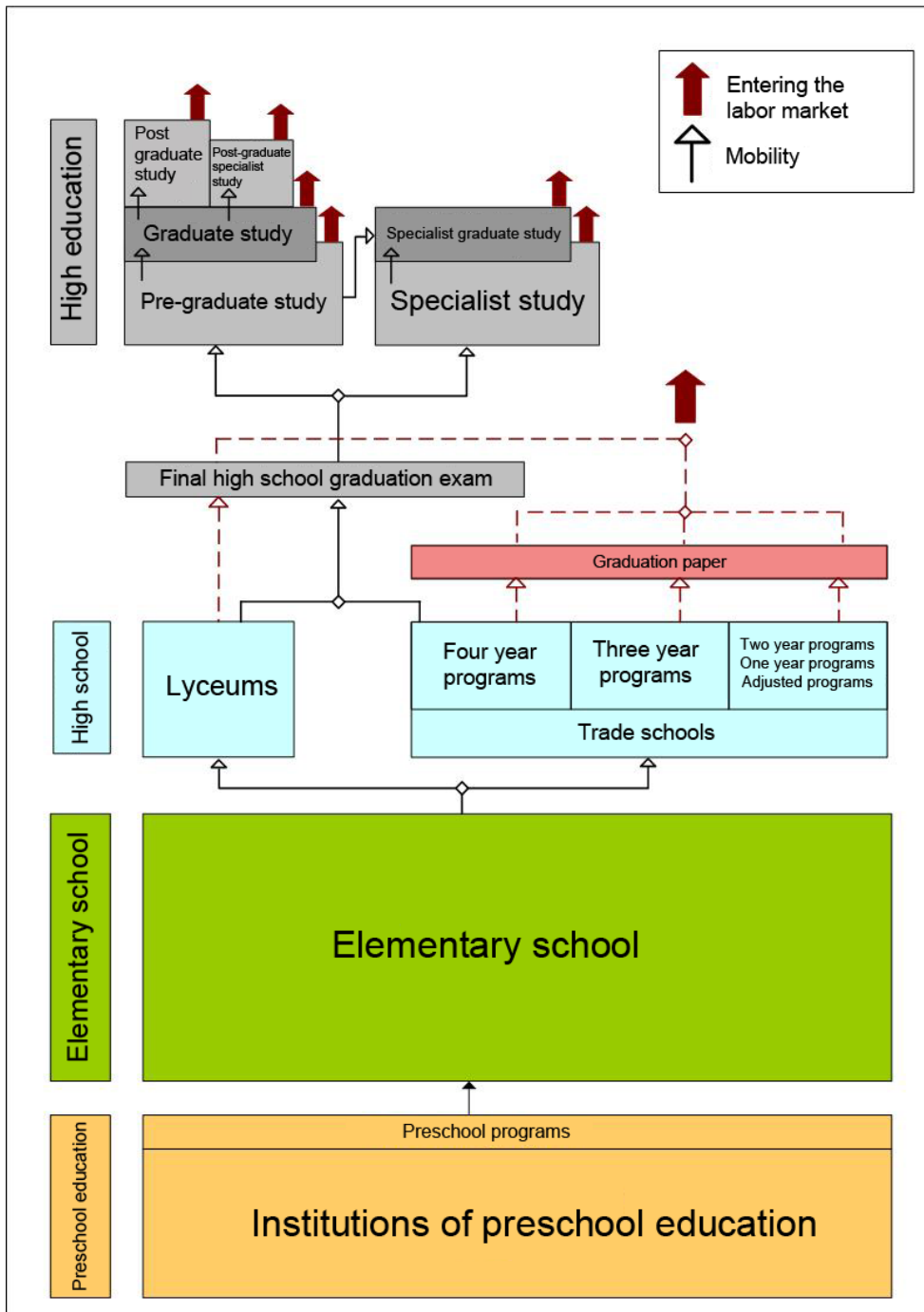


LEGAL FRAMEWORK

EDUCATION: POLICY TO SUPPORT INDIVIDUAL KNOWLEDGE

- Overview of education - 'flow' of an individual (from primary school to ...)
- Minimum age of leaving school
- Specific measures taken to better match with the labor market

Education flow of an individual in Croatia





Current minimum age for leaving the school is 15 years, because elementary school is compulsory for all children. However, soon, the minimum age for leaving school will be 18 or 19 years, because the government's intention is to make high school compulsory too.

