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SOCIAL RIGHTS MONITOR 2020

COUNTRY MONITOR: CROATIA



Croatia has seen several of its macroeconomic indicators improve since its accession to the EU. For instance, its unemployment rate went down from 17.3% in 2013 to 6.6% in 2019¹ – a drop that can be accounted for by the rise in emigration of workers to other EU States. For other indicators, like the risk-of-poverty rate of 23.3%,² the country has made progress but performs worse than the EU average. However, all these figures hide persisting social and geographical disparities, as reported by SOLIDAR's Croatian National Strategy Group (NSG) led by the Centre for Peace Studies (CMS). Moreover, a fragmented trade union movement is struggling to address increasing labour precariousness and violations of the

labour code, which are driving a further deterioration in working conditions. In the face of these growing inequalities, the recent taxation reforms continue to disproportionately impact vulnerable groups and will likely weaken the social protection system. The NSG is especially worried about the existential insecurity caused by inadequate standards of living, due to factors such as the precarity of labour; inadequate, expensive housing; and low quality and access to health and social services. Another pressing issue it points out is the poor implementation of policies, in light of which the NSG is sceptical about the Croatian government's capacity to tackle the socio-economic impacts of the Covid-19 outbreak.

1 Eurostat (2020). Unemployment by sex and age: annual data: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en

2 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

	2018	2019	EU-28 2019
Gini index ³	29.6	29.2	30.1
Unemployment ⁴	8.5%	6.6%	6.3%
Gender Equality Index ⁵	55.6 (2019)	58.0 (2020)	67.9 (2020)
In-work poverty ⁶	5.2%	5.0%	9.2%
Housing Overcrowding ⁷	39.3%	38.5%	15.6%
CIVICUS Civic Space Monitor ⁸		NARROWED	N/A

Selected indicators on the state of social rights

EQUAL OPPORTUNITIES AND ACCESS TO THE LABOUR MARKET

Prior to the Covid-19 outbreak, Croatia was expected to experience reduced economic growth in 2019 in comparison to previous years, counterbalanced only by improvements in labour market rates.⁹ The employment rate grew from 2013 to the end of 2019,¹⁰ when it reached 66.7%. The unemployment rate was 6.6%¹¹ in 2019, having decreased continuously since 2014. Youth unemployment followed a similar trend, decreasing since 2013 from 50% to 16.6% at the end of 2019.¹² Nevertheless, these positive developments did not take into account the shrinking population of Croatia

due to higher emigration flows and a declining birthrate, which have an impact on the labour market and social protection system.¹³

As part of an amendment plan initiated in 2016, taxation reforms introduced in 2020 led only to minor changes, (CMS)^{14, 15}. By backtracking on several promises – to reduce the 25% VAT rate, extend the 13% reduced-VAT rate and increase the basic monthly deduction for income tax to HRK 4,000, Croatia will continue to depend on the taxation of consumption¹⁶. Amongst other amendments, the NSG

3 Eurostat (2020). Gini coefficient of equivalised disposable income: http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&dataset=ilc_di12

4 Eurostat (2020). Unemployment by sex and age: annual data: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en

5 European Institute for Gender Equality (2020). Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2020/HR>

6 Eurostat (2020). In-work at-risk-of-poverty-rate : <https://ec.europa.eu/eurostat/databrowser/view/tespm070/default/table?lang=en>

7 Eurostat (2020). Overcrowding rate by age, sex and poverty status – total population: https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho05a/default/table?lang=en

8 CIVICUS (2020). Civic space monitor - Croatia: <https://monitor.civicus.org/country/croatia/>

9 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

10 Eurostat (2020) Employment and activity by sex and age – annual data https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsi_emp_a&lang=en

11 Eurostat (2020) Unemployment by sex and age – annual data https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en

12 Eurostat (2020) Unemployment by sex and age – monthly data <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

13 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

14 Ministry of Finances (2020) Tax Administration : Regulations 2019 https://www.porezna-uprava.hr/HR_porezni_sustav/_Jay-outs/15/in2.vuk2019.sp.propisi.intranet/propisi.aspx?id=pro1467

15 Novilist (2019) Kreće četvrti krug porezne reforme: Evo što se sve mijenja i na koji vas se način tiče https://www.novilist.hr/Vijesti/Hrvatska/Krece-cetvrti-krug-porezne-reforme-Evo-sto-se-sve-mijenja-i-na-koji-vas-se-nacin-tice/?meta_refresh=true

16 European Commission (2020) Taxation Trends in the European Union: Data from the EU Member States, Iceland and Norway https://ec.europa.eu/taxation_customs/sites/taxation/files/taxation_trends_report_2020.pdf

highlights the introduction of a tax break for young people with an annual tax base of HRK 360,000 or below¹⁷. People aged 25 or less years are exempt from paying income tax, and those aged 26 to 30 will only pay up to half the tax they would normally pay. Even if these additional tax exemptions contribute to a reduction of taxation on labour, they will lead to no significant changes given the low number of employed persons paying personal income tax, unchanged net wages¹⁸ and the low share of direct taxes in total government revenue¹⁹. Because of these reforms, the overall reduction in tax revenue of HRK 2.4 billion²⁰ weakens social protection and hinders efforts to combat rising inequality. This is especially concerning, as a recent publication from the Croatian National Bank reveals that Croatia²¹ has a Gini coefficient of 0.44²², with 85% of households earning less than the average net wage of HRK 5,985²³, a sign of extremely high income inequality.

