



# CROATIA

Voluntary National Review of the UN 2030 Agenda  
for Sustainable Development Implementation





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# Foreword

We live in a world of challenges that no country can address on its own. As a member of the United Nations and the European Union, the Republic of Croatia is determined to assume, in cooperation with other countries and partners, responsibility for building peace and a safer, fairer and more prosperous global environment for all, keeping in mind that the solutions offered must be sustainable. Croatia is committed to multilateralism as a key platform in today's globalised world for the joint and successful achievement of these objectives.



The United Nations' 2030 Agenda on Sustainable Development is a universal development plan and a global platform for addressing the greatest challenges of today in their interrelated economic, social and environmental dimensions. By adopting the Agenda, the international community reached a consensus that peace, security and justice for all, as well as social inclusion, may be achieved only by mutually reinforcing all social factors, leaving aside any form of exclusion or attainment of particular interests.

For Croatia, the dignity of every individual is at the core, while respecting the fundamental principle of the Agenda that no one anywhere in the world "should be left behind", which is advocated through our membership in the United Nations Human Rights Council and in all multilateral fora.

The presentation of the first Voluntary National Review on the Implementation of the UN 2030 Agenda for Sustainable Development during the UN High Level Political Forum 2019 is an opportunity for Croatia to evaluate its current performance in terms of the achievement of sustainable development goals. The review was prepared in parallel to the 2030 National Development Strategy, which will be adopted in the first half of 2020. By realising the vision of Croatia We Want, the development strategy will integrate priorities and contribute to sustainable development and demographic renewal of Croatia in the next decade.

Parallel to the drafting of this review, Croatia continued its intense preparations for the presidency of the Council of the European Union in the first half of 2020, when we will continue to work on strengthening the unity and the multilateral system, and to promote the Agenda within the European Union and the United Nations.

A handwritten signature in black ink, which appears to be "Plenković", written in a cursive style.

Andrej Plenković  
*Prime Minister of the Republic of Croatia*

# Introduction

The implementation of the sustainable development concept is crucial for achieving balance between economic, social and environmental requirements of the present day globalised society, facing a number of challenges such as poverty, hunger, unemployment, migrations, climate change and security threats.

From the very beginning the Republic of Croatia has been an active participant in the decision-making process regarding the adoption of documents of significance for global sustainable development in all relevant bodies of the United Nations and bodies of the European Union. At the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992, Croatia was actively involved in the discussion regarding the harmonisation of the text and the adoption of the Declaration and the Action Plan for the 21st century (Agenda 21), which provides strong support to the sustainable development principle and its further evaluation. The adoption of the Millennium Declaration and the Millennium Development Goals in 2000 served as an additional incentive for Croatia to strive towards comprehensive and sustainable development, taking its eight goals as a set of mutually complementary, multidimensional tasks and fully committing to their realisation.

One of the first documents mentioning the importance of sustainable development to be passed by the Croatian Parliament was the Declaration on Environmental Protection of the Republic of Croatia adopted in 1992. Taking into account the present state of affairs and the assumed international commitments, the Sustainable Development Strategy of the Republic of Croatia was adopted in 2009 as the key document serving as a guideline for economic and social development as well as environmental protection for the sustainable development of the Republic of Croatia. With regard to the most significant document – 2030 Agenda for Sustainable Development (2030 Agenda) – during the process of its adoption, Croatia was actively involved in the Open Working Group on Sustainable Development Goals and sided with those countries, which strongly advocated that the Sustainable Development Goals should be of a genuinely universal nature.

Further, during all stages of drafting the Sustainable Development Goals (SDGs), Croatia was a strong advocate of peace and security, rule of law, good governance, human rights protection (especially the rights of women, children and other vulnerable groups) and transparency. We are glad to assert that all these areas found their proper place in the final definitions of the 17 Sustainable Development Goals and their targets. Croatia is making every effort to achieve them in the most efficient manner.



The President of the Republic of Croatia Kolinda Grabar-Kitarović attended the United Nations Sustainable Development Summit held on 25 September 2015, when the 2030 Agenda for Sustainable Development was adopted.



# Introducing sustainable development goals in the national strategic planning framework

In order to ensure compliance between sustainable development policies, the effect that all public policies have on sustainable development at the local, regional and national level, as well as at a supranational, global level has to be taken into account. In that respect, along with its responsibility for the implementation of sustainable development at the national level, Croatia also took over the strong political responsibility for a comprehensive implementation of the 2030 Agenda for Sustainable Development, within the framework of the activities performed by the United Nations and also within the scope of action of the European Union. Together with other member states, Croatia actively and responsibly helps developing countries implement sustainable development goals.

Global sustainable development goals are universal and shall apply in all countries and communities. Specific circumstances, conditions and opportunities in different parts of the world are taken into account during their implementation.

Given the complexity of the implementation of the 2030 Agenda for Sustainable Development, its inevitable impact on the overall social and economic development, and taking into consideration the practical examples from other member states, especially member states of the European Union, for the purpose of coordinating the implementation of sustainable development goals, the Government of the Republic of Croatia established the National Council for Sustainable Development in January 2018.



The National Council for Sustainable Development is chaired by the Prime Minister, and its members are heads of relevant ministries and agencies of the Government of the Republic of Croatia, the Office of the President and the Croatian Bureau of Statistics. It is also planned that representatives of other sustainable development stakeholders will participate in the work of the Council in an advisory role, namely representatives of regional self-government units, the economic sector, interested scientific and professional public and civil society representatives.

# An Integrated Approach to Sustainable Development and the Implementation of the 2030 Agenda for Sustainable Development



Taking into account the integrated approach to sustainable development, Croatia commenced with the preparation of the 2030 National Development Strategy (hereinafter: the NDS 2030), which will be adopted in the first half of 2020. The NDS 2030 is a key strategic document of the Republic of Croatia for the period up to 2030, which shall form the foundation for shaping and implementing all public policies at the national and subnational level. The establishment of an integrated system of strategic planning will facilitate the vision of Croatia as an open and globally competitive country whose social and economic growth and development are based on sustainable development goals of the 2030 UN Agenda for Sustainable Development.



# Croatia We Want: Participation of Citizens in the Attainment of Sustainable Development Goals

In the process of preparing the NDS 2030 and determining the strategic framework for implementing sustainable development goals, great efforts are being made in terms of raising awareness of citizens and the expert public about the importance of implementing sustainable development goals and their involvement in defining the implementation mechanisms, which will contribute to the sustainable development of Croatia.



A number of communication activities, workshops, conferences and round table meetings on the topic of “Croatia 2030: Croatia We Want” are focusing on various target groups of all sustainable development stakeholders: public sector, civil society organisations, academic community, private sector, children and young people.

The Croatian Chamber of Commerce and the state administration authorities organised the conference “Support the Sustainable”, which brought together key stakeholders for the implementation of sustainable development goals in Croatia aiming to carry out a multi-sector consultation process on the contents of the first Voluntary National Review and reach a consensus on national priority areas with regard to sustainable development goals.



# Establishing a Framework for Monitoring the Success of Sustainable Development Goals Implementation

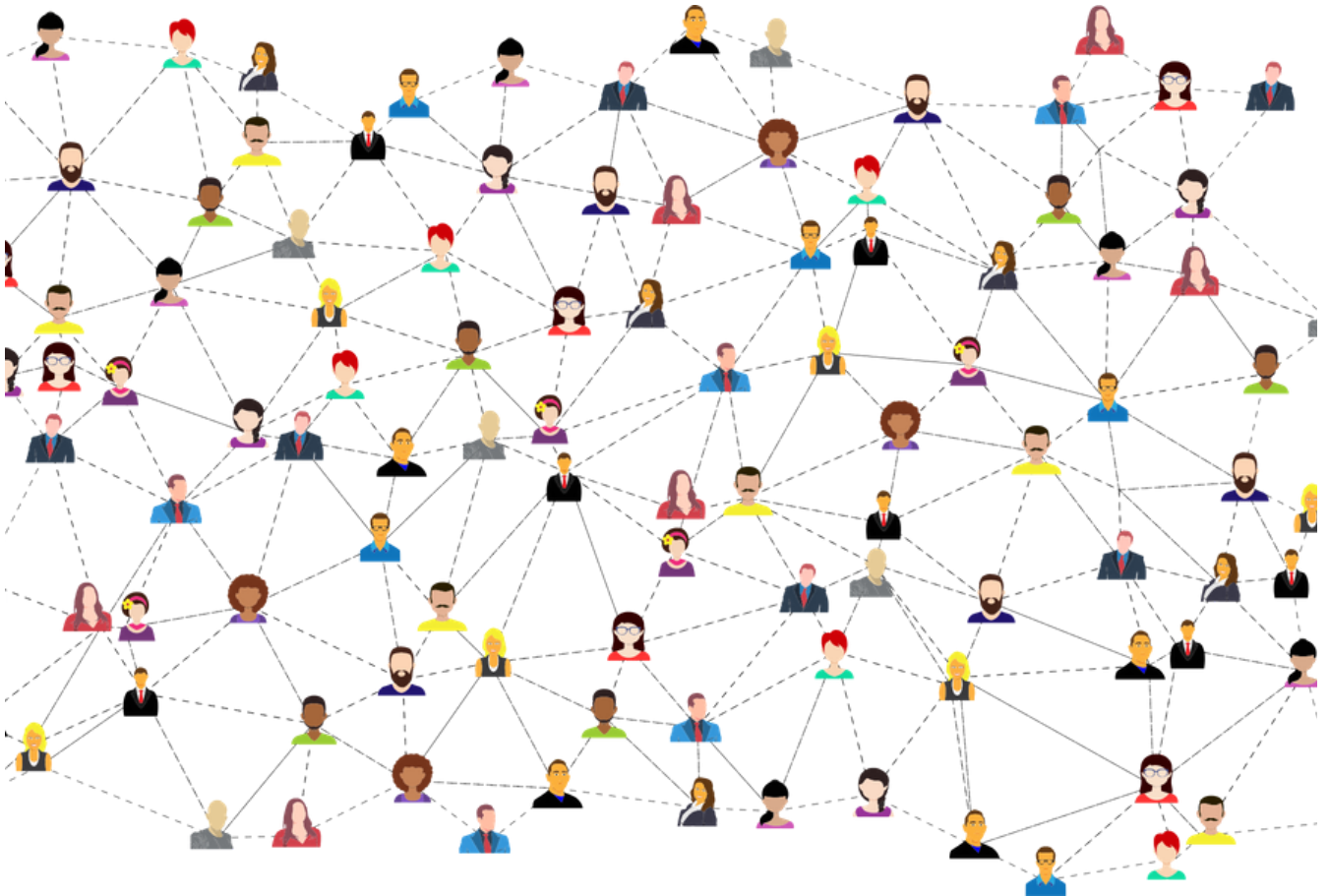


For the purpose of creating a comprehensive framework required in order to effectively monitor the success of the implementation of sustainable development goals in early 2019, the Information System for Strategic Planning and Development Management was established to allow for electronic collection and storage of statistical and financial data required for monitoring and reporting on the implementation of strategic planning acts at national, regional and local level, thus allowing the monitoring of implementation activities contributing to the achievement of the 2030 UN Agenda for Sustainable Development in Croatia.

For the purpose of disseminating the results and the status of realising the sustainable development key indicators to the wider public, the Croatian Bureau of Statistics has designed an internet portal modelled after the UN portal Sustainable Development Knowledge Platform.



# Overview of achieved sustainable development goals



Similar to many other countries, Croatia has a good starting position and has been achieving positive results in the area of sustainable development, but is at the same time exposed to many global challenges. Therefore, the 17 sustainable development goals are viewed by Croatia as guidelines for its own development and as a framework for securing a better and more sustainable future globally. The sustainable development concept implies a process of balancing economic, social and environmental requirements in order to ensure the satisfaction of the needs of the current generation, without jeopardising the potential of future generations to satisfy their own.

In the Sustainable Development Report 2019[1], according to the SDG Index, Croatia is 22nd of 162 countries in total for which data on the success of the implementation of sustainable development goals were collected. Together with other EU Member States, Croatia has good chances of becoming a leader in sustainable development and to participate in further elaboration and establishment of global standards, while reaping social and economic benefits.

[1] Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G. (2019): Sustainable Development Report 2019. New York: Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN).



## GOAL 1: End poverty in all its forms everywhere



Croatia is implementing measures to achieve the targets of the Europe 2020 Strategy and of the European Platform Against Poverty and Social Exclusion, and is determined to make its contribution to the global fight against poverty. The Europe 2020 strategy for smart, sustainable and inclusive growth, adopted in 2010, is aimed at reducing the number of Europeans living below the national poverty line by 25% and lifting over 20 million people out of poverty.

In 2018, according to data from the Croatian Bureau of Statistics, the at-risk-of-poverty rate in Croatia was 19.4%, and the at-risk-of-poverty threshold for a single-person household equalled EUR 4,053 per year. In 2017, the at-risk-of-poverty rate in Croatia was 26%, and the at-risk-of-poverty threshold for a single-person household then equalled EUR 3,794 per year. These indicators are based on the concept of relative poverty, which takes into account the available household income, number of household members (household size) and the distribution of income within the population.



According to the data of the Croatian Bureau of Statistics, in 2017. the at-risk-of-poverty rate broken down by age and sex was the highest for people over 65, where it equals 28%. The gender gap is the largest in this age group since the at-risk-of-poverty rate of women was 31%, while for men it equals 23%. The lowest at-risk-of-poverty rate was recorded in the 25 to 54 age group 14%.

## COMBATING POVERTY AND SOCIAL EXCLUSION

For the purpose of combating poverty and securing social inclusion of all citizens, Croatia is implementing the Strategy for Combating Poverty and Social Exclusion in the Republic of Croatia for the period 2014–2020, which outlines the situation with regard to poverty and social exclusion and their causes, and provides a social projection as the basis for taking action. Broken down by cause, the Strategy defines the most vulnerable social groups that are most exposed to the risk of poverty and social exclusion: children and young people, senior citizens and retired people, unemployed and people with disabilities.

According to the Strategy, people live in poverty when they are denied an income sufficient for their material needs and when these circumstances exclude them from taking part in activities which are an accepted part of daily life in the society. Thus, poverty is reflected in a lack of income and resources sufficient to ensure a sustainable livelihood; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increasing morbidity, including mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and isolation.

The three-year Programme for the Implementation of the Strategy for Combating Poverty for the period 2014–2016 has already been implemented and annual reports on the implementation of measures were drafted, as well as the concluding Report on the Resumption of Measures in 2017, while a new Programme for the Implementation of the Strategy is being drafted.

Focus on the individual and their needs together with the principle of non-discrimination and respect for human rights is the baseline strategic approach to solving the problem of poverty and social exclusion in Croatia, with three main priorities that Croatia aspires to accomplish:

- combating poverty and social exclusion and reducing social inequalities;
- preventing the emergence of new categories of poor citizens as well as reducing the number of poor and socially excluded persons; and
- establishing a coordinated support system for groups at risk of poverty and social exclusion.

New poverty monitoring indicators were established that enable the early identification of families and children at risk of poverty. Two new social/prevention programmes were prepared: “Field/online caretakers” for adolescents aged 14 to 25, and “Family financial management guide” for families in financial distress.

Employment programmes for hard-to-employ persons (women, senior citizens, long-term unemployed) also contribute to the reduction of poverty. Croatia is thus working on a systematic and joint approach of all relevant stakeholders to solving the issue of poverty and social exclusion by securing minimum standards to the most vulnerable parts of the society and preventing new forms of poverty and social exclusion.

## THE SOCIAL WELFARE SYSTEM

The social welfare system is constantly acting toward safeguarding all beneficiary groups. The social welfare system is organised with the aim of preventing, alleviating and eliminating social exclusion and taking care of the most deprived society members. The Social Welfare Act defines the beneficiaries who are entitled to certain rights and the requirements for exercising those rights.

In order to safeguard the citizens from the risk of poverty, the Social Welfare Act provides for monetary allowances: guaranteed minimum allowance, cost-of-living allowance, heating cost allowance, allowance for personal needs of people in nursing homes, one-off allowances, education allowances (textbooks and school supplies, school transport, tuition fees for full-time students), personal disability benefit, aid and attendance allowance, award of parent-caregiver or caregiver status, unemployment benefit and reimbursement for vulnerable energy product customers, as well as various social services.

Two categories of beneficiaries are entitled to social welfare:

- poor citizens with no personal income or income below the prescribed census,
- persons receiving social welfare for the purpose of meeting specific life needs that are the result of disability, old age, dependence, exposition to violence etc.

There are 81 social welfare centres in Croatia with 54 branch offices, 69 nursing homes founded by the Republic of Croatia and 45 decentralised nursing homes. The new Social Welfare Act is currently being developed with the aim of enhancing the quality of the entire social welfare system and finding new models of tackling the challenges that the social welfare system copes with on a daily basis.



Cooperation with civil society organisations is an important component of combating poverty and social exclusion. During 2017 and 2018, public calls for proposing projects and programmes for NGOs and other civil society organisations of general interest[2] aimed at combating poverty and social exclusion and a call for project proposals aimed at improving the quality of life of senior citizens through organised daily activities were launched. In 2017, projects and programmes for helping and assisting persons at risk of poverty and social exclusion were awarded EUR 5.6 million, or 15.5 % of the total amount of resources for social activities, while projects and programmes for helping and assisting senior citizens were awarded EUR 1.6 million or 4.5% of the total amount of resources for social activities. In 2017, state administration bodies and other public institutions allocated more than EUR 36 million of resources for social activities.

## SYSTEM OF PROTECTION AGAINST DISASTERS AND LARGE ACCIDENTS

Within the scope of its combat against poverty, Croatia continuously works on enhancing the resilience of its citizens to negative impacts of environmental, technical and technological threats so that disasters and large accidents, which mostly affect poor communities, would not have a negative impact on the poverty rate in Croatia. For this reason, Croatia in 2009 established the Croatian Platform for Disaster Risk Reduction, in accordance with the Hyogo Framework for Action 2005–2015, adopted at the UN General Assembly.

By adopting the Sendai Framework for Disaster Risk Reduction 2015–2030, in 2016 the Croatian Platform was reformed and transformed into an active body that, at a national level, discusses the risk reduction measures, prepares and adopts strategic documents, includes all relevant sectors in their preparation and implements the decisions from the prepared documents. The Platform contains documents such as the Disaster Risk Assessment, Risk Management Capability Assessment, and the Disaster Risk Management Strategy. In accordance with applicable regulations, risk assessments and action plans, are also prepared at a local level, which is the first one affected by large accidents and natural disasters. The above documents aim at accomplishing the Sendai objectives A, B and C, i.e. the reduction of the number of casualties due to and affected by disasters and the reduction of economic losses.

Special conditions for allocating dedicated funding to aid, mitigate and partially remediate consequences of natural disasters are laid down in the Act on Mitigating and Remediating the Consequences of Natural Disasters.

One of the strategic objectives of the NDS 2030 is the “Suppression of poverty and social exclusion” of all vulnerable groups and the enhancement of the comprehensive social welfare system. In this regard, one of its proposed main objectives is to reduce the at-risk-of-poverty rate to 15 %, while the average value for the EU is 16.9 %.

[2] Financing the projects and programmes of general interest that is carried out by non-governmental organisations and other civil society organisations is one of the most frequent forms of cooperation between government bodies and local and regional self-government with civil society organisations for implementing public policies or solving priority social issues.



## GOAL 2: End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture



According to the Global Hunger Index (GHI), Croatia is in a group of countries with a GHI score of less than 5. However, with the aim of ending hunger, Croatia is focused on the production of high-quality food with high nutritional value as well as wood and bio-products at competitive prices, together with sustainable management of natural resources, greater quality of life and higher employment in rural areas.

### PROVIDING AID TO THE MOST DEPRIVED THROUGH FOOD DISTRIBUTION

Providing aid to the most deprived persons arises from provisions of the Humanitarian Aid Act with regard to satisfying basic life needs of socially vulnerable groups. Under the Social Welfare Act, the most deprived persons are entitled to free hot meals within the social welfare system, which are provided by organisations such as Red Cross, Caritas, social supermarkets and soup kitchens. In addition, they are entitled to aid in the form of foodstuffs and hygienic items free of charge.



Social supermarkets provide the service of donating foodstuffs and hygienic items, while soup kitchens prepare and distribute hot meals. Social supermarkets exist in 14 cities and soup kitchens in 26 cities, the latter having a total capacity of about 6,500 meals. An important role in the distribution of hot meals is played by the Red Cross city branches. Hot meals can be delivered to elderly, sick and frail persons who live alone and are unable to ensure a quality daily meal.

A lack of food has also been recognised as one of the problems that children living in families at risk of poverty are facing. In 2017, according to the latest available data from the Croatian Bureau of Statistics, 10.5% of the population was unable to afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day. Moreover, the 2017 at-risk-of-poverty rate for children and youth under the age of 18 equalled 21.4%.

Croatia is actively participating in the activities of the EU Platform on Food Losses and Food Waste and continuously making efforts to develop the food donation system. These activities are focused on improving the food donation system, encouraging food waste reduction, promoting social responsibility in the food sector, conducting campaigns to raise awareness and inform consumers, educating pre-school and school aged children, professional training of education workers, measuring quantities of food waste, as well as investing in research and innovative solutions for preventing food waste.