Specific measures taken to better match with the labor market :

- scholarships for deficit occupations (Master of electrical engineering, medical doctors, pharmacist, Master of Civil Engineering, architecture, master of mathematics, Master of German language and literature, physics, psychology and speech pathology, butchers, electrician, gas installer, baker, chimney sweeper, car body painter, plumber, pastry chef, carpenters, waiters, locksmiths glaziers, joiners, machinists, carpenters, plasterers, bar bender)
- Different measures for employment stimulation (additional educations and change their line of work.)
- Limited enrollment to certain universities (University of Economics in Osijek)

## WORK: LABOR MARKET POLICY TO ENHANCE (RE)EMPLOYMENT OF YOUTH

1. Does your country have a Minimum wages system? And if so what does it look like?

Minimal wage in Croatia for the period June 1-December 31, 2013 is 2.984,78 kuna ("Narodne novine", br. 51/13.)

Average monthly net wage for 2012 was 5.478 kuna (Statement from the Croatian Bureau of Statistics, number 9.1.1/12, from February 28, 2013)

2. Please give a brief overview of how the different responsibilities regarding unemployment and social security are divided between the different tiers of government (state, province/district, municipality, etc).

Different responsibilities regarding unemployment are divided between Ministry of labor and Croatian Employment Service on national level, and regional offices of CES on local level. Croatian Employment Service is executive body of the Ministry of labor and it has its regional offices in towns. There are also private firms that deal with mediation in employment and finding employment for the beneficiaries. Ministry of labor defines all the stimulations and measures for increasing employment that are available to both public and private institutions for employment.

3. Subsidies (for employers or/and employees)

Subsidies for employers and employees are defined by the Ministry of labor and are intended for stimulating employers to hire more people through various tax reliefs, as well as unemployed people to have additional education in order to become more eligible for work.

4. Specific programs (trainings, internships, job placements,...)

There are certain measures provided by CES that stimulate additional education or stimulate employer to hire people.

## WELFARE: SOCIAL POLICY TO SUPPORT INDIVIDUAL WELFARE OF YOUTH

- Rent allowances,
- Child care benefits,
- Tax reductions,
- Mobility benefits,
- ...

See attachment

The research made within project ***“Improving the provision of Social Service Delivery in South Eastern Europe through the empowerment of national and regional CSO networks”***

OCI is the partner on above mentioned project

## OPPORTUNITIES

### WHICH SECTORS EXPERIENCE A GROWTH IN YOUR COUNTRY?

biotechnology  
bioenergy  
agriculture  
waterpower engineering  
tourism  
health tourism  
transport

### WHAT ARE THE ‘BOTTLENECK PROFESSIONS’ (JOB OPENINGS THAT ARE HARD TO FILL IN) IN YOUR COUNTRY AND FOR WHAT REASONS?

Jobs that require higher education: Medical staff, Masters of pharmacy, engineering, architecture, web designers.

Reasons: low number of educated people (low enrollment quota at universities, time required for finishing the university, financial means); young educated people are leaving Croatia because they are more paid abroad.

Jobs that require lower education: waiters, cooks, cleaning personnel (especially during the summer season), call center agents.

Reasons: not enough youth educated for that occupations; most of them want to go to university

**PART II BEST PRACTICES & FUTURE (TO FILL IN AFTER MEETING IN YOUR COUNTRY)**

**BEST PRACTICES**

Description/explanation of ‘programs’, ‘tools’, ‘methodologies’, ‘Successful stories’, ‘initiatives public/private’ ... to enhance the (re)employment or improve the employability of youngsters in the labor market

Successful stories: (1,2, 3)

1. PUPIL’S COOPERATIVE “DALYA“  
 From 2007, within the VET school Dalj, a pupil's cooperative „Dalya“ has been established. Its goal is to teach the pupils to work and to take responsibilities, so they can perform certain types of work after finishing high school. All activities in pupil's cooperative are done in their greenhouses, orchard and vegetable garden. The cooperative has 9 sections: strawberry greenhouse (grown and sold by pupils), orchard, vegetable garden, hotbed, wine celler, gastrology, marketing and accounting. Each section has a professor mentor and a pupil director. For their work and products (strawberry wine and liqueur, cherry liqueur, strawberry, apple, apricot, pear brandy) they have received numerous awards. A pupil’s cooperative serves as a model and gives an insight into the real business world. The cooperative aims to teach pupils theoretical and practical knowledge and skills. It also prepares and teaches pupils how to deal with possible difficulties and challenges in business.

**PRECONDITIONS FOR SUCCESSFUL IMPLEMENTATION:**

- the willingness and interest of teachers and pupils
- necessary premises and equipment
- support of the local community
- legal knowledge for establishment of cooperative or funds for lawyer in charge for that

2. Project A.C.T.I.V.E.- Activity and Creativity Through Ideas and Ventures=Employment „Local employment development initiatives“.