Integration efforts to guarantee equal opportunities for vulnerable groups have fallen short of their objectives, as indicated by the NSG. The extension of the Active Employment Measures to asylum seekers, those under international protection and their family members was meant to cover language needs, develop employment profiles and provide work experience. Yet, the quality of the courses has been low, and asylum seekers were not referred to Croatian language courses by the Croatian Employment Service. The NSG believes these are two factors driving the exclusion of this social group

from the labour market and Croatian society. Only two applicants for international protection were taking part in the individualised employment-counselling programme in 2019.²⁴ In addition, the active employment measures have yet to address antigypsyism, a special form of racist prejudice against Roma communities that contributes to them often being discarded as potential employees. According to a survey conducted by CMS, in Croatia “18.7% of Roma are in some form of employment (7.3% work full time; 9.2% are in occasional or temporary work; while 2.1% are self-employed)”.²⁵

WORKING CONDITIONS AND COLLECTIVE ACTION

Given its added impact on the erosion of rights and working conditions, labour precariousness is amongst the current most pressing social issues, according to the National Strategy Group. Croatia’s low unemployment rates hide the fact that a significant proportion of people of working age are experiencing involuntary temporary work and are performing undeclared or unpaid work. Almost one in five workers in Croatia are working under temporary contracts, of whom 86% are doing this involuntarily.²⁶ Given that only 7% of part-time workers transitioned to fulltime work and 10% from fixed-term to permanent positions,²⁷ mobility towards less precarious working contracts seems to be limited. Furthermore, undeclared work, fuelled by low-quality job offers and a lack of regulatory and inspection

17 Ministry of Finance (2020) Tax Administration : Regulations 2019 https://www.porezna-uprava.hr/HR_porezni_sustav/_layouts/15/in2.vuk2019.sp.propisi.intranet/propisi.aspx?id=gru1

18 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

19 European Commission (2020) Taxation Trends in the European Union: Data from the EU Member States, Iceland and Norway https://ec.europa.eu/taxation_customs/sites/taxation/files/taxation_trends_report_2020.pdf

20 Croatian Chamber of Trades and Crafts (2019) Tax changes from January 1, 2020 <https://www.hok.hr/obavijesti/porezne-promjene-od-1-sijcnja-2020-godine>

21 Croatian National Bank (2019). Macroeconomic Diagnosis no. 9: https://www.hnb.hr/web/guest/analize-i-publikacije/re-dovne-publikacije/makroprudencijalna-dijagnostika/html/-/asset_publisher/Tzltcw964pu/content/makroprudencijalna-dijagnostika-br-9

22 Ivanković, Željko (2020) Gini coefficient of income inequality 0.44 - 0.51. Croatian 1 percent of the richest. CNB Household Survey <http://ideje.hr/ginijev-koeficijent-nejednakosti-dohotka-044-051-hrvatskih-1-posto-najbogatijih-hnb-ova-anketa-o-imovni-kucanstava/>

23 Ibid.

24 Croatian Law Centre (2020) Asylum Information Database Country Report: Croatia 2019 Update <https://www.asylumineurope.org/reports/country/croatia>

25 Center for Peace Studies (2018). https://www.cms.hr/system/publication/pdf/109/Roma_Inclusion_in_the_Croatian_Society.pdf

26 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

27 European Commission (2019) Country Report Croatia 2019 https://ec.europa.eu/info/sites/info/files/file_import/2019-europe-an-semester-country-report-croatia_en.pdf

capacity, is having an impact on social security coverage and adherence to labour code standards.²⁸ Whilst only 4% of the population have admitted carrying out undeclared work, 42% say they know of someone engaging in undeclared work.²⁹ The annual Ombudsman Report for 2019 indicates a rise in complaints over labour irregularities such as non-payment of salaries, inadequate registration of working hours, abuse of overtime work and abnormalities in the termination of contracts. Amongst other data, 83 cease-of-activity decisions for employers breaking the labour code were reported in 2019, as well as 7,729 instances of workers not being paid the minimum wage.³⁰ Whilst undeclared work disproportionately affects manual workers, low-skilled people and the unemployed and retired,³¹ the NSG reports that precariousness also impacts refugees and migrants. This is due to the above-mentioned barriers to formal employment, leading this social group to experience greater pressure to accept worse working conditions.

When assessing labour practices, the NSG saw in the fragmented union environment an explanation for the loss of collective bargaining power to address these infringements. Only 26% of workers are estimated to be members of one of the 328 nationally registered unions or the 298 operating in a single county. Unions have experienced continuous losses in membership over the last five years.³² As the current legislation stipulates that only one union representing employees in an organisation is allowed to sign collective agreements, many

unions compete with each other for that position.³³ The NSG further indicates additional complications for the unionisation of precarious workers and those under new forms of employment with short-term contracts and insecure employment conditions. As a result, only 53% of dependently employed workers in Croatia are covered by collective agreements.³⁴

Nevertheless, some recent examples of union action have captivated the attention of the NSG. Reacting to the planned increase in the statutory retirement age, from 65 for men and 62 for women to 67,³⁵ the Croatian trade union movement initiative 67 Is Too Much obtained sufficient signatures to trigger a referendum. The result led to the cancellation of the increase.³⁶ The 2019 Minimum Wage Act introduced a monitoring and analysis commission in which trade unions could participate. Following negotiations, the unions reached an agreement with the government to raise the minimum monthly salary by 8.33% to HRK 4,062.51 (approx. EUR 550) starting from 2020, despite falling short of the initial demands.^{37, 38} During autumn 2019, Croatia had a strike in primary and secondary education, with a participation rate of more than 85%. It lasted 36 days, the longest strike action since independence in 1991. Nevertheless, despite a demand to raise education staff salaries by 6.11%, agreement was reached on a raise of 3% exclusively for teachers, with an extension of the Christmas bonus and holiday allowance to HRK 1,500.00 (approx. EUR 200). Non-teaching staff were not covered by the agreement.³⁹

28 Iva Tomić, Ivica Rubil, Danijel Nestić, Paul Stubbs (2019) The employment and social situation in Croatia [https://www.europarl.europa.eu/RegData/etudes/STUD/2019/642345/IPOL_STU\(2019\)642345_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2019/642345/IPOL_STU(2019)642345_EN.pdf)

29 European Commission (2020) Special Eurobarometer 498 Report: Undeclared Work in the European Union <https://ec.europa.eu/comfrontoffice/publicopinion/index.cfm/survey/getsurveydetail/instruments/special/surveyky/2250>