The amendments to the Value Added Tax (VAT) Act adopted in early 2019 resulted in, inter alia, the taxation rate for fresh food, meat, fish, fruits and vegetables, eggs, as well as baby food and diapers, being lowered from the general rate of 25% to 13%.

Additionally, in order to promote food donation and reduce generation of food waste, the provisions of the Ordinance on Value Added Tax lay down that delivery of food and feed without compensation and donations of food and feed that taxable persons perform for the purpose of preventing their destruction, protecting the environment and assisting final recipients in accordance with a special regulation on food and feed donation, exclusively to non-for-profit legal persons carrying out humanitarian activities in accordance with special regulations and registered as mediators participating in the food donation chain, of up to 2% of their revenue, i.e. receipts for the previous year, are considered tax deductible loss of goods to which VAT is not charged. By way of exception, in case of natural disasters, direct donation of food and feed to final recipients is also considered a tax deductible loss of goods. In 2018, food was donated by 62 donors to 943 recipients of food donations; the value of donated food, excluding VAT that would have been charged at the time of sale, amounted to 2.06 million EUR.

Due to the mentioned at-risk-of-poverty and material deprivation rates, activities such as the provision of food and/or basic material accessories, which provide an additional value to existing national programmes, are implemented in Croatia through the Fund for European Aid to the Most Deprived (FEAD).

Three calls for the award of FEAD grants were launched in 2018. Within the call “Providing school meals for children at risk of poverty for the school year 2017/2018”, a total of EUR 3.57 million was used for financing 35 projects that were implemented in 467 schools, thus securing school meals for 28,012 school children. In the school year 2018/2019, a total of EUR 4.26 million is allocated to 31 projects that will provide school meals for 32,085 children at risk of poverty in 416 primary schools.

Other than funding school meals, aid to the most deprived persons is provided through food and/or basic material aid distribution. A total of EUR 10.27 million was allocated to 19 projects, covering 89,347 recipients of food distribution and 93,875 recipients of basic material aid distribution.

“Providing school meals for children at risk of poverty for the school year 2019/20” in the amount of EUR 3.33 million and “Alleviating poverty by providing aid to the most deprived persons through food and/or basic material aid distribution – stage III” in the amount of EUR 6 million will be launched in 2019, thus securing continuity in providing school meals to children, as well as food and other bare essentials to families and single persons living in poverty or at risk of poverty.

## SUSTAINABLE DEVELOPMENT OF AGRICULTURE

The Agriculture Act was adopted in January 2019, which defines the measures of agricultural policy and rural development, direct support measures and market regulation. It also ensures sustainable development of agriculture, realises the principles of general food safety and conservation of natural agricultural resources, enhances and increases competition as well as strengthens the social, economic and ecological role of agriculture. Under the Act, agriculture is defined as a strategic branch of the Croatian economy and is a fundamental part of development strategies aimed at ensuring sustainable development of agriculture and its economic, ecological and social role. The Act also regulates the implementation of 13 new EU Regulations adopted within the most recent reform of the EU Common Agricultural Policy (CAP).

The total number of farms in 2019 is 170,515, of which 164,916 are family farms. In the period from 1 January 2016 to 30 June 2019, farms received a total of EUR 2.33 billion through national incentives and European funds.

Croatia established financial instruments in the value of EUR 70.6 million, which allowed for more favourable credit terms, guarantees and investments in agriculture, processing and forestry.





## **GOAL 3: Ensure healthy lives and promote well-being for all at all ages**



Under the Constitution of the Republic of Croatia, all citizens are guaranteed the right to healthcare and the right to a healthy life, while the state ensures conditions for a healthy environment. In addition to organising, governing and financing the healthcare system, the Republic of Croatia implements economic and social policy measures to create conditions for the implementation of healthcare, and conditions for the protection, maintenance and improvement of the population's health and co-ordinate activities and development in all healthcare areas for the purpose of providing healthcare to the population.

The key priorities, goals and measures for the development of the healthcare sector are set out in the National Healthcare Development Strategy 2012–2020. (hereinafter: the Strategy), which is aligned with strategic documents of the EU and the WHO. The Strategy was prepared by using a partner approach, involving a wide circle of the interested professional and general public. By coordinated implementation of the set measures and priorities, such as improving the quality and availability of healthcare and strengthening preventive activities, in cooperation with different stakeholders and the society at large, Croatia is significantly contributing to the achievement of relevant targets under this development goal.

In addition to extending life expectancy and promoting healthier lifestyles, the core goals of the healthcare policy in Croatia are to reduce or eliminate preventable health risks and enhance the quality of life of patients with chronic diseases and disabled persons. According to data from the Croatian Bureau of Statistics, in 2017, life expectancy at birth for both genders was estimated at 77.9 years, 80.9 years for women and 74.9 years for men.

Croatia is continuously ensuring the implementation of specific measures and the providing of healthcare on the islands and in scarcely populated and underdeveloped areas. The amendments to the Value Added Tax Act resulted in reducing the rate for over-the-counter medicines to 5 percent, thus equalising it with the rate applied for prescription medicines.

In the following period, Croatia shall carry out additional activities and adopt a number of new measures such as, for example, the National Plan against Cancer 2020 –2030 and the National Sports Programme for the period 2019–2026, with the aim to further improve general health indicators in Croatia.

The key strategic goals of the 2030 NRD include “Improving the health of citizens throughout their lives” and “Improving the access to and quality of healthcare services and creating an efficient healthcare system”. One of the proposed main goals is achieving the average healthy lifespan in the EU, i.e. increasing it from 58 to 64 years.

## MATERNAL AND CHILD HEALTH

Croatia has good antenatal care indicators and a well-developed maternity protection system. Maternal mortality in Croatia has been reduced to sporadic cases. The planned National Action Plan for Reproductive Health is aimed at reducing the infant mortality rate. According to the Croatian Institute of Public Health, in 2017, based on individual childbirth reports from Croatian maternity wards, there was a total of 36,104 deliveries with a total of 36,733 births. Out of these, 36,584 were live-born, 149 stillborn and, in the case of the former, 75 died in the first seven completed days of life.[3] With 4.0 infant deaths per 1,000 live births in 2017, Croatia has a slightly higher infant mortality rate than the EU-28 average in 2016 (3.6). In 2017 and 2018, no women in Croatia died from complications during pregnancy, childbirth or postnatal care, which translates into a maternal mortality rate of 0/100,000 live births.

[3] Croatian Health Statistics Yearbook 2017, Croatian Institute of Public Health, available at [https://www.hzjz.hr/wp-content/uploads/2019/03/Ljetopis\\_2017.pdf](https://www.hzjz.hr/wp-content/uploads/2019/03/Ljetopis_2017.pdf).



## INFECTIOUS DISEASES

The epidemiological situation in Croatia can be assessed as quite favourable. A mandatory vaccination programme is regularly implemented as a measure to strengthen the resilience of population to infectious diseases. In 2018, under the mandatory vaccination programme, vaccines against diphtheria, tetanus, pertussis, poliomyelitis, measles, hepatitis B and H. influenza type B were available.

Additionally, under the vaccination programme for persons at increased risk, vaccines against flu, pneumococcal disease, rotavirus, meningococcal disease, yellow fever, hepatitis A and tick-borne encephalitis are also available.

In order to achieve a more favourable epidemiological situation with regard to HIV, Croatia is implementing the National Programme for the Prevention of HIV/AIDS for the period 2017–2021.

In the light of antimicrobial resistance and a growing rate of global exchange of goods and services, as well as migrations connected to tuberculosis and hepatitis, it is necessary to continue reducing the incidence and maintain the state of elimination of malaria.

As regards the human papilloma virus (HPV), vaccination is voluntary and recommended, and it has been administered in the last 10 years. It is free for both male and female primary school students, which makes Croatia the seventh country in the world that made free vaccination available to boys as well. Additional measures of improving vaccination against HPV in other age groups are also being implemented.

## FIGHT AGAINST CANCER

Cancer is the leading public health problem in the developed world. According to the World Health Organisation (WHO), global cancer rates will continue to grow, and by 2035 the number of new patients is expected to double. Based on the data provided by the Croatian Institute of Public Health, for the year 2018 international cancer research agencies forecast 25,221 new cases of cancer in Croatia, and 14,439 deaths caused by malignant diseases.

Recognising the fact that cancer is the second most frequent cause of death in Croatia, the National Plan against Cancer 2020 –2030 is in the process of adoption, which gives an overview of the oncological situation and its weaknesses, offers ways to solve them and provides proposals for taking the required specific structural, organisational and financial measures, as well as defines priorities in oncological care. The National Programme for Screening and Early Detection of Lung Cancer 2019–2023 is also in the process of adoption, while at the same time strengthening the implementation of the National Programme for Early Detection of Colorectal Cancer and Breast Cancer and redefining the National Prevention Programme for Cervical Cancer.

## COMBATING PREMATURE MORTALITY FROM NON-INFECTIOUS DISEASES THROUGH PREVENTION AND TREATMENT AND PROMOTING MENTAL HEALTH AND WELL-BEING

The “Healthy Living” programme, which is being implemented in the period 2016–2022, consists of the following five components: health education, health and physical activity, health and nutrition, health and the workplace and health and the environment. The project objective is to improve the health of population by reducing behavioural, biomedical and socio-medical risk factors. The implementation of this project is aimed at raising the awareness of and educating the population about the need to preserve health and adopt healthy living habits.

Croatia pays great attention to promoting physical activity as one of the fundamental ways to improve physical and mental health of people. It decreases the occurrence of many chronic non-infectious diseases, minimises their advancement and significantly benefits the society due to an increase in societal interaction and engagement. This is particularly true in relation to elderly persons as regular physical activity can increase the potential for independent living. This is why the goals of the Action Plan for Combating Chronic Non-Infectious Diseases for 2015 -2020 include stopping the increase of physical inactivity and promoting physical activity for all age groups.

In the preschool period, play, as the primary activity of children, includes plenty movements and thus a high level of physical activity. However, there is a change in expectations when they start primary school, thus increasing the amount of time that children spend in sedentary activities. This reduces the level of their daily physical activity, while the new, primarily sedentary model of behaviour starts to present a risk for developing disease. The project “Polygon for physical activity of schoolchildren” is implemented to help preserve natural mobility and the habit of regular physical activity.

Croatia encourages and cares for the development of sports and sports activities for children, from recreational activities to professional sports. Continuous co-financing of sports and recreation activities on a national and local level increases the number of users practising physical activities on a daily basis. Aiming to increase the involvement of children and young people at risk from social exclusion and/or involvement of persons with disabilities in the community through sports, in 2018 Croatia enabled the financing of projects relating to the increase of availability of free sports facilities for children and young people at risk from social exclusion and the improvement of approach and participation in sports facilities for persons with disabilities and children with developmental disabilities.

For the purposes of protecting and improving the health of citizens, the National Sports Programme for the period 2019 – 2026 promotes physical activities focused on health and realises the social components of lives of children and young people, adults and the elderly. Education campaigns and promotion activities on a national and local level will be used to promote programmes and projects aimed at physical activity incorporated into the daily life for the purpose of preventing diseases and improving and preserving health.

In order to ensure a healthy life for all citizens, Croatia is promoting mental health in the community, at the same time promoting a smoke-free and alcohol-free lifestyle, as well as removing the stigma surrounding mental illness. At the same time, Croatia will continue to strengthen programmes for preventing the use of tobacco and alcohol products, as well as other psychoactive substances, reduce the availability of tobacco products and restrict smoking in open public areas.

Croatia is implementing a number of measures for promoting, improving and preserving mental health and redirecting the mental health system towards the community. The basis for this is the Declaration on Achieving Equality for Mental Health in the 21st Century, which is aligned with the policies articulated in the World Health Organization Mental Health Action Plan 2013–2020.

As regards the school medical system, the foundations for early detection of mental health disorders are established. The activities aimed at strengthening the associations of persons with mental health disorders, involvement of mentors (individuals who have personal experience with a mental health disorder) in decision-making and provision of services, as well as educating the population and increasing mental health literacy are continuously implemented.

## ENVIRONMENT AND HEALTH

Croatia will invest additional efforts to reduce exposure of the population to environmental pollution (water, air and soil) and to reinforce the environmental factors health impact assessment with the industrial facility construction and other potential environmental polluters. A healthy environment is essential for ensuring a healthy life, where the building of green infrastructure plays a major role. Green infrastructure improves the emotional and physical health of citizens and contributes to improving the well-being in urban areas. This is exactly why Croatia has, under the 2030 NDS strategic goal of “Development of Green Infrastructure and Nature-Based Solutions”, been developing key intervention areas, which include:

- development of green cities or the establishment of sustainable, safe and resilient cities and settlements through the development of green infrastructure;
- development of green infrastructure through urban restoration and urban transformation of settlements, cities and municipalities and in the building sector;
- establishment of sustainable, safe and resilient public areas;
- development of a system for monitoring green infrastructure in urban areas; and
- safeguarding, restoration and sustainable management of spaces in urban areas.





## GOAL 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



The Republic of Croatia identifies education as the key to long-term social stability and economic progress, honouring the concept of lifelong learning, which provides individuals of any age with continuous access to education and acknowledging different forms of learning. The education system is undergoing changes, which include the implementation of a comprehensive curricular reform and digitalization of the education system. Education in Croatia is accessible to all, on equal terms, in line with their abilities.

Primary school education lasts eight years, it is mandatory and free for all. Croatia boasts the lowest rate of early leavers from education and training in the EU (around 3%), while children up to the age of 18 spend 13.3 years on average in the education system. The school year 2018/19 saw 319,028 children attending primary school and 148,544 attending secondary school.

## IMPLEMENTATION OF A COMPREHENSIVE CURRICULAR REFORM

Having adopted the Strategy of Education, Science and Technology in late 2014, Croatia introduced the concept of lifelong learning, thus enabling continuous access to education and acknowledging different forms of learning. Following a preparatory phase, the complete curricular reform was implemented, covering primary and secondary schools. The school year 2018/19 signalled the introduction of the experimental programme “School for Life”, with the participation of 74 primary and secondary schools, or 8,500 pupils. Approximately 2,000 teachers and trainers from these schools participate in the realisation of the experimental programme. After the experimental programme, the comprehensive curricular reform will be introduced in the school year 2019/20 into all primary and secondary schools and will involve around 150,000 pupils and 32,000 teachers, with the introduction of seven cross-subject topics: learning how to learn, entrepreneurship, personal and social development, health, the use of information and communication technology, civil education and sustainable development.

The emphasis of the reform is on promoting the autonomy of both teachers and students, fostering critical thinking, problem solving and evaluation based on learning outcomes. The project e-Škole (e-Schools), as well as projects aimed at the comprehensive curriculum reform, includes systematic and regular use of modern technology in learning and teaching, adequate infrastructure and computer equipment in all Croatian schools, as well as a number of education activities aimed at developing digital competences of school employees.

The total number of pupils with mental disabilities in the school year 2018/19 equalled 29,822, of which 24,285 attended primary school and 5,537 attended secondary school. Persons with disabilities are supported by 3,064 teaching assistants and professional communication mediators in primary and secondary schools, with the total budget of EUR 9.46 million.

## DEVELOPMENT OF VOCATIONAL EDUCATION AND PROMOTING APPRENTICESHIP

Around 70% of secondary school pupils choose vocational programmes, and this percentage is among the highest in the EU. A large number of vocational education programmes is being gradually revised in collaboration with employers for the purpose of equipping young people with the necessary knowledge and skills. An example of positive cooperation with employers in terms of acquiring practical skills and new knowledge in the workplace is given by the programme providing scholarships for pupils and students, whereby the employer is obliged to employ the young person for at least a year after graduation. The programme covers more than 1,700 pupils and students in the tourism and hospitality sector.

The project “Scholarships for Pupils in Crafts” encourages young people to pursue education in popular professions that are scarce on the labour market. The aim of the project is to acquire the skills for carrying out independent work in their chosen profession and develop social and entrepreneurial competencies. The number of scholarship holders is getting larger every year; as a matter of fact, both the number of scholarship holders and the amount of awarded funds have doubled when compared to the first year in which these scholarships had been awarded. For instance, 1,522 scholarships were awarded in 2016, amounting to a total of EUR 1.85 million, the number of scholarships in 2017 equalled 2,342 with over EUR 2.83 million awarded, while 2018 saw the award of 2,968 scholarships amounting to a total of EUR 3,6 million.

However, high-quality vocational education would not be possible without the craftsmen, who play an active role in educating younger generations through the apprenticeship model, whereby the pupils spend the majority of their education in the economic sector, directly acquiring the knowledge and skills they would require for carrying out work in a specific profession. In 2018, EUR 1.4 million were granted to 188 craftsmen and entrepreneurs with the aim of encouraging apprenticeships. This number presents a significant increase from the total number of grants and the overall amount awarded in the previous two years.

Education in craft professions is being further encouraged in the current year through a EUR 33.75-million project with two main determining factors. The first factor is doubling the amount of scholarships awarded to pupils, from HRK 9,000 to HRK 18,000 per year (EUR 1,215 to EUR 2,430). The other factor is substantially increasing the available funds for stimulating craftsmen and legal persons for taking up apprentices. This segment would see craftsmen and legal entities refunded for 80% of their expenses incurred for paying apprentice fees to pupils, as well as the payment of bonuses to the mentors or legal persons training the pupils and enable an additional component in the form of purchasing equipment required for the apprenticeship.

Programmes for developing dual education and regional competence centres as places of excellence and connecting vocational education and training will be implemented in 25 vocational schools, which would play the role of regional competence centres, thus enhancing the quality of vocational education and economic growth. A contributing factor to this is the Croatian Qualifications Framework, reform instrument for regulating the system of qualifications at all levels in Croatia by preparing profession standards and qualification standards based on learning outcomes and following the needs of the labour market, individuals and society as a whole.



## SOCIAL ASPECT OF HIGHER EDUCATION

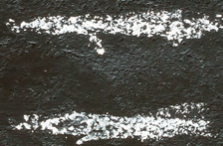
The National Plan for Enhancing the Social Aspect of Higher Education in the Republic of Croatia for the period 2019–2021 was adopted with the aim of making higher education more accessible and promoting result-based financing of students of lower socio-economic status. The implementation of the National Plan shall enable systematic collection and processing of data relevant for improving the financial aid system for members of under-represented and vulnerable groups, allow equal opportunities to all students during their studies, and raise the studies completion rate and the employment rate for under-represented and vulnerable groups after graduation. Additionally, the standards concerning the improvement of the social dimension will be implemented in the system for ensuring high quality tertiary education.

## ADULT EDUCATION

Adult education is an important component of the lifelong learning and education system in Croatia for adapting all generations to the requirements of the dynamic work market. The aim of the Adult Education Act is to secure pre-requisites for increasing the participation rate of adult citizens in lifelong learning and education processes, to improve and expand learning, education, training and professional development through work, to establish a quality assurance system in adult education and to improve the organization, financing and management of adult education processes.

The adult education system in Croatia is focused on enabling access to education, acquiring qualifications and retraining qualifications, as well as on connecting adult education to the labour market. Modernising adult education focuses on applying computer systems, developing e-learning models, as well as tailoring adult education programmes to the needs of various target groups—persons with lower qualifications, socially marginalised and excluded people, the disabled, the elderly, and immigrants. Significant effort is made with the aim of informing and advising adults as regards education possibilities.

Croatia acknowledges civil society organisations as the key partners for implementing activities of informal education and informal learning for the purpose of sustainable development. These organisations received EUR 4.14 million of public funds in 2017 for projects and programmes of an educational, scientific and research nature.



## GOAL 5: Achieve gender equality and empower all women and girls

5 GENDER  
EQUALITY



Freedom, parity, gender equality and respect for human rights are the ultimate values of the constitutional order of the Republic of Croatia.

Croatia considers the issue of gender equality extremely important and, as all modern countries, places particular emphasis on this issue in the public domain to raise awareness among all its citizens of the basic civilisation norm – everyone is entitled to equal opportunities. A society free from any gender-based discrimination, where women and men are equally present in all walks of public and private life, hold the same status, have the same opportunities to exercise their rights and achieve the same benefits from the results obtained is a value pursued by Croatia, aspiring to make it come to life through a positive legal framework. The most important accomplishments in achieving gender equality and female empowerment are the adoption of anti-discrimination legislation, implementation of national action plans, as well as the establishment and development of institutional mechanisms aimed at gender equality on the national and local level.

## PROTECTING WOMEN FROM DISCRIMINATION

The function of an independent anti-discrimination body in the area of gender equality in Croatia is played by the Ombudsperson for Gender Equality appointed by the Croatian Parliament. A constituent part of the Government of the Republic of Croatia is the Bureau for Gender Equality, which conducts the Government's professional and administrative work related to the pursuit of gender equality in Croatia.

The Gender Equality Act regulates the issue of comprehensive protection from victimisation by expanding the circle of persons protected by the anti-discrimination guarantee. This led to the strengthening of legal protection of victims and anyone who has acted in good faith to warn the public of a victimisation case. A National Plan Against Discrimination for the period 2017–2022 was developed and adopted. In the last five years, progress was made in the normative area through the adoption of relevant legal documents, i.e. the amendments to the existing ones, all with the aim of complete implementation of the constitutional and legal principle of gender equality.

Positive changes and shifts have been observed in the area of protection from domestic violence, as well as the areas of work, employment, political participation and media. However, challenges still persist in all areas need to be brought to the public's attention and continuously tackled.