The specific objectives of this project are:

1. Contribute to an increase in employment and self-employment of young people in Slavonia and Baranja by carrying out information, counseling and education on proactive approach to the labor market and self-employment, encouraging and developing entrepreneurial skills.
2. Creation of preconditions for continuous assistance to the young– students and pupils final years of education in Osijek-Baranja County and to unemployed young people without work experience with the aim of motivating, empowering and providing them with help in starting an entrepreneurial venture through the activities of the Fledgling incubator - incubator for young people.

Beneficiary: J.J.Strossmayer University of Osijek, Faculty of Economics in Osijek  
Partners: Centre for Entrepreneurship, Osijek, Croatian Employers Association, Regional office Osijek Business Incubator BIOS Osijek, Trade and commercial school „Davor Milas“, Osijek School of crafts, Tourism and catering school Osijek, Second high school Beli Manastir  
Associate partners: Croatian Employment Service, Osijek- Baranja County

ACTIVITIES	RESULTS
1. Educational activities on University "Academy of Entrepreneurship Development": WORKSHOPS: "Recognition of Entrepreneurial Opportunities" „From Idea to Entrepreneurial Venture“ „Labour Market Empowerment“ „Social Entrepreneurship“	raising competences and soft skills of students and unemployed young people without work experience; their active involvement in labour market and self-employment; achieving and maintaining motivation of young
2. Educational activities in secondary schools, WORKSHOPS- From Idea to Business Venture“ „Labour Market Empowerment“	See result 1
3. Debate club for pupils, students and young unemployed people without work experience	Purpose of the debate is to familiarize students with the debate topic, and in the same time teach them

<p>„Nepotism or Recommendation?“          „Business in Accordance With the Law?“          „Lifelong Learning – Imperative or Not?“</p>	<p>how to speak their mind and have reasonable arguments.</p>
<p>4. Competition- The best entrepreneurial idea</p>	<p>This activity will encourage creative ideas of target group members as well as improve their elaborative skills; they will be taught how to make a business plan, and in doing so the motivation of young people will be achieved and maintained. A prize trip for the best teams and members of the project team will be organized.</p>
<p>5. Fair and the presentation of best ideas</p>	<p>Activity is directly related to the competition for the best entrepreneurial idea. At the fair 30 teams will present their ideas and each team will have at their disposal its own stand for the presentation of those ideas. Each team will present ideas directly to entrepreneurs, investors and business angels.</p>
<p>6. Starting Fledgling incubator - incubator for young people</p> <p>Activities related to the establishment, equipping and operation of incubator for young people:</p> <ul style="list-style-type: none"> <li>• Equipping the premises and equipment procurement</li> <li>• Setting up the info room with publications and info desk</li> <li>• Incubator services: free accounting services and consulting for entrepreneur beginners, legal aid related to labor law, advices and mentoring in startup of business, growth , marketing, sales and all other issues regarding with starting and development of business, advices and mentoring in active job search and networking.</li> <li>• Using office equipment in starting and running a business, for writing job applications and CV's and preparation for job interviews.</li> <li>• Entrepreneurial reading room</li> <li>• Incubator's web page</li> </ul>	<p>Within the incubator following activities are conducted:</p> <ul style="list-style-type: none"> <li>• Counseling, informing and mentoring of young persons who wish to start a business venture or get employed</li> <li>• Business forums with entrepreneurs and target group members</li> <li>• Connection of employer's database and target group's database</li> </ul>
<p>7. Mentoring and counseling young people</p>	
<p>8. Business forums – monthly forums with entrepreneurs and target group members</p>	
<p>9. Connecting the database of employers with the database of target groups</p>	
<p>10. PR activities</p>	
<p>PROJECT RESULTS:</p> <ul style="list-style-type: none"> <li>• Successful project implementation, project team competences in project management increased,</li> <li>• Increased competence, motivation and soft skills of students and unemployed young persons without work experience for labor market access and self-employment,</li> <li>• Increased competences, motivation and soft skills of pupils for active approach to the labor market and self-employment,</li> <li>• Increased qualification of debate participants for selected topic, opinion argumentation, gained</li> </ul>	

knowledge about selected topic and empowerment for expressing own point of view by gaining new insight in actual themes,

- Initiated development of young person's creative ideas as well as capability of elaboration and argumentation of those ideas,
- Presented ideas and increased visibility of the best and most creative ideas of the young people
- Ensured advisory and infrastructural support through services of the Fledgling incubator for new employment and self-employment of young persons (expert advisory aid in entrepreneurship, legal aid, accounting services, info-office, entrepreneurial library, office infrastructure etc.),
- Empowered, counseled young persons about starting an own business and self-employment as well as empowered labor market approach and finding of potential employers;
- Created new business networks between target group representatives and employers,
- Facilitated networking and identifying of new potential employment opportunities,
- General public familiarized with the project, its purpose and activities.