30 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

31 Iva Tomić, Ivica Rubil, Danijel Nestić, Paul Stubbs (2019) The employment and social situation in Croatia [https://www.europarl.europa.eu/RegData/etudes/STUD/2019/642345/IPOL_STU\(2019\)642345_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2019/642345/IPOL_STU(2019)642345_EN.pdf)

32 ETUI (2020) National Industrial Relations in Croatia: Trade Unions https://www.worker-participation.eu/National-Industrial-Relations/Countries/Croatia/Trade-Unions#_ftn12

33 Eurofound (2020) Living and working in Croatia <https://www.eurofound.europa.eu/country/croatia#collective-bargaining>

34 Ibid.

35 Croatian Parliament (2013) Decision on promulgating the Pension Insurance Act <http://www.mvep.hr/files/file/dokumenti/prevodenje/zakoni/zakon-o-mirovinskom-osiguranju-nn-157-13-eng.pdf>

36 Eurofound (2020) Living and working in Croatia <https://www.eurofound.europa.eu/country/croatia#collective-bargaining>

37 ETUC (2020) Pay rise for public service workers in Croatia <https://www.etuc.org/en/pay-rise-public-service-workers-croatia>

38 Eurofound (2020) Living and working in Croatia <https://www.eurofound.europa.eu/country/croatia#collective-bargaining>

39 Eurofound (2020) Living and working in Croatia <https://www.eurofound.europa.eu/country/croatia#collective-bargaining>

EDUCATION

Croatia's 3%⁴⁰ rate of early leavers from education and training is one of the lowest in the EU, but it does not reflect the extent of compulsory attendance, the quality of the education system or the impact on employability, as reported by the National Strategy Group (NSG). Unlike in most of the EU, education attendance is only compulsory in Croatia from the ages of seven to 15, a period of just eight years.⁴¹ According to the latest PISA report, Croatia's underperformance in basic skills development is higher than the EU and OECD averages,⁴² and meeting the demand for digital skills from the labour market continues to be a challenge. Only 53% of the population are reported to have a basic set of digital skills.⁴³ Furthermore, Croatia's tertiary educational attainment, currently at 33.1%, has yet to reach the EU average.⁴⁴ All of the above are a result of lower-than-EU-average annual instruction time of 473 hours for primary education and 637 for secondary education;⁴⁵ a shortage of teachers, which disproportionately impacts education and informatics teaching in remote areas; and the lower-than-average wages for higher education staff.⁴⁶ The negative impacts on the quality of education include a lack of skills at all educational attainment levels and a lower rate of employability than the EU average.⁴⁷ Furthermore, the NSG reports a lack of statistical follow-up on vulnerable children after they have passed age 15, which hides the reality of the educational attainment of the most vulnerable, such as the Roma youth community.⁴⁸

GOOD PRACTICE

The Ministry for Science and Education has increased its financial support dedicated to the inclusion of the Roma national minority in the education system in order to reduce the existing educational gap and rate of early school leaving. In addition to offering free access to early childhood education, the Ministry has increased the number of available scholarships and one-time awards for the completion of secondary education.

Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019. <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzv-je%C5%A1%C4%87e-pu%C4%8D-ke-pravobraniteljice-za-2019.pdf>. p. 25.

Against this backdrop, the NSG has reported the introduction of a curriculum reform in 2018, which follows a path of digitalisation, skills development, and a student-centred approach, as seen in the School for life programme.⁴⁹ Both the digitalisation of instruction materials and the introduction of informatics as a compulsory subject will serve as an incentive to the development of digital competencies and raise students' prospects of future employment. Even though the NSG considers it too early to determine the result of this reform, it is particularly concerned with the introduction of a crosscutting "entrepreneurship" course.⁵⁰ While this provides primary and secondary school

40 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

41 European Commission/EACEA/Eurydice (2018) Compulsory Education in Europe 2018/19 - Eurydice Facts and Figures. https://eacea.ec.europa.eu/national-policies/eurydice/sites/eurydice/files/compulsory_education_2018_19.pdf

42 OECD (2018) Results from PISA 2018: Croatia Country Note https://www.oecd.org/pisa/publications/PISA2018_CN_HRV.pdf

43 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

44 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

45 European Commission (2019) Education and Training Monitor 2019: Croatia https://ec.europa.eu/education/sites/education/files/document-library-docs/et-monitor-report-2019-croatia_en.pdf

46 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

47 Ibid.

48 Kunac, Suzana; Klasnic, Ksenija; Lalic, Sara (2018) Roma Inclusion in the Croatian Society: A Baseline Data Study. https://www.cms.hr/system/publication/pdf/109/Roma_Inclusion_in_the_Croatian_Society.pdf

49 Ministry of Science and Education (2020) Summary of Monitoring and Evaluation Findings Technical Support to the Implementation of the Comprehensive Curricular Reform in Croatia <https://skolazivot.hr/sazetak-ingleski/>

50 Official Gazette of the Republic of Croatia (2019) Decision on the Adoption of the Curriculum for the Cross-cutting Topic Entrepreneurship for Primary and Secondary Schools in the Republic of Croatia https://narodne-novine.nn.hr/clanci/sluzbeni/2019_01_7_157.html

students with entrepreneurship-related knowledge and skills, its lack of reference to workers' rights, unionisation and collective bargaining means it will not prepare students to be critical or equip them to improve their working and living conditions, according to the NSG.

Reforming vocational education and training programmes has been a challenge in Croatia. Current enrolment stands at 68.5%, below the EU average, and employability of graduates has been increasing from 59.4% in 2017 to the current 68.8%.⁵¹ The new reform, managed by 25 vocational and educational training (VET) regional centres of competence, introduces a more flexible approach to local specificities by providing 30% room for manoeuvre in the curriculum to adapt the content to the local context and build cross-sectoral partnerships.⁵² Despite these improvements, structural deficiencies in their design and implementation are limiting the efficacy of such programmes. Students continue to have limited exposure to work experience, with only 23% reporting that they spend half or more of their secondary education in the workplace for training purposes.⁵³ Furthermore, the Croatian government has reduced the number of available vocational education and training programmes in favour of more grammar schools, as seen in the Guidelines for building a network of educational facilities and programmes.⁵⁴ According to the NSG, this shift will likely negatively affect low-income and vulnerable students, who depend on the opportunity to earn a salary whilst enrolled in one of the programmes.