## PROTECTION OF WOMEN AGAINST DOMESTIC VIOLENCE AND PREVENTING DOMESTIC VIOLENCE

Progress has been made in the area of combating violence against women as regards the improvement of the national legal and strategy framework, harmonising methodologies for obtaining and analysing statistics with EU standards, through educating expert staff, cross-sectoral cooperation of competent authorities and raising awareness in the public and target social groups of zero tolerance towards any type of violence.

A fourth National Strategy for the Protection against Domestic Violence in the period 2017–2022 was also adopted. The Agreement on Interdepartmental Cooperation in the Area of Preventing and Combating Violence Against Women and Domestic Violence was concluded in 2018, and it established national and regional teams for preventing and combating violence against women.

Croatia ratified the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence in 2018, and the Act on the Ratification of the Convention established the basis for upgrading the existing national legislation protecting victims of violence and domestic violence and providing a more efficient assistance and protection of victims.



There are currently 19 safe houses for women who are victims of violence, including six independent and one specialised centre for women who are victims of sexual violence. Psychosocial and legal aid services are provided in collaboration with civil society organisations and are accessible to women and children who have been victims of any type of violence. Counselling is also provided through social welfare centres, healthcare centres and other institutions. With the aim of detecting the causes and consequences of violence against women and the efficiency of prevention measures, a significant number of studies and analyses has been carried out.

The system for managing statistics regarding the types of violence, registered by gender, age, family relation between perpetrator and victim, recidivists, and disabled persons as victims of criminal acts, has been improved. The data shows that the number of victims of domestic violence as a misdemeanour offence is decreasing, while the number of registered victims of domestic violence as a criminal offence is increasing, which points to a higher awareness of police officers with regard to the qualification of offence, as well as of the victims themselves, as they are now reporting domestic violence more frequently.

The data show that the number of cases of domestic violence classified as misdemeanour has been on the decline – the number of such misdemeanours in 2015 equalled 13,775, in 2016 it equalled 11,948, while in 2017 it equalled 11,506. In 2018, charges were brought against 10,272 persons, of which 7,983 were men (77.7%) and 2,289 were women (22.3%). This presents a 10.7% decrease in the number of offences in comparison to 2017. 552 cases of domestic violence in 2017 were classified as criminal offences, while in 2018 this number amounted to 623.

Despite a good legal framework, the ever-present stereotypes related to domestic violence, care for children and parental care remain a significant challenge. Croatia is continuing its work on raising further awareness regarding the issue of domestic violence and discrimination against women within the society. Numerous campaigns, round tables and other activities were continuously carried out across Croatia with the aim of raising awareness regarding the issue of gender-based violence within the society and among key stakeholders, as well as preventing hate crime. Funds were provided for projects implemented by non-government organisations aimed at improving knowledge and raising awareness of women's rights, as well as for organisations providing assistance to women who were victims of violence, women with disabilities, and members of national minorities.

## GENDER EQUALITY IN EDUCATION, LABOUR MARKET AND ENTREPRENEURSHIP

The focus of gender equality in the area of education lies in the choice of topic of study and profession. The most attention is given to activities aimed at increasing the participation rate of women in the Information and Communication Technology (ICT) and STEM (Science, Technology, Engineering and Mathematics) areas and of men in their non-traditional fields of labour, such as teaching, nursing and social welfare.

Data collected by the Croatian Bureau of Statistics show that the number of employed women (24-64 years of age) is on the rise and their employment rate increased from 55.9% in 2015 to 58.3% in 2017, going as high as 61.7% in Q1 2018. Their unemployment rate dropped from 16.9% in 2015 to 11.9% in 2017. However, the percentage of women in the inactive population still stands at around 58.8%. The most significant differences in labour activity between women and men are present in the 15-24 age group, and the 40-64 age group.

The Guidelines for Developing and Implementing the Active Employment Policy in the Republic of Croatia for the Period 2018–2020 introduces several new elements, such as subsidies for internships and training for acquiring adequate working experience for persons over 30 years of age. The financial resources from the European Structural and Investment Funds have also contributed to the highly significant measures for employing women that the Croatian Employment Service has been implementing for a number of years.

According to 2017 data, the average net salary of women in Croatia (HRK 5,552.00, or EUR 750.00) is 12.5% lower than the average net salary of men (HRK 6,346.00, or EUR 860.00), with the worst figures registered in the financial and insurance sectors, where the gap between the net salaries of men and women amounts to 25.4%, and the healthcare and social welfare sector, where the gender pay gap equals 25.2%. Unemployment data also shows signs of inequality, and in 2018 women accounted for 56.5% of the total number of unemployed persons in Croatia[4].

The ownership structures of Croatian companies show that about 20% of company owners are female, while the activeness of men as regards setting up business ventures is 1.7 times higher than that of women. In the last 15 years, Croatia has started to promote female entrepreneurship in a more intensive manner, adopting new strategies and programmes. For instance, the second Strategy of Women Entrepreneurship Development in the Republic of Croatia 2014-2020 was adopted and it includes measures for increasing the participation of women in entrepreneurial activities, their education, financial support, etc.

[4] Source: Croatian Bureau of Statistics

## BALANCING PERSONAL AND PROFESSIONAL LIVES

The area of balancing personal and professional lives saw the improvement of the legislative framework. The Maternity and Paternal Benefits Act increased the maximum amount of wage remuneration paid during parental leave for employed and self-employed parents. The amount of monetary aid for certain groups of other beneficiaries was increased so as to further encourage both parents to exercise their right to parental leave. The Childcare Allowance Act expanded the circle of potential beneficiaries of childcare allowance as well as of prenatal income by increasing the income limit per household member to 40%, or HRK 2,328.20 (around EUR 315.00). Fathers are equally entitled to the right of taking parental leave for up to four months, which ensures equal distribution of parental responsibility in the family. For instance, 1,215 fathers took parental leave in 2016, while Croatia is constantly striving to ensure that the fathers get more actively involved in the nurturing of their child and further promoting paternity leaves.

Apart from this, parental fees for employed and self-employed parents for the second six-month period increased from HRK 2,663 (around EUR 360) to HRK 3,991 (around EUR 540), while the fees for parents who are not part of the workforce increased from HRK 1,663 (around EUR 225) to HRK 2,328 per month (around EUR 315).

## PARTICIPATION OF WOMEN IN THE POLITICAL DECISION-MAKING PROCESS

Some of the most prominent positions in the country are held by women – starting from the country President, Vice-Chairman of the Government, and several Ministers. The ratio of women in the total number of Croatian MPs equals 21%. Positive trends have been noticed in the latest parliamentary and local elections as regards the representation of women in the lists of candidates. Local elections held in 2017 showed a certain amount of progress with regard to the percentage of women in representative and executive branch of local government, and the percentage of municipal councilwomen amounts to 26%, that of city councilwomen amounts to 27% and of county councilwomen 27%. The percentage of women deputy county prefects has increased to 30%. In courts, the percentage of women among judiciary officials amounts to 71%, and in the public prosecutor's office to 68%. Women represent one third of all officials and executive civil and public servants, while the percentage of women in diplomatic functions is also on the rise and amounts to 27%. It should be noted that a system has been established for managing statistics regarding the entire election process during both the candidacy stage and after obtaining the results as regards the seats won, whereby gender equality is taken into account. The Croatian Deputy Prime Minister and Minister for Foreign and European Affairs Marija Pejčinović Burić has been elected Secretary General of the Council of Europe.

On 12 March 2019, the President of the Republic of Croatia Kolinda Grabar-Kitarović assumed chairmanship of the Council of Women World Leaders, an organisation that brings together 75 current and former female heads of state or government.



## EMPOWERING WOMEN AND GIRLS

Apart from raising awareness on anti-discrimination legislation, educational programmes are being implemented in the judiciary and state administration. Specific activities are aimed at improving the social position of women from national minorities, women with disabilities, women in rural areas, young women, with continued support for projects and activities carried out by civil society organisations in these areas. Alongside civil society organisations, a large number of public events during the past few years has been organised by all national institutional mechanisms dedicated to gender equality, while a large number of various publications has been printed and widely disseminated



## 6 CLEAN WATER AND SANITATION



### **GOAL 6: Ensure availability and sustainable management of water and sanitation for all**

With an average of 27,333 cubic metres of water per person per year, Croatia boasts the largest stock of freshwater resources in the European Union according to EUROSTAT, based on data in the last 15 years. On top of this, Croatia is among the top European nations in terms of supplies of quality water per population per year, right behind Finland and Sweden. According to data from the Water Management Strategy and River Basin District Management Plan for 2016–2021, Croatia's overall water resources amount to 111.66 billion x 10<sup>9</sup> m<sup>3</sup>/year, or 26.059 x 10<sup>9</sup> m<sup>3</sup>/year per person.

The layout of water resources is not favourable and there is a significant spatial and temporal inequality in terms of the distribution of water resources. Drinking water and water for sanitation needs in Croatia is accessible to a large majority of the citizens, and more than 94% of its citizens use safe water, while the infrastructure and access to adequately managed and sustained drainage systems are being constantly enhanced. Prices of water services for socially disadvantaged citizens are maintained at a socially sensitive level, whereby the price of water services paid by these citizens never exceeds 60% of the full price paid by the remaining population, which includes water supply and drainage as well as wastewater treatment.

## MANAGEMENT OF WATERS AND THE WATER SECTOR

The basic instruments for managing water and the state of water in Croatia are the Water Management Strategy, the Water Act and the River Basin District Management Plan, which define the programmes and measures for tackling key issues of the water sector. 200 projects related to the construction of municipal water facilities, including wastewater purification systems, are being implemented with the aim of managing and preserving water in an integrated manner and the overall biological, landscape and geological diversity as fundamental values and potential for further growth, so that all citizens would be connected to the water supply and drainage system by 2025. Simultaneously with the final stages of construction of municipal water infrastructure, the water sector is undergoing reform, whose aim is to ensure acceptable prices of water for citizens and economic operators.

The Water Services Act was adopted in 2019, which opened the possibility and requirement for 200 local waterworks that are not part of the public water supply system to become integrated into it so that all citizens would have access to safe water intended for human consumption.

Since water is one of the key components of the environment, the Environmental Protection Act stipulates the need to implement measures for the protection of water against pollution so as to preserve life and health of humans and protect the environment, as well as to enable a sustainable and safe use of water for various purposes.

## WASTE MANAGEMENT

Croatia is making every effort to shut down the remaining landfills by the end of 2024 and eventually treat waste solely in modern waste disposal and treatment facilities. Considering the fact that 15 years ago there were more than 300 functional landfills without adequate environment protection measures in force, this dynamic of shutting down and recovery of the remaining landfills is an indicator of significant progress, not only in terms of groundwater protection but also soil and air protection.

In order to ensure integration with Sustainable Development Goals and the synergistic efforts in the area of sustainable management of water and water resources as well as their protection, the 2030 NDS, aimed at strengthening climate resilience and sustainable management of natural resources, identified the following key intervention areas: improving public water supply, enhancing public drainage systems, wastewater purification, as well as maintaining the soundness of water for the purpose of improving the sustainability of water use and management.



## SANITARY INSPECTION

Sanitary inspection, aimed at protecting the public health interest, is regulated by the State Inspectorate Act. This includes inspection activities, i.e. official controls in the areas of human health protection, food safety, GMO, safety of water intended for human consumption, objects for general use, tobacco and similar products, noise, chemicals and biocidal products and non-ionising radiation.



**GOAL 7:**  
**Ensure access to affordable,  
reliable, sustainable and modern  
energy for all**



Croatia generates half of the energy it consumes from its own hydroelectric power plants. Besides hydroelectric power plants and natural gas power plants, Croatia also holds a 50% share in the Krško nuclear power plant located in Slovenia

Croatia is a net importer of electricity, and the growing need for electricity during the summer months mostly stems from the continuously growing tourism sector. During times of peak demand in the summer months, Croatia imports nearly 40% of electricity, 40% of gas and 80% of oil. The World Bank report entitled “Doing Business” for 2019 states that access to electricity in Croatia is on a satisfactory level and concludes that the situation as regards the supply of electricity in Croatia has improved. Croatia went up by 14 positions in comparison to 2018 and is ranked 61st of 190 countries included in the 2019 survey.

## ACCESS TO ENERGY

According to data from the Croatian Bureau of Statistics, electricity costs on average amount to around 6% of total household costs. The social welfare system provides for a benefit for vulnerable energy product consumers, which enables poor/vulnerable population groups to access and use energy products.

The highest consumers of energy in Croatia are the households, the traffic sector, industry and the service sector. The growing trend of electricity consumption in Croatia has been significantly affected by changes in the economy in the last few years, given the gradual move from energetically highly intensive industry (chemical, metal) towards tourism, paper and food industry as energetically medium intensive industries.

The 2000 to 2017 period witnessed a positive trend of the energy efficiency improvement index decreasing by 18%, when all end consumers of energy are observed as a whole. All sectors contributed to this positive change, but the largest contribution came from industry, which improved its energy efficiency index by 25.5%. For households, this improvement equalled 21.3%, while traffic improved by 10.3%.<sup>[5]</sup>

Croatia is permanently implementing measures for increasing energy efficiency, the result of which is a reduction in energy intensity by 1.6% between 2000 and 2016. Implementing national energy renovation programmes, as well as policies and measures from the Long-term strategy for energy renovation of buildings by 2050 will further contribute to achieving the national goals for increasing energy efficiency.

The reduction of the VAT rate for electricity from 25% to an affordable 13% directly led to the decrease of electricity prices and improved access to electricity for all users. Croatia is permanently implementing support programmes for settling energy bills of households with insufficient income for settling their basic needs. The programme also provides for the implementation of measures for enhancing energy efficiency in accordance with the needs and composition of the household itself.

High investments that may be a considerable challenge in certain economic sectors require the implementation programmes of specific energy policy measures and the application of new technical and technological solutions to be interconnected with measures to alleviate energy poverty. In that regard, a comprehensive Programme to Combat Energy Poverty will be prepared and implemented, inclusive of a model for covering energy costs and enabling, along with energy consultancy, access to energy renovation and energy efficiency improvement measures for energy poor households. The combination of these three components of the Program to Combat Energy Poverty will enable a permanent reduction in energy costs and improve living conditions in energy poor households.

[5] Source: "Energija u Hrvatskoj: godišnji energetska pregled [Energy in Croatia: annual overview of energy]" (2017), Ministry of Environmental Protection and Energy of the Republic of Croatia



## RENEWABLES

Croatia created the conditions and regulated the manner for cultivating and using cultures for biomass production, the only renewable energy source that can be cultivated, which would further increase the utilization of national energy sources, production potential of agricultural and forest land at a local level and have a positive impact on rural development, social responsibility, employment and the increase of personal income of the rural population and the utilization of natural resources in a sustainable manner.

Thanks to the existing hydropower plant capacities, as well as the capacities of newly constructed wind farms and solar photovoltaic power plants (capacity increase amounting to 35 % annually), Croatia has fulfilled the goal set in the Europe 2020 strategy, i.e. 20% energy from renewable sources in the total energy consumption (39 % in electricity generation and 20 % in the heating and cooling sector).

The Energy Development Strategy of the Republic of Croatia by 2030, looking ahead to 2050, which should be adopted soon, places the most focus on renewable energy sources as the drivers of economic growth, but also as drivers of the shift of the energy sector toward “clean energy”, which was established within the energy union as the common energy policy of the European Union. Wind and sun energy are given special encouragement, but focus is placed on other renewable energy sources as well (geothermal sources, bioenergy etc.).

Croatia has been actively preparing to fulfil its obligations arising from the Paris Agreement by which all Member States of the European Union undertook to reduce emissions of greenhouse gasses by 2030 by at least 40 percent to alleviate the consequences of global warming and stop further increase in air temperature. The Low-carbon Development Strategy of the Republic of Croatia by 2030 has been prepared and the drafting of the Climate Change Adjustment Strategy to 2040 is underway.

The Low-Carbon Development Strategy of the Republic of Croatia by 2030, and looking at 2050, which is also in the process of being adopted, considerable investments in the energy sector are foreseen, and four to six billion EUR is planned to be invested in renewable energy sources by 2030. The results of the implementation of this strategy provide for the creation of 50,000 new jobs and a positive public finance balance of 1.5 billion EUR by 2030, with a significantly lower detriment to the environment.

The 2030 NDS, whose aim is to increase energy efficiency, establishes the following key intervention areas: modernisation, achieving savings and increasing energy efficiency of buildings, public lighting systems and public areas, and the transformation of the current fund of buildings into nearly zero-energy buildings, decreasing energy poverty, promoting energy efficiency and the utilization of renewable energy sources in traffic, increasing electrification of traffic, increasing the number of electric charging stations and electric vehicles, increasing energy efficiency and the utilization of renewable energy sources in tourism, agriculture, industry and other areas of the economy and households, as well as increasing energy efficiency in central heating and cooling systems in residential areas and energy storage.



## 8 DECENT WORK AND ECONOMIC GROWTH



### **GOAL 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

The 2008 global economic crisis has been hard for Croatia and has caused a recession that lasted from 2009 to 2014. During that period, GDP has cumulatively decreased by 13 %, the unemployment rate has doubled to 18 % (2014) and youth unemployment especially increased to record 30 % (2016).

After the recession, the economy began growing again, which was greatly facilitated by Croatia's accession to the European Union and subsequent access to EU structural and investment funds. According to the available data from Eurostat, the average GDP growth in the period from 2015 to 2018 was 2.9 %, with the GDP per capita, measured in purchasing power parity (PPP) of Croatia in 2018, again reaching 63 % of the average of EU Member States.

## MACROECONOMIC RESULTS

GDP growth continues in 2019 and the growth rate has increased by 3.9 % in the first quarter. Due to the acceleration of the economic growth, Croatia is placed among the EU Member States with the most dynamic economic growth in the first quarter, which is important for further strengthening of the economy, competitiveness and investor confidence. As a result of the increased economic competitiveness, implementation of structural reforms and ensuring the sustainability of public finances, Croatia is reaching positive macroeconomic results.

Croatia has recorded a budget surplus for two years in a row, public and external debt is rapidly decreasing, which enabled the country to exit the excessive deficit procedure and the circle of EU States that are experiencing excessive macroeconomic imbalance. The aforementioned has been acknowledged by two credit rating agencies, Standard & Poor's and Fitch, which have raised Croatia's credit rating to investment level.

Stronger economic growth has been contributed by structural reforms, tax reform and investments, which has led to an increase in the income of residents and economic relief. Economic growth is also contributed by the relatively dynamic growth of exports of goods and services, which, after some negative trends in the first quarter of last year, amounted to 4.6% in the first quarter of this year, and this was largely influenced by a significant increase in commodity exports. As a result, the value of exports to the EU market increased nominally by 8.0%, to third countries by a high 13.1% and the total value of commodity exports by 9.6%.

The dynamic GDP growth was also contributed by the administrative relief of the business sector, continued growth in investment activities and tax relief through the reduction of VAT on certain nutritional and non-food products. The contribution of the overall industry has also been of the utmost importance, i.e. the increase in industrial production, which grew by 2.7% in the first quarter, significantly more than last year's 0.3%.

Personal expenditure has also had a strong impact with growth rising from 3.9% to 4.4%, while increased fixed capital investments also contributed, supported by the use of EU funds which rose from 3.6% to 11.5%. According to the growth rate, Croatia was one of the EU Member States with the fastest growth in GDP, and was also in the group of several Member States whose growth has not slowed down compared to last year.



## LABOUR MARKET AND EMPLOYMENT MEASURES FOR EVERYONE

The employment rate has decreased from 11.2% in 2017 to 8.4% in 2018. The remaining challenges, which will have to be resolved in the upcoming period, are high youth unemployment levels, an increase in the share of the long-term unemployed in the total number of unemployed persons, a high percentage of persons at risk of poverty or social exclusion, a lack of highly qualified human resources in key sectors for the Croatian economy such as construction and tourism, and a declining and ageing workforce in the labour market due to negative demographic trends and emigration.

Based on the Guidelines for the Development and Implementation of the Active Employment Policy in the Republic of Croatia for the 2018-2020, the active employment policy measures were redefined in 2018 in order to further adapt to the needs of the labour market. As of January 2018, the improved set of active employment policy measures called “Od mjere do karijere” (“From Measures to Careers”) includes: aid for employment, aid for training, aid for self-employment, education of the unemployed, training at work, aid for first employment/traineeship, public works, aid for job preservation and the measure “permanently employed season workers”.

Special attention has been paid to youth unemployment. Two new measures have been introduced – “Aid for first employment/traineeship” aimed at encouraging young people to find jobs in the private sector, and the measure “Training for the required work experience for persons over 30 years of age”.

The implementation of the Youth Guarantees programme has yielded very good results with regard to an increase in the employment of young people. The data shows that the unemployment rate of persons under 25 years of age has been halved, and amounts to 23.7% in 2018 compared to 50% in 2013. Also, the employment rate of Croatian youth grew in the same period faster than the EU average. Compared to 2013, it increased from 14.9% to 25.6% in 2018.

In order to employ women, who are in a disadvantaged position on the labour market, as well as to increase social inclusion and quality of life for many elderly people and people in need, the “Zaželi” (“Make a wish”) project for the employment of women was launched. Within the project, 7,500 women will be employed to work on jobs related to providing support and care for almost 30,000 elderly people and people in need.