**PRECONDITIONS FOR SUCCESSFUL IMPLEMENTATION:**

- Interest of all project stakeholders (beneficiary, partners, target group)
- Experts in certain fields (entrepreneurship, employment, self-employment)-provided by partners
- Premises for implementation of activities- provided by beneficiary and partners
- Funded by EU (87%), and by the beneficiary and partners (13%)

**3. BIOS-entrepreneurial incubator**

BIOS supports small and medium sized enterprises development by providing them with office space and production facilities and other business-related services in the most critical development phases. With these activities they participate in the economic development of our region and the decrease of unemployment rate in the region. BIOS provides services to its tenants and other entrepreneurs. These services are: preferential business facilities lease space, organizational and business consulting assistance, know-how and technology transfer, assistance with the tenants business plans and development, market research and promotion, business skills development, licensing intermediation, management and project management education, certification consulting assistance, joint marketing efforts on trade fairs and exhibitions, entrepreneurship promotion and networking, computer assistance and broadband internet usage, audiovisual equipment and conference room lease, fax and copier usage, accounting and legal consulting assistance, administrative services, presentation of tenants businesses on portal.

**PRECONDITIONS FOR SUCCESSFUL IMPLEMENTATION:**

- Space and infrastructure (support of the local community and EU funds)
- Qualified human resources for incubator management
- High quality of services provided by incubator
- Monitoring of the companies located in the incubator
- Definition of long term financial sources (local community, private companies, ministries, EU funds)

**FUTURE**

**IDEAS, SUGGESTIONS IN ORDER TO ACTIVATE YOUNG PEOPLE**

- prepare young people for labor market ( soft skills workshops, job-interview simulations, additional education, counseling, encouragement of volunteering etc)
- implement projects (local, national, regional) for the benefit of the youth- examples of good practice in other countries which can be applied in our country, sharing of different knowledges, experiences and techniques when working with youth (e.g. mobility projects)

- promote volunteerism and encourage young people to volunteer (a good way for youth to gain work experience and be useful in their communities)
- encourage lifelong learning (especially foreign languages) and Improving computer literacy and adoption of new technologies in schools
- Implementation of re-training programs for youth in low-sought occupations in occupations needed on the labor market

## RECOMMENDATIONS TO POLICY MAKERS

- reforming of VET education (Harmonization of vocational curriculum to the needs on the labor market)
- The harmonization of labor demands with the trends in the economy (e.g. decrease the enrollment quota on certain universities (Law, economics) and VET schools (hairdressers)- there are too many young people with this profession who are hard to employ (sufficite occupations) and increase the enrollment quota for deficit occupations (dentists, pharmacists, doctors)
- emphasize the importance of education in cooperation with educators ( Improved professional guidance in primary and secondary schools; popularization and scholarships for deficit occupations)
- Development and implementation of new and improvement of existing programs for the education and training of (young) adults
- Support activities aimed at improving the infrastructure of educational institutions
- The introduction of incentives for entrepreneurs who cooperate with schools

### RECOMMENDATIONS TO EMPLOYERS

- encourage employers to use incentives for employing youth (inform employers on incentives by using media, educate them on how to use the incentives, what are their obligations when using them (organizing workshops for employers), promote them as socially responsible companies if they use incentives, etc)
- Encourage business planning in companies
- Introduction of mentoring system (large companies as mentors to smaller ones)
- Organization of “open door” days in enterprises

### YOUTH GUARANTEE IN CROATIA

Youth Guarantee is a new approach to solving the problem of unemployment of young people, used for quick activation of all persons under the age of 25 years (in the Republic of Croatia under the age of 30 years!) on the labor market.

Quick activation on the labor market provides greater motivation for young people looking for work, as well as rapid upgrading of knowledge and acquired during the education.

Quick activation involves getting quality job offers within four months from the time of leaving or completing education or becoming unemployed, regardless of whether the person is registered at the CES or not.

Quality offer applies to: job offer, apprenticeship, traineeship or internships offer or continuation of education with an emphasis on customization of individual abilities and needs of each young person.

The Guarantee itself does not guarantee employment, but represents a structural reform that will enable the rapid activation of young job seekers as soon as possible.