GENDER EQUALITY

The NSG has reported no recent substantial changes in gender equality in the last year in the absence of comprehensive gender equality frameworks. Since 2005, Croatia has ranked 22nd on the Gender Equality Index, despite improvements in the money and health domains.⁵⁵ Whilst the gender employment gap of 10.5% has been improving in the last decade,⁵⁶ a decrease in women's participation in political and economic life has been noted. Only 26% of ministers, 20% of members of parliament, 18% of board members and 0% of the central bank board are women.⁵⁷ Despite being below the EU average, the gender pay gap in Croatia has been rising since 2010 and currently stands at 10.5%.⁵⁸ Most worryingly, a rise in femicide and gender-based violent criminal offences has been noted in spite of Croatia's ratification of the Istanbul Convention and adoption of prevention and combatting measures.⁵⁹

In the absence of new policy measures, the NSG highlights reforms in pensions and work-life balance to address gender inequalities in these fields. In a recent push to address the gender pension gap of 21.6%, the NSG highlights some positive developments in the pension system. Following the inclusion of child-care activities as a pensionable service, 2019 was the first year in which the average pension of women was higher than that of men.⁶⁰ The NSG sees the amendment of the Maternity and Parental Assistance Act as a proactive step to ensure work-life balance. Measures are

51 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

52 European Commission (2019) Education and Training Monitor 2019: Croatia https://ec.europa.eu/education/sites/education/files/document-library-docs/et-monitor-report-2019-croatia_en.pdf

53 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

54 Ministry of Science and Education (2019) Guidelines for building a network of educational facilities and programmes <https://mzo.gov.hr/UserDocsImages//dokumenti/PristupInformacijama/eSavjetovanja-2019//Smjernice%20za%20izradu%20mre%C5%BEe%20%C5%A1kolskih%20ustanova%20i%20programa%20odgoja%20i%20obrazovanja%20-%20e-Savjetovanje%2023-4-2019.pdf>

55 EIGE (2019) Gender Equality Index Score for Croatia for 2019 <https://eige.europa.eu/gender-equality-index/2019/domain/power/HR>

56 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

57 EIGE (2019) Gender Equality Index Score for Croatia for 2019 <https://eige.europa.eu/gender-equality-index/2019/domain/power/HR>

58 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

59 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesc2019_ENG_web.pdf

60 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesc2019_ENG_web.pdf

being introduced to strengthen childcare infrastructure, increase financial support for maternity and parental leave and allow more-flexible working arrangements.

IMPACT OF COVID-19

Following the outbreak of Covid-19, the NSG has ranked the socio-economic implications of the pandemic as the most pressing issue that Croatia is currently facing. In the context of a 9.1% decline in GDP in 2020, unemployment is expected to increase to 10.2%, with youth unemployment reaching 24%.⁶¹ Due to the already precarious employment situation of migrants and refugees, the NSG emphasises how they have been the first to lose their jobs, especially in the service sector. The lockdown measures have also had a significant impact on working mothers. The need to educate children online at home means they have disproportionately had to balance their professional lives with childcare, further undermining their working conditions.

To respond to the socio-economic impact of the pandemic, the Croatian government rolled out a series of measures to protect employment and the payment of salaries.⁶² In addition to the temporary suspension of income and corporate tax collection, a short-term work scheme was set up to provide monthly wage subsidies of a minimum of HRK 4,000 per permanent employee. These were intended to aid companies, especially in the hospitality, transportation, logistics and manufacturing sectors, that disrupted activity left unable to pay their

employees' salaries. Furthermore, the Croatian government extended the Permanent Seasonal Worker programme to alleviate disruption in the tourism and construction sectors, which were facing an unprecedented drop in employment. Both measures exempted employers from paying social contributions.

Nevertheless, the implementation of the above-mentioned measures is being subjected to criticism from the Union of Autonomous Trade Unions of Croatia (SSSH), the Independent Croatian Unions and the Association of Croatian Trade Unions, as expressed in a joint statement released on 8 April.⁶³ The amount allocated to employees was based on calculations of the expected drop in economic activity rather than adjusted to real needs. Also, the payments were handed to employers with no additional mechanism to check for previous labour code infringements or sanction employers for malpractices. Further concerns were raised over the lack of transparency with regards to the publicly available list of beneficiaries provided by the authorities, which could not be downloaded or found easily through a search.

As a result of this management, the NSG reports that employees' income gains have been less than initially promised. One in four employers has further cut wages in addition to having their social security contributions reduced, so their employees will be entitled to smaller unemployment benefits in the event of further cut-backs. However, the NSG is awaiting additional statistics and analyses before it can carry out a full evaluation of the secondary effects of the employment and wage-relief measures.

61 Eurostat (2020) Unemployment by sex and age – monthly data <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

62 Government of the Republic of Croatia (2020) The government has adopted a package of measures to help the economy due to the coronavirus epidemic <https://vlada.gov.hr/vijesti/vlada-prihvatala-paket-mjera-za-pomoc-gospodarstvu-uslijed-epidemije-koronavirusa/29018>

63 SSSH (2020) Statement of trade union centers to the responsible public on the measures of the Government of the Republic of Croatia to mitigate the economic and social consequences of the COVID-19 pandemic <http://www.sssh.hr/hr/vise/-/izjava-sindikalnih-sredisnjica-odgovornoj-javnosti-o-mjerama-vlade-rh-za-ublazavanje-ekonomskih-i-socijalnih-posljedica-pandemije-covid-19-4300>

SOCIAL PROTECTION AND INCLUSION

According to the National Strategy Group, high living costs are decreasing the quality of life and living conditions in Croatia. The 2019 rises in food prices by 1.9%,⁶⁴ house prices by 10.4%,⁶⁵ and rents by 5.3%⁶⁶ add to the already existing pressure from a high standard VAT rate of 25%.⁶⁷ As these developments have not been matched by adequate rises in standard wages, a surge in household indebtedness is taking place in Croatia. Close to 50% of households have expenditure that is higher than their income,⁶⁸ and one in 10 citizens is unable to eat a quality meal every other day.⁶⁹ Due to the outbreak of Covid-19, the NSG expects living conditions to worsen for most of the population in Croatia. The NSG gave the example of elderly Serbs living in rural areas, who were prevented by the lockdown from both cultivating their land and receiving support from their families residing in urban areas.