Special attention is given to the employment of persons with disabilities, which are being enabled to find a suitable job by vocational rehabilitation, the employers are also receiving incentives to hire a person with a disability and the employers have a mandatory employment quota depending on their number of employees. These measures aim at providing persons with disabilities a place in the work force and social inclusion in society.

Due to the introduction of a quota system of employment, the implementation of vocational rehabilitation services and measures to encourage the employment of persons with disabilities, there have been positive trends in the labour market. This is confirmed by the data of the Croatian Employment Bureau, according to which a total of 3,231 persons with disabilities have been employed during 2018. In the first five months of this year a total of 1,396 persons with disabilities from the Bureau's records have been employed, which is a slight growth compared to the same period last year when 1,353 persons with disabilities have been employed.

The conditions and criteria for inclusion of persons with disabilities into existing measures are considerably more favourable than other groups of unemployed persons. For example, within the scope of the "Aid for employment" measure, the employer is provided with 75% of the salary of the disabled person. In addition, persons with disabilities may benefit from multiple measures within the same year, meaning that a person with a disability who has been included in educational activities may, after completing those activities, be employed with employment aid or self-employed.

Employment of persons with disabilities is contributed to by active employment policy measures, as well as incentives from the Department for Expertise, Vocational Rehabilitation and Employment of Persons with Disabilities.

In 2018, a total of 1,648 persons with disabilities were included in the active employment policy measures, which were allocated EUR 5.94 million. During 2018, Department for Expertise, Vocational Rehabilitation and Employment of Persons with Disabilities paid out EUR 13.65 million in incentives. Incentives were allocated to 318 employers, i.e. to 1,163 persons with disabilities.

The need to improve and adapt the labour market to the needs of the modern society has been recognised in the NDS 2030. The strategic goal "Increased Employability and Assured Development of Knowledge, Skills and Abilities" has been defined within the development direction "Inclusive Croatia", and it defines the areas that require intervention aimed at promoting employment, improving the target and the scope of active employment policy measures, activating inactive persons, as well as encouraging additional education and reinforcing labour market institution capacities.

## INCREASE IN MINIMUM AND AVERAGE SALARY

MINIMUM GROSS SALARY			
YEAR	AMOUNT IN HRK	INCREASE IN HRK	INCREASE IN %
2016	3.120	90,45	3,0%
2017	3.276	156,00	5,0%
2018	3.439	163,80	5,0%
2019	3.750	310,20	9,0%

The minimum gross salary is growing continuously every year and has increased by HRK 630 (app. EUR 80) or by 20.2% in the last three years. This also contributed to the overall growth of net salaries, which nominally increased by 4.3% in the last year, enabling the continued growth of the living standard of the population.

In 2016, the average gross salary amounted to HRK 7,752, (app. EUR 1000) and the net salary was HRK 5,685 (app. EUR 768), while in April 2019 the average gross salary grew to HRK 8,733 (app. EUR 1,180) and the net salary to HRK 6,434 (app. EUR 870). This means that the average gross salary increased by HRK 981 (EUR



## SUSTAINABLE AND ADEQUATE PENSIONS

A comprehensive pension reform was implemented to address the generational inequality of pensioners, to ensure long-term stability of the pension system and more adequate pensions. Since 2017 pensions have increased by 7.54 %, and from July 1, 2019, the lowest pensions for more than 250,000 beneficiaries will increase by an additional 3.13 %.

As of January 1, 2027, age retirement conditions for women and men will be the same, at the age of 65 and 15 pensionable years, so women and men will be retiring under the same conditions. Later retirement is encouraged (the so-called bonus scheme) by increasing the initial factor from 0.15% to 0.34% per month of later retirement (up to 20.4% for 5 years) in order to continue working after the legal retirement age, with the goal of achieving a more suitable pension level. In order to increase the number of pensioners who are still active in the labour market, the reform has increased the number of pensioners who can work half-time while still receiving full pensions and according to the latest data, more than 12,000 pensioners are using this option.

In order to keep employed individuals with reduced working abilities who are able to work in other fields which they could be trained for, the amount of salary reimbursement during vocational training has been increased.

## PROMOTING INVESTMENTS IN CROATIA

Pursuant to the Investment Incentives Act, Croatia allows existing and newly-established companies to use investment incentives, with the minimum amount of investment for receiving incentives set at EUR 50,000 and the condition of at least three new job openings related to the investment in the upcoming three years after the start of the investment. Within the incentive's framework, the most attractive incentive for investors is the tax benefit consisting of decreased profit tax by 50-100 % within a period of up to 10 years, i.e. until the incentive has been fully utilised. For the award of state aid, the recorded unemployment rate is particularly taken into account in counties where the investment in question is being realised, and aid is given for investments in activities related to manufacturing, development and research, business support and high value added services.

In tourism, which makes up a fifth of Croatian GDP, the programme "Competitiveness of the Tourism Sector", intended for small and medium-sized enterprises, is implemented by awarding grants with the purpose of increasing the competitiveness of the tourism sector and its sustainability. Aids are awarded for investments in the increase of quality and better standards, as well as additional catering facilities, the development of new and innovative tourist products, business internationalization, sustainable development, a more diverse offer, new technologies and other activities for the purpose of increased tourism competitiveness.

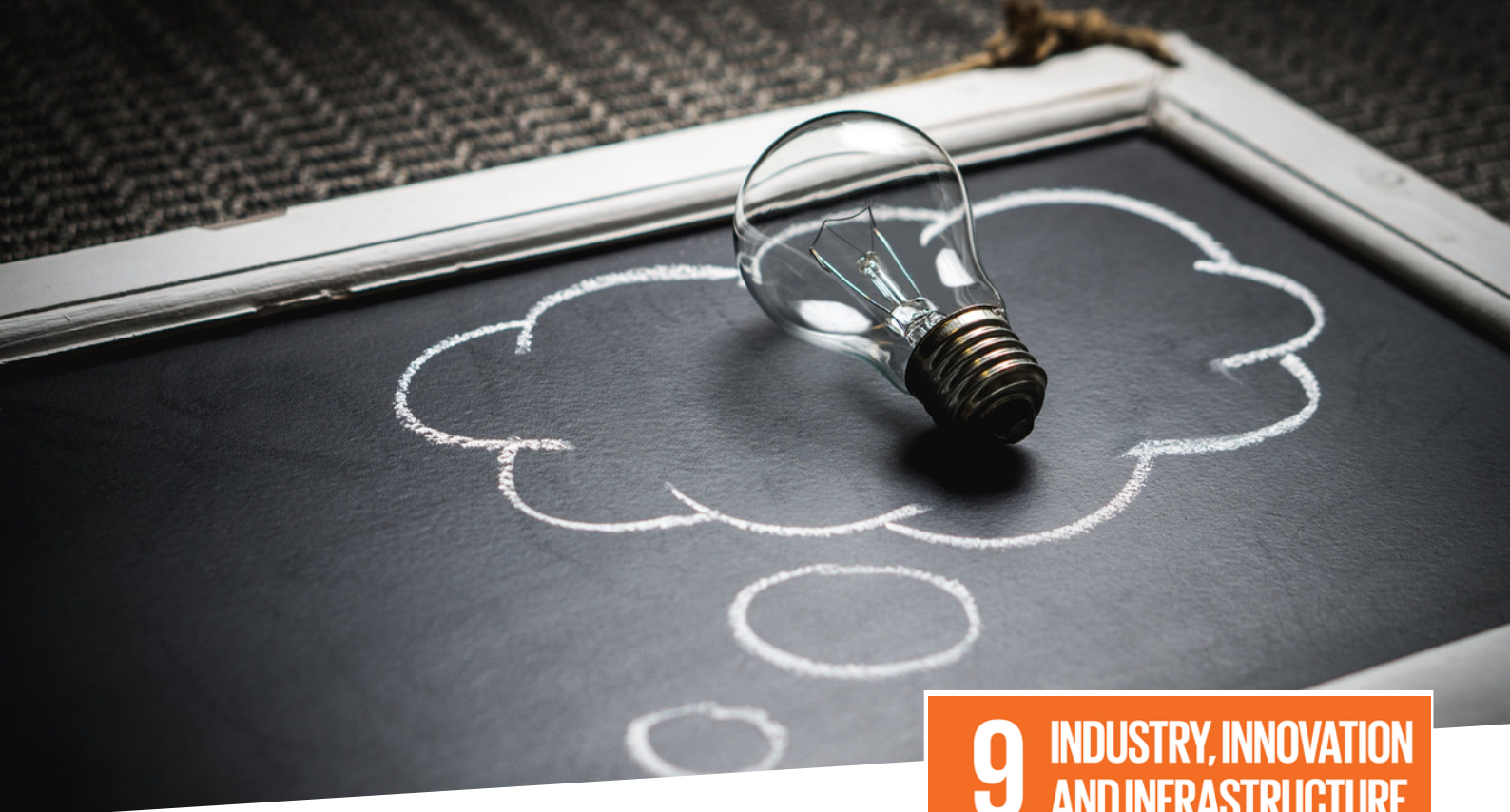
The implementation of the aforementioned programme contributes to the fulfilment of goals of the 2020 Tourism Development Strategy of the Republic of Croatia and the related action plans and national programmes concerning SME development, improving the offer of small family-run hotels, sustainable development (green tourism) and the development of special forms of tourism.

With the aim of further developing tourism, the e-Turizam (e-Tourism) project is being implemented with the goal of improving communication between citizens and the public administration, greater transparency and effectiveness and establishing high quality electronic services. The central register of tourists will be the central registry system with information on all service providers in tourism and catering, and it will be possible to file registration applications for tourist and catering activities online. The e-Visitor system was developed and rolled out, and it is used for the registration and checkout of guests in accommodation facilities. The central portal for the development of tourism will facilitate the collection of all data from the aforementioned systems, which will be made available through a single platform to all entities interested in investing in tourism.

## HARMONISATION OF ECONOMIC GROWTH AND ENVIRONMENTAL PROTECTION

Croatia has a long tradition of conducting environmental impact assessment procedures for interventions that can have a significant impact on the environment. The procedures have been carried out since 1984, while in 1997 the environmental impact assessment became an independent administrative procedure in the work of the competent environmental body.

The environmental impact assessment procedure is regulated by the Environmental Protection Act, the Regulation on Environmental Impact Assessment, the Regulation on information and participation of the public concerned in matters of protection. Environmental Impact Assessment identifies, describes and evaluates the impacts of each individual intervention on all components of the environment such as soil, water, air and climate, forests, human health, plant and animal life and others, taking into account conditions at a particular location. The number of impact assessment procedures varies over the years, however, as of 2014 there is on average 50 environmental impact assessments carried out annually. The most common interventions subject to the procedure are exploitation of mineral raw materials (construction and technical stone), wind power plants, infrastructure projects (roads, ports, railway infrastructure). In addition to the EU legislation, the environmental impact assessment procedure is also aligned with international treaties, such as the Convention on access to information, public participation in decision-making and access to justice in environmental issues (Aarhus Convention) and the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention), which has been in effect since 1997. Since 2013, when Croatia became a member of the EU, the procedure is continuously being improved, especially public participation and access to information about ongoing procedures.



## **GOAL 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**

**9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE**



Croatia's goal is to connect with the European area by applying the principle of territorial cohesion and achieving mutual standards in environmental protection, as well as participating in the construction of European traffic and infrastructure networks.

The 2017 Spatial Development Strategy of the Republic of Croatia establishes integration into the European infrastructure network as one of the goals of spatial development. The priority is to develop the transport network within the central multi-modal Trans-European Transport Network (TEN-T). Moreover, the Physical Planning Information System (PPIS) is being developed for the purpose of permanent monitoring of the situation in physical space and the field of physical planning, in accordance with the Spatial Development Strategy

To encourage the use of the public sector spatial data, Croatia has been working intensively since 2013 towards the establishment of the National Spatial Data Infrastructure (NSDI), integrated into the European spatial data infrastructure. About forty public sector institutions, for the purpose of realising the vision of “Everyone Can Find, Understand and Use Spatial Data”, allowed access to information on more than 300 different public sector spatial data to all users of a single geo portal NSDI. This also stimulates development and innovations in the geo industry.

To better connect the territory with local and international destinations, measures are implemented in urban, suburban and regional rail, road, air and sea transport, as well as inland waterways, in accordance with the 2017-2030 Spatial Development Strategy of the Republic of Croatia.

## TRANSPORT AND INFRASTRUCTURE

Transport infrastructure development is important for the economic and social growth as well as Croatia's international connectivity. As a regional development instrument, transport infrastructure stimulates the exchange of goods and ensures better accessibility to all economic, healthcare, tourism and other facilities. According to the World Economic Forum's report from 2018, Croatian road infrastructure ranks high for the quality of road infrastructure - 13th out of 137 world countries. In the last thirty years, Croatia invested almost EUR 8.38 billion in motorways and as a result, we now have one of the most quality networks with over 1,300 kilometres of motorways. Road infrastructure at national, regional and local level is continuously developed and improved. Currently, the road sector restructuring programme is underway in cooperation with the World Bank, as well as several activities for the preparation and implementation of international agreements related to the maintenance and reconstruction of bridges and road infrastructure on the state borders between Croatia, Slovenia, Hungary, Bosnia and Herzegovina and Serbia.

There are 2,604 kilometres of railway lines in Croatia, or 1,556 people per kilometre, which puts Croatia on a par with developed European countries. With the adoption of the new Railway Act and the Strategy for the Development of the Railway System of the Republic of Croatia (for the 10-year period), and the adoption of the National Plan for Railway Infrastructure Development, the National Plan for Railway Infrastructure Management and Railway Transport Services Development, the railway sector will be improved and Croatian railways will remain sustainable.



Croatia has six ports open to public transport of considerable (international) economic interest: Rijeka, Zadar, Šibenik, Split, Ploče and Dubrovnik. To improve the operation of port authorities and facilitate investments in the infrastructure of ports open to public transport, and to stimulate investments in the maritime domain while taking into account sustainable development and marine and coastal protection, a new legislative framework will be adopted. Preparations for the adoption of the new Maritime Domain and Seaports Act, as well as the Strategic Plan for the Administration and Management of the Maritime Domain and the Strategic Plan for the Management and Development of Seaports are under way. Moreover, further development of the Maritime Domain Geographic Information System (GIS) application, a unique service for the public administration and citizens alike, and containing all relevant data on the maritime domain, continues in the maritime transport sector.

An important measure to provide better connections between islands and the mainland is to ensure the right to preferential transportation rates under the Liner Shipping and Occasional Coastal Maritime Traffic Act. Children up to three years old are eligible for free transport on all lines, without restrictions on the number of trips. Persons residing on an island are eligible for a travel ticket on all ferry, boat and high-speed lines with a discount for one outward and return trip per day. Children, pupils and students with a residence on an island and attending an education establishment on or outside the island of residence, are also rightholders in accordance with the terms. Vehicles owned by natural persons residing on an island are also eligible for a discount for one outward and return trip per day on all ferry lines. Amendments to the Act, introducing new categories of beneficiaries of preferential transportation rates for people with disabilities and vehicles transporting people with disabilities, regardless of place of residence, as well as children with developmental disabilities of the 3rd and 4th degree of disability residing on an island and people accompanying them. For the implementation of this Act, EUR 41.94 million was secured in 2019.

In the water transport sector, maintenance of inland waterways is underway, with a high level of environmental protection in the areas of river basin regulation. There are four inland ports in Croatia: Vukovar, Osijek, Sisak and Slavonski Brod. The inland waterway commercial fleet renewal programme is aimed at modernising and equipping the waterway fleet with new smart technologies, clean and eco-friendly. The goal of regulating waterways is to ensure good connections and safe navigation, in particular sea ports connection with other types of transport. For this purpose, the construction of new and the expansion of the existing transport and infrastructure capacities, as well as further digitalisation of inland navigation (register, records and statistical data) continues. According to the Inland Navigation and Inland Ports Act, a River Transport Development Strategy of the Republic of Croatia and a Medium-term Development Plan for Inland Ports and Inland Waterways of the Republic of Croatia are planned to be adopted, contributing, inter alia, to the implementation of measures for the protection of nature and the environment from pollution from ships with an emphasis on reducing greenhouse gas emissions.

In the air traffic sector, the expansion of airport capacities continues with the construction of passenger terminals and the improvement of airport accessibility with the aim of increasing airport and air traffic safety standards. As a member of the International Civil Aviation Organization (ICAO), Croatia is participating in the implementation of measures for the reduction of CO<sub>2</sub> emissions, and it plans to develop the Air Transport Development Strategy in 2019, pursuant to the Air Transport Act, for the 2020–2030 period.

In the NDS 2030, two strategic goals have been defined within the development direction “Connected Croatia”: 1) “Developing a Sustainable, Intelligent, Safe and Intermodal Trans-European Transport Network” and 2) “Developing Sustainable, Intelligent and Intermodal National, Regional and Local Mobility”, which provide for construction interventions and the expansion of the Trans-European transport network on the territory of Croatia, as well as the strengthening of the multimodal freight transport and integrated passenger transport with increased operability of the transport system and sustainable physical and transport planning.

## INDUSTRIAL POLICY

The industry’s share of GDP in 2018 in Croatia was 18.5%, while the total number of people employed by the industry was 339,638. Further development of industry is encouraged by the Industrial Strategy of the Republic of Croatia 2014–2020, which set out directions for improving the business environment and identifies key industrial activities for growth, development and employment. According to the industrial strategy, the sectors are: manufacture of basic pharmaceutical products and pharmaceutical preparations; manufacture of computer, electronic and optical products; manufacture of fabricated metal products; computer programming, consultancy and related activities (ICT); manufacture of electrical equipment; and manufacture of machinery and equipment. Besides the above-mentioned industrial sectors, manufacture of food products and manufacture of furniture play a strategic role, primarily in the preservation of employment.

Compared to the reference year (2013) used for the selected industrial sectors’ development projection by 2018, in all industries, except for the manufacture of fabricated metal products, the volume of industrial production increased. All industries have increased their total revenue and value of exported goods as shown in the table below.

## INDUSTRY IN CROATIA IN 2018\*

	Industrial volume production growth (%)	Total revenue growth (%)	Export growth (%)
Manufacture of basic pharmaceutical products and pharmaceutical preparations	35,7	20,0	14,1
Manufacture of computer, electronic and optical products	13,0	23,1	31,5
Manufacture of fabricated metal products	-11,0	43,8	58,5
Computer programming, consultancy and related activities (ICT)	--	111,8	214,3
Manufacture of electrical equipment	7,1	7,1	12,1
Manufacture of machinery and equipment	3,5	39,5	44,9
PManufacture of food products	12,1	11,2	35,0
Manufacture of furniture	7,4	43,7	50,4

Source: The Ministry of Economy, Entrepreneurship and Crafts of the Republic of Croatia

\*Percentage compared to the reference year 2013.

The State Aid Scheme for Investments in Manufacturing Technologies was launched, encouraging initial investments in the expansion and development of new production capacities and the modernization of the manufacturing process.

### DEVELOPMENT OF ENTREPRENEURSHIP AND INNOVATIONS

The important role in the economy growth is played by entrepreneurs for whom the business environment is continuously improved, by administrative unbundling and investments in entrepreneurship. Entrepreneurial infrastructure in Croatia consists of entrepreneurial zones and supporting entrepreneurial institutions – development agencies, entrepreneurial centres, business incubators, entrepreneurial accelerators, science and technology parks, centres of competence and free zones. Entrepreneurial zones are divided into manufacturing zones, logistics and distribution zones and services and mixed-use zones, with 544 verified entrepreneurial zones entered in the registry.

In 2016, by means of a tendering procedure, funds in the amount of EUR 86.5 million were awarded for the development of entrepreneurial infrastructure, and in 2017 EUR 37.5 million.

The Act on State Aid for Research and Development Projects stimulates investments in research and development and increase in the number of entrepreneurs who invest in research and development. In the competitive European and global environment, in addition to investments, innovations are also stimulated as they have the potential of generating added value for the economy. To that end, the Strategy for Innovation Encouragement of the Republic of Croatia 2014–2020 and the Smart Specialisation Strategy of the Republic of Croatia 2014–2020 stimulate the industrial sector development as well as innovations, research and development as the underlying leverage of the development of the economy and the society as a whole.

Croatia has adopted the direction of creating a stimulating environment by establishing a system for advanced technology and artificial intelligence and digitizing the economy and the society as a whole. Research, science and education should be aligned with the entrepreneurial sector and the creation of high value-added products and services.

In July 2018, the Government of the Republic of Croatia formed a National Innovation Council (NIC) to coordinate the implementation of the Smart Specialisation Strategy (S3) for the period from 2016 to 2020 with the aim of a more efficient use of research, development and innovation potentials in order to manage the national innovation system more efficiently and increase competitiveness of the Croatian economy.

NIC will have the advisory support of three expert councils: the Innovation Council for Industry of the Republic of Croatia, the National Council for Science, Higher Education and Technological Development of the Republic of Croatia and the National Council for Human Resources Development. Thematic innovation councils, established within the Innovation Council for Industry, operate within five priority thematic areas of S3, related to health and quality of life, transport and mobility, energy and sustainable environment, safety and food and bioeconomy, thus directly impacting the sustainable development of Croatia.