Improvements in living conditions have resulted primarily from improvements in access to the labour market rather than the success of social protection measures. Social protection expenditure has indeed been decreasing since 2015 and is now 14.7% of Croatia's GDP, below the EU average of 19.2%.⁷⁰ Furthermore,

the minimum income benefit coverage remains below the EU average.⁷¹ This is a concern, as the impact of social transfers in reducing poverty decreased from 35.5% in 2015 to 25% in 2019.⁷² As a result, low-income households and vulnerable groups have been left out of living condition improvements, and access to essential social services has decreased in remote areas, as reported by the NSG.

Poverty rates have been decreasing since Croatia's accession to the EU in 2013. The risk of poverty and social exclusion currently stands at 23.3%,⁷³ and severe material deprivation fell from 14.3% in 2010 to 7.2% in 2019.⁷⁴ Nevertheless, these rates are still above the EU average and disproportionately affect the elderly, who have an AROPE (at risk of poverty or social exclusion) rate of 28.1%;⁷⁵ elderly women, with a rate of 31.3%;⁷⁶ single parent-households (52.7%⁷⁷); the low-education-attainment population (47.1%⁷⁸); and people in rural areas (30.09%⁷⁹). The main framework set in place to tackle poverty reported by the National Strategy Group (NSG) has been the Strategy for Combating Poverty and Social Exclusion 2014 – 2020. This covers eight strategic areas related to access to essential social protection

64 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

65 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

66 Ibid.

67 European Commission (2020) VAT rates applied in the Member States of the European Union. Situation at 1st January 2020. https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/vat/how_vat_works/rates/vat_rates_en.pdf

68 Eurostat (2020) Proportion of households with expenditures higher than income https://ec.europa.eu/eurostat/statistics-explained/images/archive/2/2d/20200206111027%21Households_with_expenditures_higher_than_income_2015.png

69 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesce2019_ENG_web.pdf

70 Eurostat (2020) General government expenditure by function (COFOG) <https://appsso.eurostat.ec.europa.eu/nui/submitView-TableAction.do>

71 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

72 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

73 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

74 Ibid.

75 Croatian Bureau of Statistics (2019) Statistics On Income and Living Conditions 2018: Indicators of Poverty and Social Exclusion, 2018 https://www.dzs.hr/Hrv_Eng/publication/2019/14-01-01_01_2019.htm

76 Ibid

77 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesce2019_ENG_web.pdf

78 Ibid.

79 Ibid.

services, such as education, employment, housing and care, and related to the achievement of financial independence and balanced regional development. Nevertheless, based on the ombudsman's conclusions, the NSG has raised several implementation issues, starting from a lack of clearly defined measures and indicators and including the absence of stakeholder coordination and regular reporting on the strategy's implementation⁸⁰. Furthermore, the Human Rights House Zagreb has denounced plan's failure to follow UN recommendations on poverty eradication and to align norms.

ACCESS TO ADEQUATE AND AFFORDABLE HOUSING

Croatia's housing model continues to promote home ownership. The National Strategy Group (NSG) believes this paints a positive picture, as 80.5% of households live in owner-occupied accommodation with little or no outstanding mortgage⁸¹. Yet, this broad housing policy approach is not based on comprehensive data that could identify real needs and help people fulfil their right to adequate housing, as indicated by Human Rights House Zagreb.⁸² Some 40% of households live in overcrowded conditions, considerably above the EU average of 15.7%,⁸³ and almost half of the population that are tenants with market-price rents spend more than 40% of their income on housing.⁸⁴ Moreover, many young people are unable to keep up with rising housing costs, and 92.2% of men and 83.9% of women between the ages of 16 and 29 live with their

parents.⁸⁵ The NSG also reports that the availability of adequate and affordable housing is further constrained by the rise of short-term rental accommodation promoted by platforms such as Airbnb, especially in Zagreb and the key coastal cities. Following the recent earthquake of 22 March, many housing units have been declared temporarily uninhabitable, further contributing to the rise in housing costs.

The rental market does not seem to offer an alternative. Rental prices, especially in Zagreb, have risen by 129% in the last two years,⁸⁶ and only 8% of the population are tenants of the public renting scheme.⁸⁷ The NSG is concerned over the lack of sufficient rights for tenants, which leaves them vulnerable to malpractices and with limited access to long-term renting options. Insufficient legislation, especially on the termination of tenancy agreements, means that the impact on tenants of this lack of rights is noticeable. Their precarious living situation makes it harder for them to register their residence and thus access essential social services.