## INTERNET AVAILABILITY AND BROADBAND INFRASTRUCTURE

The Broadband Access Development Strategy for the Republic of Croatia 2016–2020 and the National Broadband Plan for the Republic of Croatia 2016–2020 are aimed at developing and building accessible aggregate broadband infrastructure in order to promote equal development and increase the availability of the advanced broadband infrastructure and network on the territory of Croatia, to create preconditions for balanced economic and social development at the national, regional and local levels. Apart from reducing the digital gap between urban and rural areas on a national level, the goal of the Strategy is to reduce the gap between Croatia and the European Union average when it comes to levels of access and use of fast broadband Internet.

The 2018 Digital Economy and Society Index (DESI) results for Croatia in the area of households covered by fixed broadband access (99%) are better than the EU average (97%). This category has marked the biggest progress, but we are still lagging in the coverage of ultrafast broadband subscriptions (>100 Mbit/s). Despite the fairly wide availability of broadband services (67%), demand for fast broadband access is still low (14%). Low demand can be attributed to various factors such as, among others, low usage of Internet and the relatively high price for (fast) broadband access (the price index for broadband access is 63, while the EU average is 87). As for mobile network coverage (4G), Croatia has good results and ranks among the more developed EU countries, with around 90% of the territory and 94% of population covered.



## 10 REDUCED INEQUALITIES



### GOAL 10: Reduce inequality within and among countries

Even though inequality can be considered by taking various approaches, the inequality between income and inequality of access to social services and benefits is seen as the main obstacle to the economic development and growth in Croatia. In this sense, Croatia is implementing numerous reforms and adopting measures using a specific regional approach, which will enable higher general employment levels, and thus achieve income growth in poor households.

#### HOUSEHOLD INCOME

According to the data from the Croatian Bureau of Statistics on population income, the income inequality ratio has been decreasing. In 2017, this indicator amounted to 5.0 in Croatia (meaning that 20% of the population with the highest available income had an income 5 times greater than the 20% of population with the lowest available income), while for the rest of the EU this indicator amounted to 5.1. The material deprivation rate, which is closely linked to the country development level, covers a wide range in the EU, from the low 3.7% in Sweden to the high 46.9% in Bulgaria. Even though Croatia deviates from the EU average in this respect, there has been a drop of 3.7 percentage points in the 4-year period.

## EMPLOYMENT RATE AND JOB CREATION

Based on the latest available Eurostat data, the employment rate of the population aged 20 – 64 has increased from 63.6% in 2017 to 65.2% in 2018. During the same period, the unemployment rate dropped from 11.2% to 8.4%.

At the beginning of 2018, to further adapt to the labour market needs, measures of active employment policy were redefined, aimed at the continuous promotion of employment and self-employment of unemployed persons, i.e. the activation of domestic labour force. Aid for employment and subsidies for traineeships, as well as aid for self-employment are particularly notable here. Subsidies for internships were introduced in 2018 and are aimed at encouraging young people to work in the private sector. To raise awareness about the availability of employment measures, "Get a Job in Croatia" campaign was launched, promoting active employment policy measures and providing information on the possibilities of using measures. The goal is to familiarise all unemployed persons with these measures in order to support their employment and participation in the labour market. In 2018, over 68,000 unemployed persons took advantage of these measures, of which 36,935 were new beneficiaries.

Along with job creation, a key policy instrument in reducing inequality and promoting equal opportunities is investment in education and skills. In response to changes in the world of work brought about by technological advances, improving the skills of low-skilled workers has the greatest potential to reduce wage dispersion, and the measures implemented by Croatia are directly linked to the achievement of the fourth sustainable development goal.

## AVAILABILITY OF KINDERGARTENS AND EDUCATIONAL PROGRAMMES

When it comes to children and young adults, creating equal opportunities using education is effective only if all children and young adults have access to high-quality education, regardless of their background. Due to regional differences in the coverage with preschool facilities/kindergartens, as well as the differences in price, quality and adjustment to the needs of the parents, it is evident that preschool education has to be co-financed in areas with negative demographic trends and below-average development of local and regional self-government units. Therefore, the goal at the national level is to ensure a more balanced distribution and availability of institutions and programmes of early childhood and preschool education as well as increase the coverage of preschool children by institutional care. Increasing the availability of kindergartens will bring us closer to achieving one of the Barcelona objectives under the Europe 2020 Strategy, according to which 95% of children aged between 4 and school age should be enrolled in preschool programmes by 2020.

There are 1,514 kindergartens in Croatia which were attended by 123,120 children in 2016/2017. Since 2017, capital projects related to the construction, extension and reconstruction of kindergartens are co-financed to increase the availability of early childhood and pre-school education. Co-financing of the contracts signed amounts to EUR 156,81 million. More than 500 kindergartens in Croatia are being built or renovated, and 96 kindergartens now operate in double-shifts, which is one of the demographic measures.

To improve the level of education, “Grants for students of lower socio-economic status” project was launched. The aim of the scholarships policy and government scholarships is to achieve greater access to higher education, improve the social dimension of higher education and increase the percentage of students completing higher education. The project has increased the number of direct aid to students of low socioeconomic status from 5,400 to 10,000 scholarships on the annual level. In addition to scholarships for students of lower socio-economic status, starting from the academic year 2017/2018, 3,400 scholarships will be awarded annually in the next five years to STEM students (studying science, biotechnology and technology). Continuous investments are also made in student infrastructure, particularly in the construction and renovation of dormitories, thus improving the quality of studying and student life and providing conditions for the development of higher education.

Special attention is also given to reducing early school leaving rates and increasing the share of the population between 30 and 34 years of age who have completed tertiary education to at least 35%.

Even though the policies for resolving the issue of a lack of skills are useful in the mid- and long-term, changes in the tax system and social benefits system can have a more direct impact.

## A MORE TRANSPARENT SOCIAL WELFARE SYSTEM

Improving the social welfare system is one of the reform priorities, the aim of which is to provide financial means and services to those who need them the most in order to reduce poverty and protect the most vulnerable groups in our society. A transparent system of social benefits with complete records on the social benefits received by a citizen or with the possibility to receive them, from a local or national level, will be the basis for a better utilisation of the benefits and programme, for reducing territorial inequality, i.e. creating more effective social policies.

In order to consolidate the social benefits and increase the capacities for reducing poverty, the 2018-2020 Action plan for the Improvement of Social Benefits System was adopted in 2018. To implement the measures under the Action Plan, projects were developed with the aim of ensuring the preconditions for creating an effective social policy and establishing a clear and transparent system of social benefits, as well as a better distribution of the available funds in order to reduce territorial inequality in social outcomes.



The citizens will have access to the social protection system through the development of e-services, i.e. new services will be introduced in the e-Gradani (e-Citizens) service. This activity will ensure better access to the services offered by the social protection system, while the citizens will need less time and less money to file requests for exercising the rights to receive social protection. All citizens will be able to file e-requests for childcare allowance and e-requests for maternity and parental benefits, as well as e-requests for personal disability benefits and aid and attendance allowance from the social welfare system. Equal approach to funding all social service providers will enable equal opportunities for all beneficiaries.

## BALANCED REGIONAL DEVELOPMENT AND TERRITORIAL COHESION

An important tool for reducing regional development inequalities in Croatia is the regional development policy as defined by the Regional Development Act and the Regional Development Strategy of the Republic of Croatia by the end of 2020. The regional development policy of Croatia is characterised by systematic collaboration between the central government and units of local and regional self-government (municipalities, towns and counties), aimed at supporting job creation, competitiveness, economic growth, increase in the quality of life and sustainable balanced development of all areas in Croatia. Croatia has been committed to functional and fiscal decentralization. Over the last two years, 1,224 infrastructural projects with a total value of EUR 49.3 million were implemented in local and regional self-government units in Croatia, which are less developed and specific. This was done mostly using the Sustainable Development of Local Communities Programme. These were projects for utilities, and social and economic infrastructure, which contribute to higher standards and better quality of life, and create the preconditions for economic and social development of assisted and mountainous areas in Croatia where almost a third of the population lives.

An example of a comprehensive project for the development of less developed parts of Croatia which are under great demographic pressure and at the highest risk of poverty is the EUR 2.5 billion Project Slavonia, Baranja and Srijem where European funds are invested into entrepreneurship, agriculture, education, health care, research and development, water supply and drainage, cultural and natural heritage, the transport sector, inland waterways and energy. The World Bank is also involved in this Project with the purpose to identify developmental potentials and strategic projects that will generate growth and development in the five eastern Croatian counties.

Croatia's efforts to reduce disparities between the levels of development of some regions also pertain to islands, areas with developmental particularities exposed to serious and persistent natural and demographic difficulties. To ensure the sustainable development of islands, the new Islands Act entered into force at the beginning of 2019, promoting the development of "smart islands" which ensures the use of smart technologies, the use of renewable energy, energy efficiency, introduction of sustainable island mobility, smart management of water resources and introduction of circular economy, all of which contributes to equal living conditions on islands and the mainland. Additionally, the Act stipulates the implementation of civil society projects and the promotion of cooperatives on the islands, and governs the issues of strengthening social inclusion, education and the support for citizens, as well as the promotion of sustainable and responsible tourism for the purpose of safeguarding the distinctive natural and cultural capital of the island community.

Demographic revitalization of Croatia is the strategic issue for the future and the basis for the overall sustainable development. To monitor, plan, coordinate and implement demographic policy measures, the Demographic Revitalisation Council was established. The Council proposes measures and activities to improve the conditions and quality of life for families across Croatia. Besides demographic revitalization measures, stimulating environment for young people, accounting for a fifth of the Croatian population, is created by providing equal conditions for education, employment and starting the family in every part of Croatia, in cooperation with units of local and regional self-government.

## MIGRATION MANAGEMENT

Croatia manages migratory movements at the EU external land border by continuously strengthening border police capacities, investing in technical equipment for border surveillance, consistently applying national legislation and the EU acquis as well as international conventions in the approval of international protection and the prevention of illegal border crossings. In terms of migration management, Croatia advocates the principles of solidarity and equal division of responsibility.

Croatia cooperates with EU Member States, EU agencies, countries on the so-called Western Balkans migration route and Turkey in managing migrations. After the migration crisis of 2015/2016, the EU has placed greater emphasis on a more effective implementation of the return policy for migrants not entitled to international protection, countering smuggling networks and better protection of the EU external borders. The resettlement program provides protection to Syrian refugees from Turkey. Croatia considers it important to make a clear distinction between applicants for international protection and economic migrants, as well as to respond to the trend of illegal and mixed migrations related to security issues due to the return of foreign terrorist fighters from Syria and Iraq.

As far as the external aspect of migrations is concerned, the emphasis is on addressing the root causes of migration, stabilization of security in certain regions of the world, financial support for Turkey and Africa, developing the capacity of third countries lying on current migration routes in terms of better external border surveillance and migration management, and effective linking of available policies and measures (development, trade and visa related).

Having in mind that migrations are a global phenomenon requiring a global response and the need to adapt the international legal framework to substantially changed circumstances, the Global Compact for Safe, Orderly and Regular Migrations has been confirmed, defining the goals and measures countries can apply in implementing national migration priorities. Croatia also participates in the development of the Global Compact on Refugees.



## 11 SUSTAINABLE CITIES AND COMMUNITIES



### **GOAL 11: Make cities and human settlements inclusive, safe, resilient and sustainable**

Croatia pays special attention to housing as one of the core functions of cities and human settlements by establishing appropriate measures for exercising the right to financially affordable and quality housing at the national and local level. Croatia has been implementing revitalisation programmes for areas of general interest, the implementation of which, through a long term or a limited period of action, provides a visible added social value increasing the individual's quality of life and improves the development of a wider social community.

The general objective of spatial development of Croatia has been defined as the balanced and sustainable spatial development with the purpose of improving the quality of life and mitigating depopulation trends, preserving at the same time the identity of space. Spatial development focuses on preserving the value of natural environments around big cities and the identity of regions and smaller settlements in order to enable the harmonious development of the community aimed at reducing the differences. European documents therefore speak about urban-rural partnership and the re-establishment of urban-rural links, in particular by linking urban and rural economies.

Towns in rural areas are recognized as an integral component of rural development, and rural-urban relationships in densely populated regions differ from such relationships in sparsely populated regions. In sparsely populated rural areas, towns may offer certain standards in providing infrastructure and services as well as attract economic activities. In these areas, towns are particularly important for preserving settlement structures and cultural landscape.

## HOUSING

For the purpose of demographic revitalization as well as to increase the social standard of citizens and achieve balanced development, Croatia has been implementing a series of housing programmes aimed at creating conditions for the development and settlement of war-damaged and other assisted areas. With the aim of positive effects in terms of preserving the current population and attracting new inhabitants, housing is also provided for bottleneck professions and occupations. Housing is provided for victims of domestic violence in the entire territory of Croatia, and since 2018 housing units have also been provided for the accommodation of persons granted international protection.

An institutional framework for the preparation, planning and management of national budget resources, international donations and other funding has been established, and it is used to improve the efficiency and positive effects focussed on sustainable return, stay and population settlement.

The most important housing programmes in Croatia are: Housing care programme for Homeland War victims, State-subsidized housing construction (POS), Housing assistance programme for returnees - former tenancy rights holders and State-subsidized housing programme for rent. In extraordinary circumstances, such as floods, fires, landslides, earthquakes, explosions and other similar circumstances within the scope of the Act on Providing Housing in Assisted Areas, housing is also provided to families who lose their only housing unit for residential purposes.

One of the measures to help address the housing issues of citizens is subsidizing housing loans, an incentive measure by which part of the housing loan taken by young people is subsidized for the first five years of loan repayment. The measure has been implemented since 2017, more precisely tenders were carried out in 2017 and 2018, and young people will be able to apply for subsidized housing loans in the fall of 2019 and 2020, when new invitations to tender will be issued.

This is also a demographic measure because for every live-born or adopted child during the subsidisation period, state subsidy will be extended for another two years. To date, more than 5,300 families purchased homes using this housing care measure, and more than 500 children were born into these families.



A structural reform titled “More Affordable, Quality and Sustainable Housing” will be proposed for the 2030 NDS where the main goal is to ensure better quality of life for every individual in healthy, safe, inspirational and functionally designed living spaces. Croatia aims to improve inclusive and sustainable urbanisation by the end of 2030, as well as the capacity for participatory, integrated and sustainable planning and management of settlements in all countries.

## TRAFFIC CONNECTIONS BETWEEN CITIES AND SETTLEMENTS

Efficient and integrated public transport is an important component of traffic management in cities. While public transport by buses, trains and trams accounts for 20%, the share of passenger transport by cars in Croatia is higher than the European average and stands at slightly more than 84%, whereas the share of public transport is lower, 16%. Out of 128 cities in Croatia, 40 are developing intelligent solutions (smart city).

Over the past few years, investment projects aimed at purchasing new buses have been launched in nine cities across Croatia, which will lead to better public transport services for at least 1.6 million Croatian citizens. Tram infrastructure in two cities is currently undergoing modernisation for the purpose of improving public transport services in these cities.

To make cities and settlements inclusive, safe, adaptable and sustainable, many projects are carried out in the transport sector, especially in the rail passenger transport. Grant procedure for the modernization of the car fleet of the public railway undertaking providing passenger services is under way and a ten-year Public service contract for services of general economic interest in public rail transport in Croatia has been concluded.

## PRESERVATION OF NATURAL AND CULTURAL HERITAGE

Particular attention is paid to investments in the renovation of individually protected cultural goods as well as investments in various cultural and educational amenities associated with cultural goods. The preservation of natural and cultural heritage is, among others, ensured and implemented within the physical planning system by implementing measures which will achieve the goals of physical planning that include the reasonable use and protection of natural and cultural heritage.

Croatia has 417 protected natural areas classified into nine categories, a total of 8.6% of the national territory. In Croatia, areas included in the European Union’s network of protected areas Natura 2000 occupy 29.6% of the total surface area, i.e. 36.7% of the land and 16.4% of the maritime territory of the country.

Croatia has a rich and diverse cultural heritage, which is an integral part of the European and Mediterranean tradition and is therefore of exceptional importance. Special attention is paid to the rich and particular architectural cultural heritage, which serves as one of the baselines for planning, managing and shaping sustainable physical planning. Over 8000 protected cultural heritage sites, ten of which are listed as UNESCO World Heritage Sites and 17 examples of intangible cultural heritage inscribed on the UNESCO List, have resulted in large economic benefits by creating innovative services and products with the goal of sustainability, development, employment and social cohesion.

## DEVELOPMENT OF GREEN CITIES

Given that green infrastructure facilitates the adaptation to climate change by enhancing the ecosystem resilience, reduces energy consumption for heating and cooling, reduces the effects of urban heat islands, reduces water consumption and increases carbon dioxide absorption, within the NRS 2030, development direction "Green Croatia", strategic goal "Green infrastructure development in urban areas", through the Green infrastructure development programme the establishment of sustainable, safe and resilient cities and settlements is planned, as well as urban rehabilitation and urban transformation of settlements, cities and municipalities, the establishment of sustainable, safe and resilient public spaces, and the preservation, renewal and sustainable space management in urban areas.

## SAFETY IN URBAN AND RURAL AREAS

In response to an increasingly growing spectrum of climate changes brought about by technological and industrial developments, professional and voluntary services and organizations need to be strengthened. Strengthening is necessary to enable them to make a quick and effective response to increasingly diverse and extreme threats, but also to enable citizens to actively participate in the fight against these threats through a dense network of operational voluntary organizations within the civil protection system (fire brigade, Red Cross, Croatian mountain rescue service). In that manner, any potential consequences of all types of dangers will be minimised, ensuring an equally safe surrounding in urban and rural areas.

To reduce the risks of disasters and strengthen the resilience of the country and the society, the Croatian Disaster Risk Reduction Platform was established, aimed at exchanging experiences, expressing the views, making suggestions and sharing contributing achievements. Reducing the risks of disasters is both the national priority and the priority of the local community, thus a strong institutional basis for achieving this goal has been established. In order to avoid large accidents and disasters, especially in highly urbanised zones, the frequency and the intensity of which increases year after year, all three levels of government are encouraged to adopt physical plans promoting the building of resilient, sustainable cities. The sustainability of local communities is in accordance with objective of the Sendai Framework for Disaster Risk Reduction, which promotes the development of local disaster risk reduction strategies.



## GOAL 12: Ensure sustainable consumption and production patterns

12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



ImTaking into account the realisation of sustainable development, the Strategy of sustainable development of Croatia sets basic objectives and measures of economic sustainable development, social sustainable development and environmental protection and identifies key challenges in their realisation.

The Constitution of the Republic of Croatia explicitly states that the sea, sea coast and islands, water, air space, mineral and other natural resources, as well as land, forests, flora and fauna and other parts of nature, and things of economic and ecological importance, determined by law as being of interest to Croatia, enjoy a special protection by the state.

The Croatian Smart Specialisation Strategy 2016–2020 points out that, in order to achieve sustainable income and employment growth and strengthen international competitiveness, Croatia needs to become more competitive and innovative as well as move towards higher value added economic activities.

The Strategy's overall goal is to focus knowledge and innovation capacities into areas of greatest potential for Croatia to drive competitiveness and social and economic development and transform the Croatian economy through effective RDI activities. Croatia will base its further development on structural changes to the economy in the areas of advanced technologies, innovation, digital transformation of the economy, artificial intelligence, increased share of private investments in the structure of GDP, administrative unbundling, health and quality of life and security, as well as on the green economy development.

The 2019 National Reform Program sets out 15 measures for achieving the national targets of the Europe 2020 strategy, including in the fields of R&D, climate change and energy sustainability. To improve the R&D environment, steps will be taken to strengthen the national innovation system and economic innovation potential, as well as to strengthen human resources in science and open access research infrastructure.

## PREVENTING AND REDUCING FOOD WASTE

The Food Waste Prevention and Reduction Plan of the Republic of Croatia for the period between 2019 and 2022 is in the process of adoption with the aim of identifying key measures to prevent and reduce food waste generation along the entire food chain. The Plan contains objectives and measures for preventing and reducing food waste in all stages of the food chain, starting from primary production through processing, sale, catering industry, institutional kitchens to households. The need to prevent and reduce food waste while ensuring food safety is necessary to ensure food availability for all people.

## CIRCULAR ECONOMY DEVELOPMENT

Implementation of the Waste Management Plan of the Republic of Croatia for the period 2017–2022, as well as the creation of preconditions for the full implementation of the Decree on the Management of Municipal Waste are priority activities for the transition to the circular economy. To increase the recycling rate and achieve the 50% target for separately collected waste paper, plastics, glass and metals by 2020, an efficient waste management infrastructure must be put in place in cooperation with the units of local self-government. Currently, 28% of waste is being separately collected. Although the percentage of separately collected waste is still below the expected, a significant progress has been achieved compared to 2010 when this percentage was only 10%. In that regard, Croatia will make utmost efforts by the end of 2020 to purchase additional equipment and build facilities needed to achieve targets (containers, plants for sorting separately collected waste, treatment plants for separately collected bio-waste, recycling yards, vehicles and vessels).

Increasing the volume of separately collected useful raw materials from waste will be encouraged by investing in solutions related to the circular economy, namely by expanding the compensation scheme in the consumer responsibility scheme and by developing strategic research and innovation programmes.