Furthermore, the NSG draws attention to the vulnerability of refugees with regards to access to housing. As indicated in the integration programmes and stipulated in the Law on Social Welfare, the state guarantees refugees two years of accommodation up to a cost of HRK 2500 per month, though if the beneficiary is employed, they need to contribute financially. However, the NSG reports, there has been no temporary extension after the Covid-19 outbreak for those approaching the end of the two-year programme, increasing their risk of homelessness. A similar situation has been

80 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

81 EUROSTAT (2020) Distribution of population by tenure status, type of household and income group https://ec.europa.eu/eurostat/databrowser/view/LC_LVHO02__custom_249212/default/table?lang=en

82 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesce2019_ENG_web.pdf

83 Eurostat (2020) Housing Statistics https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Housing_statistics#Tenure_status

84 European Commission (2020) Country Report Croatia 2020 https://ec.europa.eu/info/sites/info/files/2020-european_semester_country-report-croatia_en.pdf

85 Eurostat (2020) Young People – social inclusion https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Young_people_-_social_inclusion#Living_with_parents

86 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjesce2019_ENG_web.pdf

87 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

noted for working migrants who find themselves unemployed and are unable to meet Zagreb's housing costs. As there is no dedicated homelessness strategy, many people are excluded from accessing social housing and other social protection services except for underfunded temporary shelters.⁸⁸

The NSG awaits the government's proposed housing strategy to tackle all the above-mentioned issues related to access to adequate and affordable housing. A working group has been established to draft the strategy, but there has been no official information on the drafting process.

STATE OF PUBLIC HEALTHCARE INFRASTRUCTURE

Prior to the Covid-19 outbreak and after its accession to the EU, Croatia was on a path to improvements in health. Life expectancy at birth increased from 77.8 years in 2013 to 78.2 in 2018,⁸⁹ and 61%⁹⁰ of the population consider themselves to be in good health. Furthermore, self-reported unmet health needs are at an all-time low of 1.4%.⁹¹ Nevertheless, the above-mentioned indicators are still below the EU average, and the National Strategy Group (NSG) indicates that income and education attainment inequalities continue to play a big role in health performance. Life expectancy is 5.2 years less for those without tertiary education, and only 44% of those in the lowest income

quintile believe themselves to be in good health.⁹² Furthermore, mortality from treatable causes, mostly heart disease, alcohol abuse and accidents, is on the rise.⁹³

These levels of health reflect the effectiveness of the public healthcare system and are a direct consequence of the accessibility issues for low-income and vulnerable groups. They are exacerbated by the fact that, at 6.6%, Croatia's health expenditure as a percentage of GDP is one of the lowest in the EU.⁹⁴ Whilst the public healthcare insurance scheme provides universal coverage, the NSG reports an insufficient number of doctors and nurses to attend to the population's needs. Since Croatia's accession to the EU in 2013, 861 doctors have left for other Member States. As of 2019, only 6.6 nurses and 3.4 doctors were available for every 1,000 inhabitants,⁹⁵ lower than the EU average. The decrease in the capacity and quality of health service provision is evidenced by an increase of 10% from 2018 to 2019 in waiting lists for first examinations.⁹⁶ This often leaves patients to seek treatment through private insurance, as 60% of the population have additional insurance to cover co-payment costs.⁹⁷ Not only does this leave low-income households increasingly unattended to, but migrants and other socially-excluded groups are disproportionately affected and cannot enjoy their right to full healthcare. According to the NSG, migrants are often denied service or receive additional payment requests. One reason can be that they don't have a work contract that adequately

88 Baptista, Isabel and Marlier, Eric (2019) Fighting homelessness and housing exclusion in Europe: A study of national policies. <https://op.europa.eu/en/publication-detail/-/publication/2dd1bd61-d834-11e9-9c4e-01aa75ed71a1/language-en>

89 Eurostat (2020) Life expectancy by age and sex <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

90 ECD/European Observatory on Health Systems and Policies (2019) Croatia: Country Health Profile 2019, State of Health in the EU <https://www.oecd-ilibrary.org/docserver/b63e8c9f-en.pdf?expires=1600678352&id=id&accname=guest&checksum=D4ADF-074012C773F2CF2AF1C4C41942D>

91 European Commission (2020) Social Scoreboard <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/explorer>

92 ECD/European Observatory on Health Systems and Policies (2019) Croatia: Country Health Profile 2019, State of Health in the EU <https://www.oecd-ilibrary.org/docserver/b63e8c9f-en.pdf?expires=1600678352&id=id&accname=guest&checksum=D4ADF-074012C773F2CF2AF1C4C41942D>

93 Ibid.

94 Eurostat (2020) General government expenditure by function (COFOG) <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

95 ECD/European Observatory on Health Systems and Policies (2019) Croatia: Country Health Profile 2019, State of Health in the EU <https://www.oecd-ilibrary.org/docserver/b63e8c9f-en.pdf?expires=1600678352&id=id&accname=guest&checksum=D4ADF-074012C773F2CF2AF1C4C41942D>

96 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

97 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX-52020SC0510&from=EN>

covers social security contributions. Another can be incompatibility between the healthcare system of a third country and that of Croatia. The Roma community, too, has issues with regard to healthcare, as 54.6% of Roma households are unable to pay their medical costs, and 7.2% lack a valid healthcare insurance card.⁹⁸

The shortage of facilities and health staff is deepening the country's geographical disparities. Central Croatia has greater resources than the Adriatic Coast islands and rural areas in Central and Eastern Croatia.⁹⁹ According to self-reporting, 0.7% of medical needs are unmet due to geographical distance from facilities, compared with an EU average of 0.1%.¹⁰⁰ Three counties lack primary care doctors,¹⁰¹ and doctors are forced to work overtime or cover larger geographical areas, the NSG reports.

The implementation of the 2019 Health Protection Act is still a challenge, as the promised improvements in primary health protection and emergency services are not visible. The ombudswoman continues to report a high number of complaints over the performance of the healthcare system, long waiting periods for a doctor's appointment, a lack of quality or unavailability of medical services and inadequate palliative care.¹⁰² A lack of coordination and further privatisation of up to 75% of primary care practices in the regions¹⁰³ are hindering efforts to reach the newly-set healthcare goals.

JUST TRANSITION TO A GREEN ECONOMY

The National Strategy Group reports a lack of initiative with regards to implementing the transition to a green economy despite some improvements in policy development. Croatia is lagging behind EU standards, especially on the circular economy, eco-innovation and pollution reduction, and it is failing to create synergies between the public sector, scientific community, business sector and civil movements.¹⁰⁴ In addition, funding dedicated to the transition to a green economy and green development continues to be reliant on EU sources.

Additional concerns are expressed by the NSG regarding waste treatment, with unsustainable, illegal and dangerous landfills posing a threat to health. Croatia continues to surpass the EU's 75% legal limit for municipal waste as landfill.¹⁰⁵ To address these issues, the Waste Regulation was amended. Yet the amendments have increased the economic burden of low-income single-member households, because they have increased waste collection payments irrespective of household size.¹⁰⁶

The latest policy development is the draft Low-carbon Development Strategy.¹⁰⁷ Whilst it demonstrates some commitment towards achieving the transition goals, Green Action, Friends of the Earth Croatia and the NSG point out inconsistencies with the Energy

98 Kunac, Suzana; Klasnic, Ksenija; Lalic, Sara (2018) Roma Inclusion in the Croatian Society: A Baseline Data Study. https://www.cms.hr/system/publication/pdf/109/Roma_Inclusion_in_the_Croatian_Society.pdf

99 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

100 ECD/European Observatory on Health Systems and Policies (2019) Croatia: Country Health Profile 2019, State of Health in the EU <https://www.oecd-ilibrary.org/docserver/b63e8c9f-en.pdf?expires=1600678352&id=id&accname=guest&checksum=D4ADF074012C773F2CF2AF1C4C41942D>

101 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

102 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

103 ECD/European Observatory on Health Systems and Policies (2019) Croatia: Country Health Profile 2019, State of Health in the EU <https://www.oecd-ilibrary.org/docserver/b63e8c9f-en.pdf?expires=1600678352&id=id&accname=guest&checksum=D4ADF074012C773F2CF2AF1C4C41942D>

104 Holy, Mirela (2020) Green Transition Instruments: Sustainable development, circular, bio-economy and creative economy https://www.fes-croatia.org/fileadmin/user_upload/Instrumenti_zelene_tranzicije.pdf

105 European Commission (2019) EU Environmental Implementation Review 2019. Country Report : Croatia https://ec.europa.eu/environment/eir/pdf/report_hr_en.pdf

106 Human Rights House Zagreb (2020) Human Rights in Croatia: Overview of 2019 https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjescje2019_ENG_web.pdf

107 Ministry of Environmental Protection and Energy (2020) Proposal for a Low Carbon Development Strategy of the Republic of Croatia Until 2030 with a Look at 2050 <https://esavjetovanja.gov.hr/ECon/MainScreen?entityId=14019>

Development Strategy, as major fossil-fuel projects continue to receive funding. Furthermore, the data used to predict the creation of 40,000 workplaces and an increase in affordable green energy to tackle energy poverty resulting from investment in low-carbon energies

remains unclear for the NSG. Not only is the role of civil society in the drafting of these policies unclear, but detailed, just transition plans, especially for greenhouse-gas-intense regions such as Sisak-Moslavina and Istria, are yet to be drafted.¹⁰⁸

CIVIC SPACE

Echoing the recent CIVICUS update on the civic-space rating for Croatia,¹⁰⁹ the National Strategy Group reports a worrying negative trend for the realisation of freedom of association in Croatia. Shrinking civic space has manifested itself through a continuous undermining of institutional support for civil society development. The NSG indicates that this has taken place through the marginalisation and weakening of the Council for Civil Society Development, a key advisory body bringing together civil society and national administration representatives. State representatives' lack of participation in the Council has weakened it, and new procedural rules introduced in May 2020 have decreased its transparency and tilted the voting power in favour of state representatives, who now outnumber their civil society counterparts. The impact of such reforms can be seen in the Croatian delegation's recent round of nominations for the European Economic and Social Committee, who were chosen without any scrutiny and despite the opposition of CSO representatives.¹¹⁰ Furthermore, the NSG has denounced the lack of a new national strategy for creating an enabling environment for civil society development, which is a precondition for CSOs to access the European Social Fund.¹¹¹

Whilst the NSG believes that freedom of peaceful assembly is being sufficiently respected, the access to information and guidelines for obtaining permission are seen as constraining the exercise of such freedom, as is the commercialisation of public spaces.¹¹² Few protests have taken place recently, due to restrictions on mass gatherings as a public health precaution during the pandemic. Some examples are protest marches calling for Covid-19 assistance for employment protection, the occupation of a square in Zagreb in support of increased LGBTI+ rights, and the anti-racism Black Lives Matter protests. Another, more concerning, example was the 5th Walk for Life, a protest against abortion organized by very conservative groups.¹¹³ On this particular matter, CMS points out that counter-protesters showed up to Walk of Life in Rijeka to put on an artistic performance and were taken into custody without any legal grounds. The NSG is worried that precedents might be set, following the unjustified ban of a counter-protest, led by the Roma Association of the Republic of Croatia "KALI SARA", against an openly anti-Roma protest that received backing from local government representatives in Čakovec. The counter-protest was banned in spite of a request having been made that followed the procedures laid

108 European Commission (2020) Country Report Croatia 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0510&from=EN>

109 CIVICUS (2020) CIVICUS Monitor: Croatia <https://monitor.civicus.org/country/croatia/>

110 CROSOL (2020) *Election of members of the European Economic and Social Committee in Croatia: CIVIL SOCIETY REPRESENTATIVES WITHOUT VOICES FROM CIVIL SOCIETY* <https://crosol.hr/en/election-of-members-of-the-european-economic-and-social-committee-in-croatia-civil-society-representatives-without-voices-from-civil-society/>

111 Jasic, Suzana (2020) *Government Attacks on Civil Society in Croatia* https://www.gong.hr/media/uploads/government_attacks_on_civil_society_in_croatia_eng.pdf

112 Human Rights House Zagreb (2020) *Human Rights in Croatia: Overview of 2019* https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjescje2019_ENG_web.pdf

113 CIVICUS (2020) CIVICUS Monitor: Croatia <https://monitor.civicus.org/country/croatia/>

out in the Law on Public Assembly. The ban leads the NSG to believe that restriction on the freedom of peaceful assembly in this case was motivated by discrimination based on ethnicity.