In terms of climate change and energy sustainability, further compliance controls are to take the form of annual monitoring exercises of GHG emissions, while the transition to a circular economy is seen as a major opportunity to further sustainable development and economic growth. The increase in the share of renewables in final energy consumption is expected to encourage the use of renewable energy and promote energy efficiency.

The Croatian Bank for Reconstruction and Development (HBOR) is preparing to introduce a new Natural Capital Financing Facility through which it will ensure favourable financing for projects aimed at preservation and sustainable use of natural resources and the adaptation to climate change through the use of natural solutions. It will be intended for users from public, private and civil sector.

## SUSTAINABLE TOURISM DEVELOPMENT

In an effort to make Croatia a sustainable tourist destination, where sustainability rests on clearly defined and quantifiable indicators, the Croatian Sustainable Tourism Observatory (CROSTO) was formed in 2016, currently one of twenty such observatories in the world acting as members of the International Network of Sustainable Tourism Observatories (INSTO) under the auspices of the World Tourism Organisation.

CROSTO, through the work of the public administration and public bodies on sustainable development policies, contributes to and encourages responsible consumption and production and encourages them to meet the requirements to obtain the national label of environmental excellence – “Prijatelj okoliša” or the EU label of environmental excellence – EU Ecolabel, or to introduce the Eco-Management and Audit Scheme (EMAS). Besides awarding the label of environmental excellence, Croatia also provides co-financing of green investments in tourism, hotels and camps.



## **GOAL 13: Take urgent action to combat climate change and its impacts**



According to the European Environment Agency (EEA) report, Croatia belongs to a group of three countries with the highest cumulative share of the damage from extreme weather and climate events in relation to Gross Domestic Product (GDP). Between 2000 and 2007, extreme weather conditions caused damage to the economy in the amount of EUR 173 million, while the drought, in just two years (2000 and 2003), caused damage to agriculture in the amount of EUR 459.73 million. Croatia thus recognised the need to strategically approach the climate change adaptation process and the development of innovative solutions for sustainable development and has prepared the first climate change adaptation strategy.

Croatia has also established the Environmental Protection and Energy Efficiency Fund aimed at preservation, sustainable use, protection and improvement of the environment, as well as ensuring energy efficiency and use of renewable energy sources. The Fund's total investments in environmental protection projects since 2004 have amounted to EUR 443 million, of which EUR 2.3 million for climate change in the field of environmental protection - emission reductions and adaptation to climate change.

The Fund's total investments in energy efficiency projects since 2004 have amounted to EUR 303 million, of which EUR 2.5 million for climate change adaptation in the field of energy efficiency and EUR 25 million for renewable energy sources.

## CLIMATE ACTION

The Climate Change Adaptation Strategy in the Republic of Croatia by 2040 with a view to 2070, to be adopted by the end of 2019, will provide climate projections in the Republic of Croatia by the end of 2070. An analysis is under way and priority actions are being defined with an aim to reduce the vulnerability of natural systems and the society with regard to climate change negative impacts, as well as with an aim to increase recovery capabilities after the effects of climate change, but also to exploit the potential positive effects of climate change. Climate policy is implemented also through greenhouse gas emission reduction measures whose direction is defined by the Low Carbon Development Strategy for the period up to 2030 with a view to 2050, to be adopted by the end of 2019. Climate targets are integrated into the new National Energy and Climate Plan, the Integrated Energy and Climate Plan for the period 2021–2030 and NRS 2030.

In the context of developing the resilience of the society to climate change, cooperation has been achieved through the work on disaster risk reduction policy. The disaster risk assessment identified 28 threats and an assessment was made of 15 simple and one complex risk. Among other, each risk assessment, i.e. scenario, consists of a trigger and the conditions that preceded an event, with a special focus on climate change. A Disaster Risk Management Strategy is planned in order to improve the system and coordinate actions at national and local levels.

Croatia contributes to the mitigation of climate change also with the already mentioned Energy Development Strategy as it focuses on achieving the vision of low-carbon energy. The transition to a new era of energy policy provides for an accessible, safe and quality power supply, with a progressive reduction of GHG emissions. Continued work is required on achieving global goals of reducing emissions of CO<sub>2</sub> and other greenhouse gases, but it is also necessary to support the EU's commitments to the single climate and energy policy.

## RENEWABLES

It should be noted that Croatia is currently above the EU average when it comes to realising the goals related to the share of renewables in gross final energy consumption, as well as to CO<sub>2</sub> emissions per capita. In 2017, a 27.3% share of renewables in gross final consumption was recorded, whereas the EU average amounted to 17.5%. By achieving the above share in 2017, the goal of a 20% share of renewables in gross final consumption by 2020 was surpassed. In 2016, Croatia recorded 5.80 t CO<sub>2</sub>e/per capita, while the EU average amounted to 8.44 t CO<sub>2</sub>e/per capita. Moreover, the total emissions of the energy sector in Croatia have been reduced from 21.8 million t CO<sub>2</sub>e in 1990 to 17.1 million t CO<sub>2</sub>e in 2016, which is less than the linearly transposed national goal of 21.5 million t CO<sub>2</sub>e by 2020 and 17.2 million t CO<sub>2</sub>e by 2030.

## ENERGY TRANSITION

Total investments in the energy sector, estimated at EUR 62.44 billion between 2021 and 2050, which is EUR 2.08 billion a year according to the accelerated energy transition scenario, or EUR 51.22 billion or EUR 1.7 billion a year according to the moderate energy transition scenario, will be a powerful boost and contribution to the low-carbon economy development.

In a moderate energy transition scenario, the expected reduction of GHG emissions amounts to 35% by 2030 and 64% by 2050 compared to 1990. In a rapid energy transition scenario, the expected reduction of GHG emissions amounts to 38% by 2030 and 74% by 2050.

In the period until 2030, focus will be placed on constructing new infrastructure for using alternative types of energy in transport (liquefied and compressed natural gas, compressed biomethane, electricity and hydrogen). An increase in the share of alternatively fuelled vehicles, mainly electric vehicles, the electrification of urban and interurban transport, as well as increased used of liquefied natural gas in heavy goods, maritime and rail transport are expected. In addition to developing alternative fuels, activities to encourage intermodal and integrated transport will be carried out at national and local levels.





## **GOAL 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development**



The overall length of the Croatian coastline amounts to 6,278 km, including the coast of about 1,244 islands, islets, reefs and cliffs. Of the total number, 49 are populated. Of the total surface area of Croatia, which amounts to 87,661 km<sup>2</sup>, inland maritime waters and the territorial sea extend over the surface of 31,479 km<sup>2</sup> (inland maritime waters 12,498 km<sup>2</sup> and the territorial sea 18,981 km<sup>2</sup>). Safe and environmentally sustainable maritime transport, maritime infrastructure and maritime domain of Croatia is the strategic goal that can be fulfilled by a coordinated realization of specific objectives from the field of navigation safety, safety of human lives and property and maritime ship and port security.

### **PRESERVATION AND PROTECTION OF THE MARINE ENVIRONMENT AND THE COASTAL AREA**

The Marine Environment and Coastal Area Management Strategy of the Republic of Croatia, to be adopted by the end of 2019, will particularly contribute to the preservation of the good condition of the marine environment by 2020.

It pays particular attention to environmental protection, preservation and facilitation of the marine and coastal environmental systems recovery, the protection of biodiversity and the sustainable use of the sea and the coastal area. The need for the preservation of protected areas in the sea and environmentally important areas of the Natura 2000 network has been recognised, as well as the need for the reduction of pollution or pressure in the marine and coastal environment in order to prevent negative impacts and risks for human health, environmental systems and the use of the sea and coast.

Integrated management of the coastal area and an integral approach to maritime planning were adopted as a response to multiple pressures on coastal resources, as well as the increasing need to use marine areas for different purposes, such as tourism, mariculture, and maritime, fishing and other activities related to the sea. The purpose and modes of use of this space should ensure the growth of maritime economies, the development of maritime areas and the use of marine resources whilst preserving ecosystems, biodiversity and underwater cultural heritage. Maritime spatial planning is an essential instrument for the development of maritime activities, conflict resolution and protection of the marine environment. Thanks to the implementation of digital technology, monitoring the territorial sea and the protected ecological-fishing belt from the air as well and modern, professional and well-equipped fisheries inspection at sea, all of the prerequisites for the sustainable use of the sea and marine resources have been created.

## SUSTAINABLE FISHING

Croatia invests significant efforts in the sustainability of marine and freshwater resources. Sustainable fishing implies responsible management of fish stocks, their protection and preservation. Fishing management measures are being adopted, including incentives to the preservation of traditional activities, which contributes to the population remaining on the islands and to the further development of island communities.

For the surveillance and control of fishing, Croatia has been using drones since 2019 as a modern system for the surveillance and control of the sea and land, using them also to monitor legal and illegal fishing activities in the Adriatic and to control the spatially limited fishing, as well as the fishing of tuna and pelagic fisheries. With the digitalization of data transmission in fisheries and the establishment of fishery product traceability, the fisheries monitoring centre for timely and continuous exchange of information and communication with fishermen, the control of the territorial sea and the protected ecological-fishing belt from the air (drones) and modern, professional and well-equipped fisheries inspection at sea, all of the prerequisites for the sustainable use of the sea and sea resources have been achieved. To increase economic and environmental adaptability, Croatia has further strengthened the role of small coastal fishing and thus improves the management and valorisation of fisheries products in the context of Blue Growth.



In the last two years, EUR 4.44 million of state aid under the de minimis rule has been paid out in the fisheries sector, and in the last three years EUR 88.97 million has been disbursed from the European funds, out of the contracted total of EUR 193.35 million.

Implementation of the Waste Management Plan of the Republic of Croatia for the period 2017–2022 will provide for the necessary infrastructure for separate collection of useful raw materials from waste in the coastal area. Since southern parts of Croatia had the lowest percentages of waste separation in the past, after such investments and the comprehensive educational and information campaigns carried out in 2018 and 2019, a significant increase in the rate of communal waste separation in the coastal area is expected, and consequently also a smaller amount of waste that ends in the sea. Projects will be implemented in cooperation with Albania and Montenegro with direct impact on the reduction of waste in the Adriatic and Mediterranean Sea.

To encourage consumers to consider the consequences of irresponsible behaviour with the worn out product, information projects are continually conducted to raise awareness of the role of plastics in the pollution of the marine and terrestrial environment, as well as the importance of plastics in the circular economy. In addition, by introducing a deposit refund for targeted plastic products and by introducing compulsory fee for plastic bags, the amount of plastic waste and littering is expected to reduce, especially in the marine environment.

The role of the maritime sector in the development and competitiveness of Croatia will be further strengthened through policies and initiatives of sustainable growth of economic activities at sea and in the coastal area, strengthening the impact of the Croatian maritime sector on the European and global market, validating the exceptional geographical location of the Adriatic Sea and its environmental properties, as well as the development of high technologies and services in the maritime sector on the foundation of traditional knowledge and acquired capacities, taking special account of the high availability of effective and contemporary public services in the maritime sector, marine environment protection and navigation safety.

Croatia, together with other EU member states, participates in the Intergovernmental conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction. Upon the entry into force of this implementation agreement, Croatia shall ensure its full implementation, thereby contributing to the achievement of the goal to preserve and sustainably use oceans, seas and marine resources for sustainable development.



**GOAL 15:**  
**Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss**



Croatia is one of the richest countries of Europe in terms of biodiversity. We are among the few countries who have a high percentage of protected territory; a third of the Croatian territory is part of the European network of nature protection areas Natura 2000 which takes up almost 20% of EU territory and covers 37% of Croatian land territory, according to scientific data.

The aim of the network of nature protection areas Natura 2000 is to protect or restore favourable conditions for more than a thousand endangered and rare species and 230 natural and semi-natural habitats. The vast variety of land, marine and underground habitats has resulted in a wealth of species and subspecies with a large number of endemic species, and each year new species and subspecies are discovered. There are around 40,000 known species in Croatia, and it is assumed that the actual figure is significantly higher, close to 100,000. Some of Croatia's special characteristics include the following: over 50% of cave species found in Croatia do not live anywhere else (endemic species), the Spačva Basin is the largest forest basin of common oak in Europe, the cave "Lukina jama" on Velebit is the home of the world's deepest flying insect which lives at a depth of 1,000 m and is the only known species of its kind, and Croatia is one of the rare countries in Europe which has wolves, lynxes and bears



## FOREST MANAGEMENT

Apart from being a source of food and shelter, forests play a big role in battling climate change and preserving biodiversity. Forest and forest land are deemed public goods of general interest in Croatia and they enjoy special government protection, pursuant to the Constitution and the Forests Act. The basic principles of Croatian forestry are the permanent management and protection of the natural structure and biodiversity of forests, and increasing the stability and quality of economic and general forest functions.

The total area of forests and forest land in Croatia amounts to 2.75 million hectares, or 47.7% of the total land area. State-owned forests amount to 76% of the total forest area in Croatia, and private forests come up with 24%. The most common tree species in the growing stock are common beech (37%), followed by common oak (12%), sessile oak (9%), common hornbeam (8%), silver fir (8%), narrow-leafed ash (3%), and European spruce (2%).

The growing stock on the territory of the Republic of Croatia amounts to 419 million m<sup>3</sup>. Annual increment of growing stock amounts to 10.1 million m<sup>3</sup>, and the average annual yield from the Forest Management Plan for Croatian forests amounts to 8 million m<sup>3</sup>. According to felling records, the annual realised growing stock is less than the Forest Management Plan amount, which ensures future sustainable management.

The Forests Act was adopted in 2018, and it regulates forests and forest land management based on the principles of transparency, predictability, efficiency and accountability. The Act defines the general and economic functions of forests and prescribes sustainable forest management in a way that reflects their biodiversity, productivity, capacity for regeneration, vitality and potential to fulfil the corresponding ecological, economic and social functions at the local, national and global level, at present and in the future.

The amount of funding for biological restoration of state forests is constantly increasing – from EUR 61.98 million in 2017 to EUR 68.32 million in 2018, while in 2019, plans for forest growing and restoration amount to EUR 70.93 million in total. For the purposes of forest growing and restoration (preparing habitats for filling and afforestation, planting and sowing, conversion, restoration and post-fire rehabilitation plans), EUR 9.95 million were used in 2017, EUR 9.74 million in 2018, and the planned amount for 2019 is EUR 10.42 million.

Since forest fires represent a major threat to forests, forest land and agricultural land, significant funds have been dedicated to fire protection and wildfire suppression. The total number of fires recorded in the last three years amounts to 533 covering 57,557 hectares. A total of EUR 7.27 million were invested for the purpose of fire protection in 2017, and EUR 10.69 million in 2018. The business plan for 2019 includes EUR 13.60 million for fire protection.

According to official data, mine suspected areas in the Republic of Croatia include more than 300 km<sup>2</sup>, encompassing 8 counties, 54 cities and municipalities contaminated with mines and unexploded ordnance. An estimated 30,000 mines are suspected to be present in the contaminated area. Of the total mine suspected area, forests and forest land make up around 90%.

## ECOSYSTEM PROTECTION AND BIODIVERSITY

Rich and diverse nature is one of the most valuable resources available to the Republic of Croatia and contributes to ensuring all functionalities necessary for livelihoods and economic development. An integrated approach to strategic planning targets all available capacities at activities which can provide maximum contribution to the conservation of nature. The Nature Protection Strategy and Action Plan for the period 2017–2025 is the core nature protection document of Croatia that includes guidelines of the global Strategic Plan for Biodiversity 2011–2020, adopted at the 10th conference of the parties to the Convention on Biological Diversity held in Nagoya, Japan.

The Environmental Protection Act and the Nature Protection Strategy of the Republic of Croatia for 2017-2025 ensure comprehensive preservation of the quality of the environment and the preservation of the biodiversity in nature as one of the most important resources. They also provide for a rational use of natural resources and energy as the basic precondition for a healthy life and a basis for the sustainable development concept.

By the end of 2020, Croatia will integrate the value of ecosystems and biodiversity into national and local planning, development processes, strategies and poverty reduction paths. Ecosystem and biodiversity values are at the centre of the Spatial Planning Strategy of the Republic of Croatia, and the Spatial Planning Act. According to the Strategy, planning the use and purpose of the areas encompassed by the ecological network should be based on the possibilities of utilising the potential of the areas encompassed by the ecological network by recognising the economic benefits and services provided by the ecosystem without jeopardizing the goals of conservation and integrity of the ecological network.

## INVESTING IN BIODIVERSITY

Croatia is using EU funds for structural investments with the purpose of preserving biodiversity through project investments valued at EUR 54.08 million. The projects include designing plans for the management of strictly protected species, establishing a national system for the monitoring of invasive foreign species and establishing systems for the management and control of invasive alien species, developing a framework for the Natura 2000 network management, mapping coastal and demersal zones and developing a monitoring system for the conservation status of species and habitat types.

The investment objectives are to create an effective management framework and to remove pressures such as invasive alien species, in order to control and mitigate their harmful influence on native species and habitats. Specifically, we are currently implementing projects which are aimed at developing management plans for the Natura 2000 areas and management plans for strictly protected species. In addition, valuable coastal and natural marine habitats in the Adriatic Sea will be mapped, and projects aimed at developing a monitoring system for the conservation status of species and habitat types will be initiated, as well as projects for improving the work of recovery sites for injured and sick strictly protected animals. By the end of these projects in 2022, we will be contributing to the positive preservation of species and habitats important at the national and European level, for the purpose of establishing their coexistence with all users of those areas.

At the same time, the Programme for the Development of Green Infrastructure is aimed at stimulating the development of planned green and water areas in cities and municipalities (green buildings, parks and recreational areas, green spaces in the vicinity of grey infrastructure, etc.), which would contribute to the conservation, improvement and regeneration of nature, and natural functions and processes, in order to attain the ecological, economic and social benefits of sustainable development.



**GOAL 16:  
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**



The Constitution of the Republic of Croatia guarantees fundamental human freedoms, personal and political freedoms and rights, and a compendium of economic, social, cultural and environmental rights.

**ESTABLISHING STRONG INSTITUTIONS, LEGAL CERTAINTY AND PROTECTION OF HUMAN RIGHTS**

One of the priorities of the Republic of Croatia is to strengthen legal certainty and establish strong institutions. The long and arduous process of judicial reform has resulted in significant improvements in the quality of the Croatian judiciary system, and identified procedural, material and organisational issues have been resolved. This is best evidenced by the fact that in 2004 the total number of unresolved cases in all Croatian courts was 1,650,000, while the number of unresolved cases in 2018 was 407,062 – the lowest number of unresolved cases in the past 10 years. For the past five years, the number of unresolved cases has been decreasing at a rate of 60,000 cases per year



A whole range of procedural and material laws has been changed, which made court proceedings shorter, eliminated cases that are not judicial in their nature from courts, rationalised the network of judicial bodies and introduced IT systems into the judiciary. Comprehensive measures for judiciary independence were implemented back during the time of the accession negotiations with the EU. A new entry system was introduced for the judiciary profession, regarding the appointment and promotion of judges and state attorneys, based completely on transparent and objective criteria.

With amendments to the Constitution made in 2010, the State Judicial Council and the State Attorney's Council were strengthened, and the five-year probationary period for the appointment of judges and state attorneys was cancelled, which strengthened judicial independence and professionalism. Today, judiciary experts have sole authority over the process of entering the judiciary profession, the appointment of judicial officers and the decision making process, with no participation from the executive government and possibility of political influence.

In 2018, a set of six judicial laws was passed, which additionally reorganised the network of judicial bodies and ensured that citizens have better access to courts. Misdemeanour and municipal courts have been combined, which reduced the total number of judicial bodies. Apart from efficiency, we have been systematically strengthening transparency and accountability in the judicial system. Information on the property of judges and state attorneys has been made public on the Internet, and room for the arbitrary appointment of new judges, i.e. state attorneys, has been reduced.

## COMBATING DISCRIMINATION AND VIOLENCE IN SOCIETY

Apart from strengthening legal certainty, we are continuously monitoring the state of human rights, setting priorities and proposing measures to direct efforts at improving the protection and promotion of human rights. With a view to strengthening the system of protection and promotion of human rights, particular efforts are directed at combating discrimination at all levels, including the fight against hate speech, the fight against trafficking in human beings, especially women and children and persons with disabilities, and the protection and promotion of the rights of national minorities.

The Act on Combating Discrimination ensures that all prerequisites for creating equal opportunities and the protection of citizens from all forms of discrimination have been met. The Criminal Code stipulates that hate crimes and public incitement to hatred are criminal offences.

Croatia has been continuously collecting data on criminal offences motivated by some form of discrimination through the work of institutional mechanisms, which was recognised by the European Union Agency for Fundamental Rights (FRA) as an example of good practice. The 2017–2022 National Plan for Combating Discrimination aims to strengthen the system of human rights protection and increase public awareness on the right to equal treatment.

In order to further ensure the achievement of equality of all before the law, special legislation was adopted establishing a system of free legal aid, which provides socially and economically vulnerable categories of citizens with expert assistance in order to effectively exercise legal protection and gain access to courts and other bodies governed by public law. The institutional framework of the legal aid system is made up of county public administration offices and, depending on the type of legal aid, of competent offices, authorised associations and legal clinics, as well as attorneys.

## COMBATING HUMAN TRAFFICKING

Significant efforts have been made to establish an anti-trafficking system. With the aim of building and strengthening the national system, Croatia has ratified and continuously implements the most important international instruments with a view to prevent, identify and mitigate the consequences of trafficking in human beings, especially women and children.

In dealing with trafficking in human beings, the national referral system is based on the cross-cutting cooperation of key stakeholders through the work of the National Committee on Combating Trafficking in Human Beings, the Operational team of the National Committee and the National anti-trafficking coordinator, all inclusive of representatives of state administration bodies and public bodies and non-governmental organisations. We are continuously monitoring the number and socio-demographic characteristics of human trafficking victims, and identified victims are given all necessary support and protection. The 2018–2021 National Plan for Combating Trafficking in Human Beings proposes 35 measures in order to invest further efforts into maintaining and strengthening high standards for the protection and support of human trafficking victims.

## COMBATING VIOLENCE AGAINST WOMEN AND DOMESTIC VIOLENCE

Progress has been made in the area of combating violence against women as regards the improvement of the national legal and strategy framework, harmonising methodologies for obtaining and analysing statistics with EU standards, through educating expert staff, cross-sectoral cooperation of competent authorities and raising awareness in the public and target social groups of zero tolerance towards any type of violence.

The new Act on Protection against Domestic Violence, in effect from 2018, provides clearer definitions of domestic violence and victims of domestic violence, and sets out certain obligations of competent bodies in dealing with the victims of domestic violence. New elements to the provisions on protective measures have been introduced to the Act.

Following the ratification of the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence, the Government of the Republic of Croatia adopted the Rules of Procedure in Cases of Sexual Violence, which include obligations of the competent authorities and others taking part in the identification and suppression of sexual violence and in the provision of assistance and protection to persons exposed to sexual violence; they also regulate the manner and content of cooperation by and between competent authorities.

It should be emphasised that in order to regulate the status and rights of victims of sexual violence during the Homeland War, the Act on the Rights of Victims of Sexual Violence During the Military Aggression Against the Republic of Croatia in the Homeland War was adopted in 2015.

For effective prevention, protection and support of the victims of domestic violence, the new Rules of Procedure in Cases of Domestic Violence were adopted in June 2019. The Rules of Procedure is an operational document specifying the conduct of competent state authorities (health care, science and education, social welfare, the judiciary, police officials) in cases of domestic violence. It also strengthens the role of civil society organisations that provide victim protection, as well as the media who are raising awareness among citizens on the issue of violence.

## PREVENTION FROM VIOLENCE AGAINST CHILDREN AND THEIR PROTECTION

The National Strategy for Children's Rights in the Republic of Croatia for the period 2014-2020 is the main strategic document that defines the elimination of all forms of violence against children, which implies the implementation of activities to prevent violence against and between children in all environments. Protection from violence outside the family and school, media violence and electronic violence, have been singled out as a special area of concern. The strategy includes measures aimed at promoting zero tolerance for violence against children in the community, the media and the electronic space, with the consistent enforcement of laws and the development of effective sanctioning instruments for non-compliance with the legislation concerning violence in the media and on the Internet. In order to effectively monitor the implementation of the Strategy, the "Children's Wellbeing Indicators" document, which assesses the status and needs of children, has been developed in cooperation with UNICEF.

For the purpose of social inclusion and achievement of equal rights, a set of documents concerning the status of persons with disabilities has been adopted. Among them, the National Strategy for the Equalization of Opportunities for Persons with Disabilities 2017–2019 is of particular importance.

## PROTECTING THE RIGHTS OF NATIONAL MINORITIES

The Constitution also recognises the special value of additionally protecting the rights of national minorities, thus enabling the adoption of the Constitutional Act on the Rights of National Minorities, as well as other specific acts guaranteeing national minorities the right to use their own language and script, and the right to cultural autonomy and political participation. These freedoms and rights are governed by specialised acts and provisions of international agreements, thereby guaranteeing the application of international standards of protection in national legislation.

The Constitution of the Republic of Croatia recognizes 22 national minorities, and the Croatian Parliament has ensured eight seats for representatives of national minorities who are elected from special minority lists. Eight operational programmes are in force for national minorities for the period 2017–2020 which determine mechanisms for ensuring the protection of the rights of national minorities and support for the operation of their bodies.

For example, since 2003, a series of documents has been adopted aimed at increasing the living conditions of the Roma people and their inclusion in the education and employment system. Of these, the National Roma Inclusion Strategy for the period from 2013 to 2020 is the most important one.

## ESTABLISHING EFFECTIVE, RESPONSIBLE AND TRANSPARENT INSTITUTIONS

For the purposes of developing effective, responsible and transparent institutions on all levels, the Strategy for the Development of Public Administration for the period from 2015 to 2020, and the Action plan for the Implementation of the Public Administration Development Strategy for the period 2017-2020 have been adopted. The Strategy and the Action Plan implement measures and activities aimed at simplifying and modernizing administrative procedures, ensuring fast and reliable support to citizens and business entities, improving human resource development and management systems, and administrative system reform in accordance with best practices and good management practices in line with European standards.

The Act on State Registry Offices stipulates the administration of records of the personal status of citizens that contain the facts of birth, marriage, death and other details of those facts as established by the Act. All registries in the Republic of Croatia are kept in electronic form.

## DIGITALISATION OF PUBLIC ADMINISTRATION

In a dynamic and technologically intensive environment, comprehensive development of digital public administration is the prerequisite for economic growth and opening new high quality jobs, which are key for overall progress. Croatia is committed to implementing the e-Croatia 2020 Strategy for the purpose of digitalising public sector services.



The aim is to facilitate communication between citizens, companies, and the government, and to ensure better digital availability of public services and information, as well as to digitally connect the public administration system with the private sector, civil society and EU institutions. The central location for providing digital services of the public administration is the e-Citizens system which currently has almost 700,000 users and delivers 54 services.

## ANTI-CORRUPTION ACTIVITIES

Anti-corruption activities are of special interest to Croatia. The Anti-Corruption Strategy for the 2015-2020 period sets out priority areas and targets crucial for further development and strengthening of the anti-corruption mechanism over a six-year period. The Strategy is aimed at strengthening the transparency, accountability and integrity of officials and members of staff, strengthening efficiency in the work of public authorities, and the elimination of remaining disadvantages in the structure of the system and legislative framework in priority horizontal and sectoral areas. By establishing the Anti-Corruption Council in 2017, the mechanism for monitoring the implementation and assessing the effectiveness of anti-corruption measures has been further strengthened in order to ensure the effectiveness of overall national anti-corruption efforts.

The number of filed court cases which feature corruption was 440 between 2016 and 2018. Out of those, 187 were resolved and 145 received a final ruling.

In February 2019, the Whistleblower Protection Act was adopted in order to ensure the availability and reliability of the reporting of illegal activities and irregularities, as well as effective protection of the whistle blower. The Act has had a positive and encouraging impact on the reporting of irregularities and is applied to all reporting of irregularities, regardless of whether it is in the public or private sector.

The institutional framework for preventing and combating corruption has been established and mechanisms for strengthening accountability and integrity of civil servants have been set up by the Code of conduct and ethical standards for public officials and employees. The Code makes it easier to report corruption cases and strengthens ethical principles. All government and judiciary bodies have appointed commissioners for ethics who promote ethical behaviour in interpersonal relations between officials and between officials and citizens. They also receive complaints from citizens and officials reporting unethical and possibly corrupt behaviour of officials, and they examine the merits of the complaint. The Ethics Committee for Public Officials and Employees has also been established as a second-instance body for resolving the complaints of citizens and officials regarding the unethical and possibly corrupt behaviour of public officials. The Ethics and Value System Service has been established in the Ministry of Administration as the central body in charge of strengthening professional ethical standards and improving the cooperation with commissioners for ethics.

## OPENNESS OF THE WORK OF PUBLIC AUTHORITIES

Freedom of information and the right to access information are fundamental human rights guaranteed by the Constitution of the Republic of Croatia. The Act on the Right of Access to Information has enabled citizens to exercise the right of access to information held by public authorities. The fundamental responsibility for the implementation of the Act is borne by the heads of the public authorities and the civil servants competent for deciding on the access to information. The implementation of the Act is supervised by the Information Commissioner as an independent body elected by the Croatian Parliament for a period of five years, based on a public call and according to legally prescribed criteria.

Croatia has recognised the potential of open data and adopted the Open Data Policy in July 2018 as a strategic direction for the further development of the policy of openness and transparency of public administration. The Action Plan for the Implementation of Open Data Policy will soon be ready for implementation.

Croatia established the Council for the Open Government Partnership Initiative in 2012 as a way of achieving tangible progress in the area of transparency and openness of the work performed by public authorities, including and empowering citizens and civil society, combating corruption, and using new technologies to improve the quality of services that the public authorities provide to the citizens. Council members are representatives of national, local and regional authorities, civil society organisations, the academic community, and the media. The Action Plan for the Implementation of the Open Government Partnership Initiative for the 2018-2020 period is currently being implemented in 5 key areas: transparency, openness, citizen/civil society participation in the processes of drafting, implementing and monitoring public policies, the implementation of the Open Government Partnership at local and regional levels, and sustainability of the Open Government Partnership. The e-Citizens project won first place in Europe at the 2015 Open Government Partnership Summit.

Based on the current results of the OECD report “Better Regulation Practices across the European Union”, Croatia ranks at the very top, above the average of EU and OECD member states, regarding the implementation of public consultation with interested parties. In 2018, a total of 1033 public consultations were held at the government level in Croatia, which is an increase of 46% compared to 2017.

## COUNTER-TERRORISM ACTIVITIES

As a member of the European Union, the North Atlantic Treaty Organisation, the United Nations and other international organisations, Croatia is actively involved in combating terrorism. Provisions on counter-terrorism activities in Croatia are contained in the National Strategy and Action Plan for Preventing and Combating Terrorism.

For the purposes of preventing money laundering and combating terrorism, the legislative framework has been additionally strengthened by the adoption of the Anti-Money Laundering and Terrorism Financing Act. As stipulated by this Act, information on transactions from banks and other obligors are verified in order to check information on the transactions done by credit institutions operating in Croatia. In 2018, banks reported six suspicious transactions suspected of terrorism financing, but no links to terrorism financing or specific terrorist activities were established in any of them.

Croatia is working with international organisations on combating terrorism, especially with Interpol, regarding persons, transactions and funds suspected of being linked to money laundering and/or terrorism financing.



## **GOAL 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development**



Croatia has actively participated in the establishment of the United Nations 2030 Agenda for Sustainable Development framework, including serving as a member of the Open Working Group on Sustainable Development Goals.

The National Strategy for Development Cooperation for the period 2017–2021 determines the strategic direction of development and humanitarian policy, while the Act on Development Cooperation and Humanitarian Aid Abroad, adopted in 2008, serves as a legal background for our development cooperation activities. The Strategy determines the global framework, Croatian capacities and challenges, as well as geographic and sectoral priorities which are aligned with the 2030 Agenda for Sustainable Development, and covers planning and reporting on the official development assistance as well as the implementation of the development and humanitarian policy among stakeholders in various fields and policies.



## COORDINATION OF DEVELOPMENT COOPERATION

The coherence and cohesion among our external development activities is fostered through the Council for Development Cooperation and Humanitarian Aid Abroad, which gathers line ministries, state offices, national banks, local and regional governments, civil society, private sector and the academic community. In line with the multi-stakeholder partnership defined by the Sustainable Development Targets, different national stakeholders exchange and share knowledge, experiences, challenges and good practices at political and project level.

The experiences of conflict and post-conflict democratic transition have directed the Croatian development and humanitarian policy towards promoting the interdependence of peace, security and development, as well as on human development. This primarily concerns the first-hand experience in post-conflict stabilisation and specific know-hows (national mine-action system, demobilisation and re-socialisation of war veterans, peaceful re-integration of occupied territories, mental health issues), European Union accession processes and the fact that, until 2011, we ourselves were the recipient state under the principle of national ownership and accountability.

The National Strategy identifies the following sectoral priorities:

- dignity of every individual (education, health, protection and empowerment of women, children and youth)
- peace, security and development of democratic institutions, which relates to post-conflict transition and accession to the European Union
- responsible economic development focusing on sustainable tourism and SMEs.
- The geographic priority areas set out in the Strategy include South-Eastern Europe (Bosnia and Herzegovina, Albania, Montenegro, Kosovo, North Macedonia, Serbia), Southern and Eastern Neighbourhood (Jordan, Ukraine, Egypt, Iraq, Lebanon, Syria) and Developing Countries (Afghanistan, Columbia, Tanzania).

## THE POLICY OF INTERDEPENDENCE OF PEACE, SECURITY, DEVELOPMENT AND THE RULE OF LAW

In line with the set priorities, Croatia will continue promoting the policy of interdependence of peace, security and development, rule of law, prevention and peaceful resolution of conflicts in all international and regional forums, as well as through its own development and humanitarian projects.

Considering Croatia’s experiences and know-hows in the economic and political transition processes, the promotion of the visibility and value of sharing such experiences, in line with the concept of South-South and Triangular cooperation set out in the 2030 Agenda, will continue. Accordingly, Croatia published, together with the UNOSSC, the report titled “Croatia – A Unique Bridge between North and South Development Cooperation”[6] (2018).

At the same time, Croatia continues to strengthen national partnerships between development stakeholders, in particular with the private sector, civil society, academic community, local community and institutions. To facilitate cooperation with the civil society, the Croatian Platform for International Citizen Solidarity (CROSOL[7]) was established back in 2014. CROSOL is a non-governmental and non-profit organisation of civil society, which is active or interested in activities in the area of international development cooperation and humanitarian aid. Several conferences have been organised with the private sector organisations so as to raise awareness and further involve the Croatian private sector in development cooperation and humanitarian aid. Outreach activities have been undertaken with the academic community, with the aim to inform students of this important policy and its contribution to global solidarity, as well as to involve the scientific actors in global development research activities.

#### TOTAL OFFICIAL DEVELOPMENT AID OF CROATIA FOR THE 2015–2018 PERIOD

YEAR	AMOUNT (MIL EUR)	%GDP
2015	37.29	0.08
2016	39.87	0.08
2017	44.13	0.09
2018	54.21	0.1

[6] <https://www.unsouthsouth.org/2018/06/28/croatia-a-unique-bridge-between-north-and-south-development-cooperation-2018/>

[7] <https://www.crosol.hr/eng>

## Projects implemented according to SDGs (Excerpt)



- Humanitarian assistance to Yemen, Somalia and South Sudan in cooperation with WFP and ICRC.



- Psycho-social rehabilitation of Ukrainian children from the conflict affected area.
- Education to psychiatrists and psychologists in Ukraine on identifying and addressing post-traumatic stress disorder (PTSD) and direct assistance to war veterans from Ukraine and Bosnia and Herzegovina.
- Transplant Procurement Management Course for the transplantation experts from Bosnia and Herzegovina, North Macedonia, Kosovo, Serbia and Montenegro, and the establishment of the South-Eastern Europe Health Network Regional Health Development Centre on Organ Donation and Transplant Medicine.
- Building-up technical capacities in the area of health – donation of emergency vehicles, sterilisation, ultrasound and other medical equipment in Bosnia and Herzegovina and in Afghanistan hospitals.
- Construction of hospitals in Bosnia and Herzegovina.



- Improvements to Camp Learning Environments in Jordan. Construction and reconstruction of playgrounds for five primary schools and kindergartens in Azraq and Za'atari refugee camps for Syrians. These playgrounds feature safe play equipment for children, including accommodative equipment for children with disabilities.
- Capacity building on curricula formulation and assistance in establishing the IT innovation centre at a university in Bosnia and Herzegovina.
- Scholarships for students from Afghanistan, Gambia, Kosovo, Kenya, Mauritius, Namibia and Turkmenistan.
- Construction, reconstruction and equipment of schools, music schools, kindergartens, sports facilities, libraries in Bosnia and Herzegovina.



- Strengthening the economic resilience in the region of South-East Europe and Northern Africa.



- Reconstruction of roads and infrastructure in Bosnia and Herzegovina.



- Equipment for schools and construction of centres for children with disabilities, as well as promoting sports activities for persons with disabilities in Bosnia and Herzegovina.
- Construction and reconstruction of nursing homes for elderly persons in Bosnia and Herzegovina.



- Reconstruction and construction of public buildings, religious sites, communal and social infrastructure in Bosnia and Herzegovina for the purpose of sustainable return of refugees and promoting the revival of economic activities.



- Institutional capacity building in Albania regarding the preparedness for risk reduction of marine pollution and disasters.





- Capacity building for the ministries of Interior of Afghanistan, North Macedonia, Bosnia and Herzegovina, Montenegro, Serbia, Albania, Kosovo, Indonesia, Jordan and Ukraine.
- Re-socialisation of war-veterans – promoting and financing the establishment of veterans’ cooperatives in Bosnia and Herzegovina.
- Capacity building in collection, preservation and analysis of documentation related to the war in Bosnia and Herzegovina.
- Capacity building in the area of search for missing persons during conflict has been provided to Bosnia and Herzegovina and Colombia.
- Capacity building in several policies for the purpose of increasing administrative capacities for the accession to the European Union in Bosnia and Herzegovina, North Macedonia, Albania, Serbia and Kosovo.
- Capacity building in disaster preparedness and prevention for civil protection experts from Bosnia and Herzegovina and Montenegro.
- Capacity building in the area of judiciary – education on ethics, impartiality and independence, and fight against corruption for judges in Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia.



- Strengthening the role of civil society and the cooperation with governmental institutions in Ukraine, North Macedonia, Kazakhstan, Uzbekistan, Kyrgyzstan, Azerbaijan and Georgia.
- Capacity building for the central bank system – IT, monitoring, payments, public outreach – in Bosnia and Herzegovina, North Macedonia and Albania.
- Capacity building in the area of organising public consultations in Ukraine.



## The contribution of civil society organisations in achieving Sustainable Development Goals

Civil society organisations (CSOs) play an important role in establishing a dialogue on the creation and implementation of sustainable development policies, on devising and implementing innovations (social, cultural, economic, etc.), and initiating partner projects aimed at sustainable local development. Croatian CSOs play an important role in raising awareness and educating the public about sustainable development and environmental protection, in implementing projects that contribute to the application of national environmental policies and EU environmental policies, as well as in the development of innovative approaches to policies and the development of technologies, techniques and instruments. At the same time, they act as key “watchdogs” that ensure effective oversight of maintaining sustainable development standards in the country.

CSOs promote sustainable development at the local, national and international levels by organising educational programmes and holding public campaigns, by focussing on the effects of business on society and the environment, by advocating putting effort into and investing in environmental protection and social issues, taking responsibility for the effects of doing business, and reporting on the environmental effects of various stakeholder activities.

The Government provided over 150 million EUR from the European Social Fund (ESF) for civil society development projects. We especially emphasize the ESF call for tenders for thematic networks worth almost 12 million EUR within which cooperation between the civil sector and scientific institutions is supported with the aim of developing public policies, one of which is a network in the field of sustainable development. The synergy between the Government Office for Cooperation with NGOs and the National Foundation for Civil Society Development in using funds from the European Social Fund significantly increased the funds for civil society development and thus ensured its sustainability.

Government advisory bodies, such as the Youth Council of the Government of the Republic of Croatia that takes part in the development of public policies concerning the youth, and the Council for Civil Society Development that works on the development of a stimulating environment for the development of civil society in Croatia, also play an important role in the formulation of public policies.

The #FirstGeneration initiative, launched by the Swedish government in 2016 with the aim of raising youth awareness of the UN 2030 Agenda and in which Croatia also took part, is an example of an initiative that encourages creativity, independent research, critical thinking, and considering possible solutions that contribute to sustainable development.

Education for sustainable development improves and strengthens the ability of individuals, groups, communities, organisations and countries to make judgements and decision in favour of sustainable development. Topics and subjects related to sustainable development are represented in formal education, but it is necessary to further focus teaching methods on competences rather than content, in line with the UNECE Strategy (“learning to know, learning to do, learning to be, learning to work and live together”). Although sustainable development issues have been integrated into plans and programmes of formal education (in primary and secondary schools), certain topics are not equally represented (environmental protection and conservation of natural resources receive more attention than, for example, social cohesion), and it is possible to achieve further improvements in this field in cooperation with CSOs.

Within the scope of the Swiss-Croatian Cooperation Programme, a call for proposals was published for awarding grants entitled “Reinforcing Civil Society Organisations’ Contribution to Sustainable Development Education for the Improvement of Economic and Social Cohesion”, aiming to increase the role of civil society organisations in the development of sustainable development competencies of children and young people and strengthen the partnerships between civil society organisations, schools and local communities in order to raise awareness on sustainable development. The call for proposals supports activities connected to the improvement of sustainable development skills and knowledge of children, young people (primary and secondary school age) and also the members of their families. Volunteer work of children and young people is also promoted since it helps building stronger communities and encourages learning new skills and civil responsibility. Within the scope of the call for proposals, 36 projects have been awarded in which 9,765 children will participate by the end of 2020; 185 sustainable development training programmes will be implemented for which HRK 31.5 million (app. EUR 4.25 million) have been planned.



## **The business community's contribution to the achievement of sustainable development goals**

For years, companies that lead in corporate social responsibility and sustainable business have been actively engaged in shaping and raising public awareness on the importance of social responsibility and sustainable business practices. They approach these issues strategically, implement socially responsible and sustainable business practices and report on them, and encourage different initiatives through business associations. However, there is still a lot of room for improvement in incorporating corporate social responsibility and sustainable development goals into business strategies to change business methods, understand their impact on the environment and society, define goals, develop new business solutions and establish regular communication on the activities undertaken.