In an attempt to curb the spread of misinformation and fake news, a trend escalating in the wake of the global pandemic, efforts such as the Faktograf.hr media portal blog have been set up to provide fact-checking services.¹¹⁴ Yet the journalists involved have been subject to online harassment, often with underlying misogynistic tones.¹¹⁵ This is an example of the increased intimidation that journalists have been experiencing recently. Citing information from the Croatian Journalists' Association,¹¹⁶ the NSG reports a rise in lawsuits against journalists in 2019 brought by public figures, politicians, judges and corporations. These amount to a total of 1,160 ongoing cases. Other forms of intimidation include death threats, assaults and the hindering of reporting activities,¹¹⁷ but there have been no public condemnations, investigations or punishments.¹¹⁸ Despite the erasure of "serious shaming" from the Criminal Code, an action considered a positive development, the NSG is wary of other legislative

developments related to freedom of speech. Even though an act to prevent misconduct on social networks, proposed in 2019, was intended to tackle online hate speech, the NSG believes its unclear measures could be misused to curtail freedom of speech.

As for participation of civil society organisations in social dialogue, the NSG considers that the decrease in support for them is impacting their ability to contribute to policy- and decision-making as foreseen in the Code of Practice on Consultation with the Interested Public in Procedures of Adopting Laws, Other Regulations and Acts. The fact that only 271 CSOs participated in 2031 e-consultation processes throughout 2019, of which 22% never received a response, constitutes a decrease in participation and quality compared to 2018.¹¹⁹ The NSG calls for increased commitment from public institutions towards existing consultation and participation procedures, for more transparency in the Council for Civil Society Development, for adequate financing schemes with decreasing administrative burden on NGOs and for a more responsive public administration towards demands from CSOs.

114 Faktograf (2020) *Live Blog: Disinformation on the coronavirus* <https://faktograf.hr/2020/09/21/live-blog-dezinformacije-o-koronavirusu/>

115 CIVICUS (2020) CIVICUS Monitor: Croatia <https://monitor.civicus.org/country/croatia/>

116 Croatian Journalists' Association (2020) A new round of HRT lawsuits against the media <https://www.hnd.hr/nova-runda-tuzbi-hrt-a-protiv-medija>

117 CIVICUS (2020) CIVICUS Monitor: Croatia <https://monitor.civicus.org/country/croatia/>

118 Human Rights House Zagreb (2020) *Human Rights in Croatia: Overview of 2019* https://www.kucaljudskihprava.hr/wp-content/uploads/2020/04/KLJP_godisnjelzvjescje2019_ENG_web.pdf

119 Ombudsman of the Republic of Croatia (2020): Annual Ombudsman Report for 2019 <https://www.ombudsman.hr/wp-content/uploads/2020/03/lzvjje%C5%A1%C4%87e-pu%C4%8Dke-pravobraniteljice-za-2019.pdf>

COMPARISON WITH THE COUNTRY SPECIFIC RECOMMENDATIONS

The European Commission's 2020 Country Specific Recommendations for Croatia acknowledge the severe impact on the country of both the Covid-19 pandemic and the recent earthquake.¹²⁰ Through a call for targeted measures, the European Commission expects Croatia to tackle its socio-economic and geographical disparities, especially given the fact that coastal regions and Adriatic islands will be affected the most by the current crisis and the constraints on the tourism industry. Against this backdrop, healthcare, reskilling and active employment take centre stage in the country-specific recommendations, which would tackle the concerns raised by the National Strategy Group. The Commission recommends Croatia establish a fairer geographical balance in the distribution of healthcare infrastructure and personnel in order to improve access to and the quality of medical services. Ways to do this include increasing cooperation between administrative levels and support for eHealth tools and other channels for medical resources. The recommendations also include improving active employment measures to cater to all people and not leave at-risk groups behind in the digital transition. The preferred actions are reskilling and enhanced-outreach strategies. Furthermore, the European Commission recommends increasing minimum-income schemes, including unemployment support, as an additional boost for social protection. These are needed to tackle persistently high rates

of poverty and social exclusion, as well as regional disparities and age-, gender- and disability-based inequalities. In order to introduce these reforms, the Commission urges Croatia to enhance its implementation tools and strategies in close cooperation with social partners and other key stakeholders.

Nevertheless, the country-specific recommendations fail to include issues raised by the NSG. No consideration is given to the need to improve working and living conditions other than improving workers' employability. The suggestion, included in the overview of the recommendations, to seek alternative working arrangements does not seem to consider the impact of labour precariousness and the rise in unreported work and labour-code violations. Housing costs and access to key social services other than healthcare are also left out of the picture. Despite recommending to continue with all measures needed to tackle the socio-economic aftermath of Covid-19 and the earthquake, the Commission does not specifically consider the NSG remarks on the failure to manage the recovery and employment protection measures. With regards to a just transition, no concrete recommendation is given on how to deal with the accompanying social challenges. Other themes that are not addressed include the vulnerability experienced by migrants and asylum seekers and how to improve the inclusion of Roma minorities.

120 European Commission (2020) Council Recommendation on the 2020 National Reform Programme of Croatia and delivering a Council Opinion on the 2020 Convergence Programme of Croatia <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0511&from=EN>

SOLIDAR's Social Rights Monitor 2020 has been developed in the framework of the Together for Social Europe programme co-funded by the EU Programme for Employment and Social Innovation (EaSI). It provides an insight into the state of social rights in 17 European countries. The Monitor assesses the state of social Europe in terms of equality of opportunities, fair working conditions, social protection, inclusion and civic space based on the observations of Civil Society Organisations working on the ground in combination with statistical data and scientific findings. It does so on the basis of observations of National Strategy Groups set up in each of these countries by a SOLIDAR member or partner. The 2020 Monitor also analyses to what extent these aspects are reflected in the Country Specific Recommendations of the European Semester process towards a socially sustainable recovery after the Covid-19 crisis.

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This publication has been produced with the financial support of the European Union. The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.