Three organisations especially encourage raising awareness of the importance of achieving sustainable development goals in all segments of society, and mobilising the business community to persevere in achieving sustainable development goals: the Croatian Chamber of Economy (CCE), which acts as the umbrella organisation for the Corporate Social Responsibility Community and the Croatian National Committee of the International Chamber of Commerce (ICC Croatia), the Croatian Business Council for Sustainable Development (HR BCSD), and the Croatian Employers' Association (CEA), which includes the Global Compact network Croatia.



The strengthening of corporate social responsibility in Croatia started with the Promoting Corporate Social Responsibility in Croatia: the 2005 Agenda conference held on 8 December 2004. The conference demonstrated the importance of corporate social responsibility in Croatia in the context of the country's accession to the EU, and of improving the competitiveness of the economy. The 2005 Agenda was adopted as part of the conference, prompting the implementation of a host of educational activities and programmes aimed at improving management, monitoring and reporting processes related to corporate social responsibility.

The activity that marked the next decade was the CSR (Corporate Social Responsibility) Index project that covered the development of an assessment methodology for corporate social responsibility practices of the members of the CCE and HR BCSD, as well the creation of an award for the evaluation of corporate social responsibility practices of companies. The methodology was developed in 2007 with the support of UNDP Croatia, which enabled a visit from experts from one of the leading business organisations in the UK, Business in the Community, to familiarise the project team members with the Corporate Responsibility Index (CR Index) methodology. The CSR Index Award was first awarded in 2008, and in the period of 11 years since then, 497 companies have taken part in the CSR Index project.

In early 2019, a cooperation platform of the Croatian Chamber of Economy (8) was set up with the aim to promote partnerships between the business sector, government institutions and civil society to achieve sustainable development goals in Croatia. The first major event within the cooperation platform was the "Support the Sustainable" conference held in March 2019. It was envisaged as a multi-sector and multi-stakeholder dialogue and it represented an integral part of the preparations for the first Voluntary National Review in Croatia, to the development of which the Croatian Chamber of Economy is also contributing. The conference was attended by over 150 participants from every sector.

In addition to the activities of the CCE's Corporate Social Responsibility Community, ICC Croatia contributed to the preparation of the global Business Action for Sustainable and Resilient Societies report, presented at the UN's High-level Political Forum in July 2018 in New York. The report also included an example of good practice implemented by the INA-Industrija nafte oil company in achieving the SDG 15: Life on Land – Green Belt Programme.

The Croatian Business Council for Sustainable Development (HR BCSD) established in July 2018 a Sustainable Development Goals Platform that seeks to encourage the understanding of the importance of corporate social responsibility and sustainable business through conferences on the subject and expert papers written by the participants. In order to encourage the implementation of SDGs among its members, HR BCSD translated the Management Guide to Global Sustainable Development Goals by the World Business Council for Sustainable Development into Croatian.

(8) HGK\_COR AKCELERATOR (CCE\_SDG ACCELERATOR)

In October 2018, the Croatian Employers' Association organised a two-day conference entitled "Sustainability – Future of Business". The topic of the conference was the role of the business sector in achieving sustainable development goals and a discussion of the opportunities to invest in sustainable development, environmental protection, and mitigating the impact of climate change. In addition, the SDG Pioneers competition, aimed at professionals under the age of 35 who work in companies that are members of the UN Global Compact or its Croatian chapter, the association successfully contributes to raising awareness of the importance of achieving one or multiple sustainable development goals.

The results of a 2017 survey carried out among representatives from the business sector, entitled "Implementation of Sustainable Development Goals in Croatia: Challenges and Perspectives", showed that company management boards being informed on sustainable development goals was a prerequisite, but that it was not sufficient for taking effective action. It was established that management boards are the ones that have a critical role in adopting and implementing corporate social responsibility policies and achieving sustainable development goals (SDGs).

With the aim of contributing to sustainable development, some companies integrated in their business operations the principles of corporate social responsibility, a concept that implies care of society and environment. Companies set priorities based on an assessment of their own potential contribution to the achievement of sustainable development goals, together with a risk assessment in all segments, and an evaluation of areas where certain practices can be adopted to increase the positive effect on sustainable development goals. They also take action and learn about the effects of their activities on the achievement of sustainable development goals, and share the knowledge both within and outside their organisation.

## Case studies of Croatian companies achieving sustainable development goals

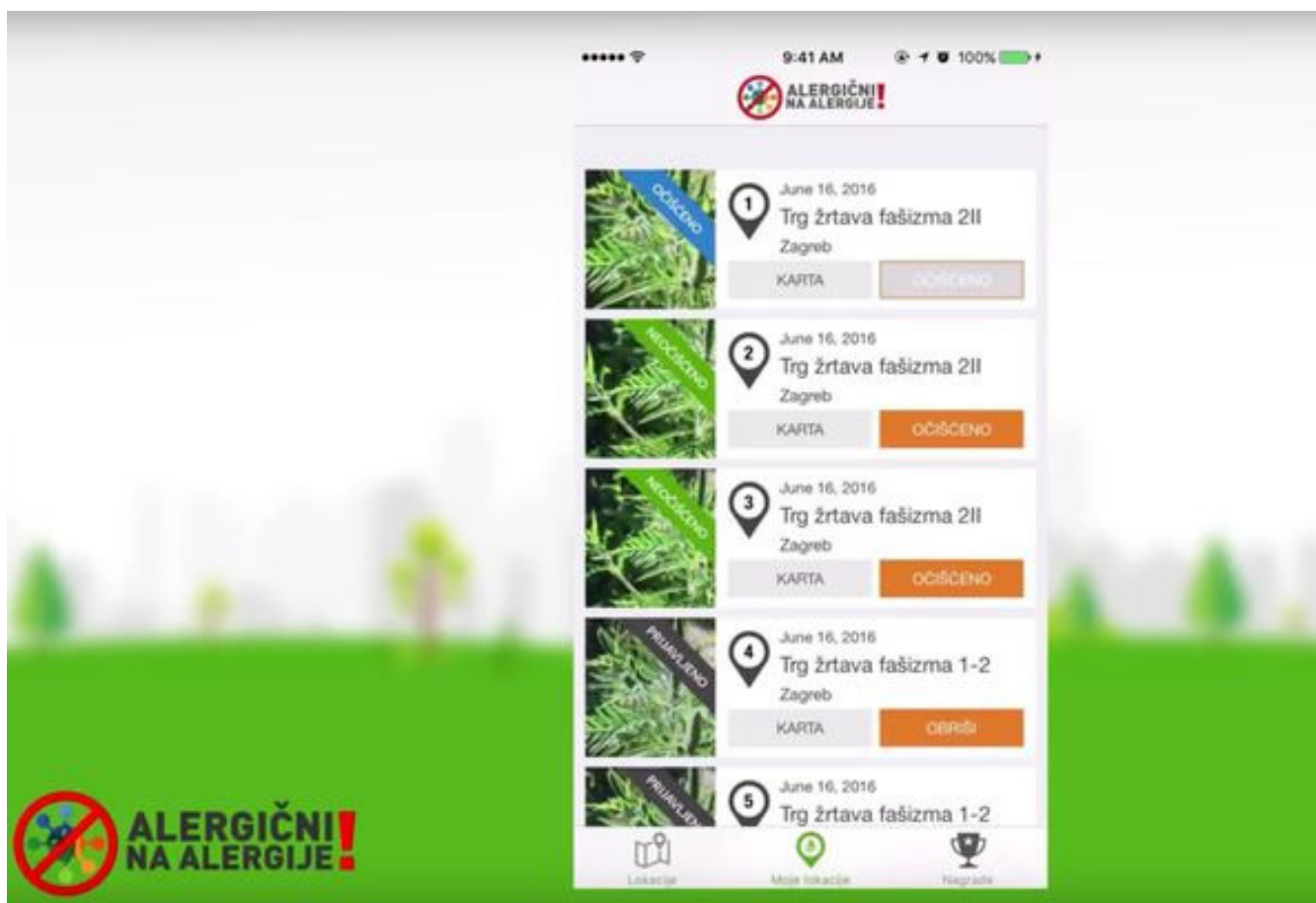




## Contributing to the improvement of quality of life of disadvantaged groups

Dukat milk industry, one of the leading regional brands of dairy products, has traditionally donated dairy products to disadvantaged groups. In 2015, the company initiated a project of strategic donations of dairy products to soup kitchens, social supermarkets and charitable organisations that help underprivileged children and citizens across Croatia. In addition to improving the diet quality of the disadvantaged population, and raising their quality of life in general, through regular donations, Dukat also contributes to the battle against hunger and effects of poverty, thereby also contributing to SDG 2: Zero Hunger and SDG 3: Good Health and Well-Being. In addition to positive social and humanitarian effects, the project has had a positive impact on the environment, and also contributes to the achievement of SDG 12: Responsible Production and Consumption, target 12.3 related to reducing food waste at the retail and consumer levels, and reducing food losses along production and supply chains. In 2018, Dukat donated 192 tonnes of dairy products, totalling 900 tonnes of dairy products over the past four years, with the purchase value of HRK 8.2 million and a sales value of over HRK 13 million. Under its programme of regular donations, Dukat supplies around a million dairy-based meals to nearly 40,000 children and citizens everywhere from Vukovar to Dubrovnik. In 2018, Dukat was given the award “Best Donor” (“Najdonator”) for being the largest single donor of food in Croatia in 2017, having donated 41.5% of the entire amount of food donated, and the largest donor in the manufacturing category.





## Using digital technologies to improve the quality of life of people sensitive to ragweed

The pharmaceutical company JGL launched the project “Allergic to allergies” (Alergični na alergije) and developed the mobile app “Allergic” (Alergični) that enables taking pictures and marking the geolocation of ragweed-covered areas. The idea for the project came from the fact that ragweed is one of the major allergens in the Republic of Croatia and can cause severe allergic reactions in a large number of people. According to the data from the World Health Organization, around 15% of people in Croatia suffer from some form of allergic rhinitis. The Allergic to Allergies project contributes to SDG 3: Good Health and Well-Being by improving the quality of life and health of people suffering from allergy problems. It also provides simple and modern solutions for engaging a wide array of stakeholders, such as citizens suffering from allergies, their family and friends, local authorities, municipal service companies, and electronic and print media – all for the benefit of society at large. So far, citizens have used the app to locate and report 2,500 ragweed habitats across the Republic of Croatia. At the same time, by using the data from the app, citizens and municipal service companies were able to clear over 300 of the reported habitats.



## Shaping young leaders to implement sustainable development goals through an educational entertainment platform

Statistics show that children aged 5–9 nowadays spend nearly 70% of their time using online video hosting services, while the rest of their time is spent using video on demand service platforms and playing games on video game consoles and computers. Manabu is a global project with a universal visual language and music that does not require translation or any kind of adaptation to the market. It can be readily understood in every nation and culture, and comes in the form of short episodes in a flexible format that can easily be adapted to nearly all media platforms, focusing on explaining and clarifying sustainable development goals through entertainment. Manabu directly contributes to SDG 4: Quality Education. It is extremely important as it is characterised by the human factor and directly relates to the rest of the 16 SDGs.

Guided by SDG 17, Manabu creates a community that will unite audiovisual professionals – experts in creating content that appeals to children, large organisations, corporations, public policies, civil society organisations, goodwill ambassadors, and various influential people. Manabu is supported by Amulet Studio, a creative agency from Croatia, and Amulet Nordic from Estonia, and 10% of the total profits will be diverted to the MANABU Foundation, which is dedicated to safeguarding the right to equal education of all children around the world.





## Developing STEM skills among young people – preparing for jobs of the future

The Generation Now programme has been continuously implemented since 2016. It covers all projects of the telecommunications company HT focusing on the adaptation for a new wave of technological changes. The project is aimed at encouraging, through cooperation with educational institutions, the development of STEM skills and digital literacy among young boys and girls to best prepare them for jobs of the future. The activities contribute to the achievement of SDG 4: Quality Education, since the number of young people and adults with skills relevant for employment, decent work and entrepreneurship will significantly increase by 2030. In addition to education, it also contributes to the achievement of SDG 9: Industry, Innovation and Infrastructure; achievement of higher levels of economic productivity through diversification, technological advancement and innovation.

Developing knowledge and skills in the STEM segment is key to encouraging an innovative and smart society that can utilise the full potential of existing technologies. More than 160 schools have been supplied with advanced project equipment based on the Internet of Things, and over 2,000 children have participated in projects in which over 130 mentors received training.



## The textile industry's impact on sustainable water management

The textile company Galeb has invested in the reconstruction and improvement of the internal drainage system at its production sites and purification plants for process water discharged into natural rivers (Natura 2000 protected natural area).

With this project, Galeb contributes to SDG 6: Clean Water and Sanitation – ensuring accessible water and sustainable water management and sanitation for everyone, and SDG 14: Life Below Water – conservation and sustainable use of oceans, seas and marine resources for sustainable development. The project has measurable objectives, and its results will become available in 2021, after the installation of a pilot photocatalytic system as an innovative, clean technology for additional purification of process waters in the textile industry. Participants in the project include the water management company Hrvatske vode, Vodovod Omiš (waterworks in the town of Omiš), local and regional authorities, international tertiary education institutions and companies from 27 EU Member States plus Israel.





## Reducing pollution and greenhouse gas emissions through the electrification of transport

Hrvatska elektroprivreda d.d. (HEP), the national power company in Croatia, has recognised electric mobility as an important strategic focus in the development of transport and energy on the European and global levels, as well as an important element of energy and climate policies. EU projects have brought about the consideration of intermodal transfer points, motorway networks, and TEN-T corridors within the EU.

Seeing as HEP is bearing all of the operating costs of infrastructure in the development phase of the project, it is providing a strong incentive for the development of the e-mobility concept in Croatia, which demonstrates the voluntary character and social responsibility aspect of the project. The project contributes to SDG 7: Affordable and Clean Energy, SDG 9: Industry, Innovation and Infrastructure, SDG 11: Sustainable Cities and Communities, SDG 13: Climate Action, and SDG 17: Partnerships for the Goals. In other words, it contributes to the promotion of transport electrification, a balanced development of a network of charging stations in Croatia, a reduction of pollution in cities, and a reduction of greenhouse gas emissions.



## Empowering youth to gain business and life skills necessary for finding employment

Coca-Cola HBC Croatia has been implementing the Youth Empowered programme for the past three years. The project aims to provide supplementary education, primarily to young people aged 18-30 who are not in employment or education. The programme contributes to SDG 8: Good Jobs and Economic Growth. Young people are given the opportunity to obtain marketable business and life skills via interactive workshops.





## Encouraging volunteer work – contributing to building sustainable communities

Podravka's Association of Volunteers – PULS was founded in 2014 in Podravka, one of the leading food companies in Central, Eastern and South-Eastern Europe. The aim was to bring together Podravka's employees and all interested members of the local community to jointly build an environment which will champion the ideas of volunteer work and helping one another.

The vision, passion, dedication and perseverance of its members led to the establishment of a system, which primarily aims to provide free aid to those in need, to maintain and enhance the quality of life of children, youth, elderly and disabled persons, and to provide free aid to institutions engaged in the education and care of children and social welfare activities. The Association has so far organised out eight charitable events and supports charitable events organised by other associations. Podravka contributes to achieving the following sustainable development goals via these activities: SDG 1: No Poverty; SDG 2: Zero Hunger; SDG 3: Good Health and Well-Being; SDG 4: Quality Education; SDG 10: Reduced Inequalities; SDG 11: Sustainable Cities and Communities; SDG 15: Life on Land; and SDG 17: Partnership for the Goals.

# Odvod nije rješenje. Recikliraj s Inom!

*Otpadno jestivo ulje od sada odložite na Ini*

**INA**



## Recycling waste cooking oil produced in households

INA, the leading Croatian oil industry company, introduced a new “green” service at a selection of their retail outlets in Central Croatia in October 2017 – waste cooking oil collection. Biofuel produced from waste, rather than raw materials used for human or animal consumption, greatly contributes to the fulfilment of the goals of the EU Directive on the promotion of the use of renewable fuels. Households in Croatia produce a significant amount of waste cooking oil per year, while awareness of its collection, as well as the possibilities of disposing of waste cooking oil, remain limited and underdeveloped.

Waste cooking oil (WCO) causes significant water pollution. Even low amounts of it found in water result in increased separation costs and reduced purification efficiency. The project contributes to SDG 4: Quality Education; SDG 6: Clean Water and Sanitation; SDG 11: Sustainable Cities and Communities; and SDG 12: Responsible Consumption. The project is an example of circular economy, where resources are managed efficiently and in a way that leads to the reduction of waste, which is simultaneously used as raw material in the production of new types of biofuels.





## Closing the loop from food waste to biomethane

The Bin2Grid project (Turning Unexploited Food Waste into Biomethane Supplied Through Local Filling Stations Networks) is currently under way as part of the EU's Horizon 2020 programme. The project involves the separate collection of food waste, which can be used to produce biomethane, a fuel which is then supplied through local filling station networks.

The main aim of the Bin2Grid project is to promote the separate waste disposal of food produced by specific and diverse producers (the food industry, catering services and households), for the purpose of producing biofuel (biomethane) and putting it to use through a local filling station network. The project contributes to SDG 7: Affordable and Clean Energy, and SDG 17: Partnership for the Goals. The project was initiated in order to contribute to solving the issue of energy inefficiency and the inefficiency of waste management systems.



## **Croatia Airlines focuses on minimising water consumption to reduce greenhouse gases**

Croatia Airlines, a Croatian airline company, adopted the ISO 14001/50001 standard and thereby started measuring and reporting its water consumption. The objective is to reduce annual water consumption to approx. 40 tons per aircraft in flight operations and by 1% in all other sectors (administration and technical operations). Croatia Airlines was prompted to action by climate change. The fact is that the less mass (such as water) an aircraft carries, the less fuel it consumes, which in turn reduces greenhouse gas emissions. Thus, Croatia Airlines contributes to SDG 6: Clean Water and Sanitation, and SDG 13: Climate Action.



## Climate action

Cemex initiated a project to use woody biomass (non-hazardous wood waste) and olive pomace as alternatives to fossil fuels (petroleum coke) in cement production. The reason behind the initiation and realisation of this project worth 3.5 million EUR (value of the woody biomass plant) is the EU ETS requirement to reduce greenhouse gases (CO<sub>2</sub>) and contribute to climate action and policy. By reducing CO<sub>2</sub> emissions and reducing environmental pressures through the establishment of one of the most important elements of a circular waste management system, Cemex directly contributes to SDG 9: Industry, Innovation and Infrastructure, SDG 12: Responsible Consumption and production, SDG 13: Climate Action, and SDG 15: Life on Land.





## Support for the development of e-Croatia and entrepreneurship as well as securing the public trust in respect of land registers

The joint information system (JIS) is one of the most significant elements of the “Organized Land” project (Real Property Registration and Cadastre National Programme) of the Government of the Republic of Croatia. Moreover, it is the Government’s greatest IT undertaking as part of which a database system was built that stores in one place land registry data and alphanumeric and graphic cadastral data, ensuring the unity of procedures and processes, security that the contents of the registers will no longer deviate from each other, as well as increasing security in real property legal transactions.

The Ministry of Justice and the State Geodetic Administration partnered up to establish JIS. Croatian citizens enjoy numerous benefits of the JIS system – time needed to access the data and make a registration has been significantly reduced, the citizens are today able to see at one place the ownership structure of a real property and its location in space as well as numerous other functionalities. This system is one of the key instruments in the development of e-Croatia and entrepreneurship as well as securing the public trust in respect of the registers. It significantly reduces administrative barriers and uses electronic communication to enable everyone to carry out certain activities from the comfort of their office or home.



# Challenges in the implementation of the United Nations 2030 Agenda for Sustainable Development



Croatia with no poverty and hunger, healthy living and well-being, quality education, reduced inequalities, clean water and sanitation, accessible and clean energy throughout Croatia, sustainable economic growth, efficient public administration and justice, smart sustainable development of cities and local communities, responsible consumption and production and introduction of structural changes in the industry and strengthening competitiveness through infrastructure development, increasing productivity, use of innovations and new digital and KET technologies that will enable the diversification and modernisation of operations, integrated response to climate change, preservation of life below water and life on land and building capacities and the partnership of all key stakeholders of sustainable development are all challenges that require the improvement of existing and introduction of new, innovative policies and measures for a sustainable social and economic growth and development of the Republic of Croatia.



## Follow up activities

The Voluntary National Review, which is prepared in parallel to the 2030 NDS, is an opportunity to objectively assess performance in different sectors and to plan follow-up activities related to the achievement of sustainable development goals.

To ensure the implementation of sustainable development goals under the 2030 NDS, Croatia will focus its follow-up activities on the following:

- improvement of the institutional architecture with a clearly defined organisational, coordination and supervisory structure;
- defining an interventional logic to form connections between strategic goals, planned implementation mechanisms, structural reforms and strategic projects under the 2030 NDS;
- strengthening national statistical capacities;
- implementing permanent outreach and educational activities in order to raise awareness about sustainable development and living and the implementation of SDGs on a national and global level.



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