



**Global Employment
Compass
CROATIA**

Contents

- 1. Summary of applicable rights for different categories of workers 2
- 2. Legal requirements/rights/ practices for different categories of workers 3
 - a. Employees 3
 - b. Independent contractors/consultants* 15
 - c. Volunteers..... 21
 - d. Non-citizen employees and consultants, including refugees and others forcibly displaced 25

This document provides brief answers and recommendations to readers for information purposes. The information contained in this document is general and may differ according to the circumstances. Thus, this document does not constitute legal advice. We decline in advance any responsibility should you decide to act upon any information contained in this document.





1. Summary of applicable rights for different categories of workers

	Employees (part-time or full-time)	Independent contractors/ service providers	Volunteers
Employment laws and regulations	Yes	No	No
Employees' compensation/ remuneration requirements	Yes	No	No
Minimum wage requirements	Yes	No	No
Mandatory provident fund/retirement benefit fund contributions	Yes	Yes	No
Immigration requirements including the right to work in your country	Yes	Yes	Yes
Personal Data (Privacy) laws and regulations	Yes	Yes	Yes
Anti-discrimination laws and regulations	Yes	Yes	Yes



2. Legal requirements/rights/ practices for different categories of workers

a. Employees

Section Contents

1 Contracts of Employment.....	3
2 Conditions of employment.....	6
3 Safe and supportive work environment	11
4 Tax	12
5 Remote work.....	13
6 What to do when things go wrong?	13

An **employee** (*zaposlenik/radnik*) is an employed natural person performing certain works for an employer (*poslodavac*).

1 Contracts of Employment

What types of employment contracts are available? E.g. fixed term, part time, zero hour contracts, other? Are there any specific employment contracts available for non-profit organizations?

There are 2 standard types of employment contracts under Croatian law:

Employment contract **of an indefinite duration** (*ugovor o radu na neodređeno vrijeme*) binds all parties until the contract is terminated under the manners defined in the Labour Act. If the exact period of time for which the contract is concluded is not specified in the contract, it is considered that a contract is concluded for an indefinite period.

A **fixed-term** employment contract (*ugovor o radu na određeno vrijeme*) defines the exact period of time for which the contract is concluded or the date of termination of the contract. It can also terminate after the performance of the job or the occurrence of a particular event.

There are no statutory provisions regulating specific employment contracts for non-profit organizations. Employment contracts can be tailored to fit the needs and requirements of a specific non-profit organization.

What are the key terms of employment contracts?





Employment contracts must contain information on:

1. parties and their personal identification number and place of residence (or registered office)
2. the place of work or information on different places where the work is performed or could be performed if there's no fixed place of work
3. the title of the job post
4. the date of conclusion of the employment contract and the date of commencement of work
5. whether the contract is concluded as open-ended or fixed-term, and the date of termination or the expected duration of the contract in the case of a fixed-term employment contract
6. the duration of paid annual leave to which the employee is entitled or the information on the manner of determining the duration of paid annual leave if such information cannot be given
7. the procedure in case of dismissal and the notice periods that the employee or employer must comply with, and if such information cannot be given at the time of concluding the contract, there shall be information on the manner of determining the notice periods
8. gross salary, including the gross amount of the basic or contracted salary, supplements and other remuneration for work performed and the periods of payment of such and other remuneration based on the employment relationship to which the employee is entitled
9. the duration of the working day or week in hours
10. whether full-time or part-time work is contracted
11. the right to education, training and advanced training, if contracted
12. the duration and conditions of the probationary period, if contracted

Is it acceptable to have a probation period for employees? If yes, for how long?

A probationary period may be contracted when concluding an employment contract. The maximum possible duration of the probationary period may not exceed six months.

If an employee is absent during the probationary period due to prolonged sick leave or exercising other rights, their probationary period shall be extended for the time they were absent.

Are fixed term employment contracts permissible? Are there any limitations on fixed term contracts? Are there any requirements to have a fixed term contract?

Fixed-term employment contracts are permissible under Croatian law. Fixed-term contracts may be exceptionally concluded when the need to perform work is temporary for objective reasons that must be specified in the contract, such as replacement of a temporarily absent employee and the performance of work whose duration is limited by the nature of its performance by a deadline or occurrence of a certain event.





A maximum of three successive fixed-term employment contracts may be concluded with the same employee, the total duration of which, including the first contract, shall not exceed three years. If the employee continues to work after the expiration of the fixed-term contract, it is considered that the contract is concluded for an indefinite period.

Do employment contracts have to be in writing? Are there any signatory requirements for employment contracts? For example, could they be signed in-person or electronically, etc.)?

Employment contracts shall be concluded in written form, but failure to conclude an employment contract in written form does not affect the existence and validity of that contract.

There are no specific signatory requirements for employment contracts. They can be signed either in-person or electronically. For the electronic signature to be treated the same as the wet-ink signature it must be a qualified electronic signature (QES) and comply with the eIDAS regulation.

Do employees have to be issued with a written employment contract before they start work?

All employees shall be issued a written employment contract before the commencement of work. If the employment contract is not concluded in written form, the employer shall issue a letter of engagement to the employee before the commencement of work. If the employer does not conclude an employment contract with the employee in written form before the start of work or does not issue them a letter of engagement, it is considered that they have concluded employment contract of an indefinite duration with the employee.

Is there an obligation for an employer to run a criminal record check to the extent that any individual they hire will be working with children or vulnerable people?

There is no general obligation for employers to run a criminal background check on perspective job candidates. However, background checks have become a standard business practice in Croatia.

The checks should be limited to checking the candidate's qualifications, previous employments and references without checking their criminal history.

In general, unless provided for by specific laws employers are not authorised to require a certificate evidencing previous criminal convictions or criminal procedures pending against job candidates.

Can employers request references from former employers for new hires?

Yes, employers can request references from former employers for new hires.

Is an employer required to set up any form of employee representative body? If so, what is the trigger for this?





An employer is not under obligation to set up any form of an employee representative body. Under provisions of the Labour Act, employees are entitled to take part in the decision making and may set up a works' council under certain terms, but they're not required to do so.

An employer who employs more than 20 employees is obliged to provide them the right to participate in decision making on issues regarding their rights and interests. The employees commonly exercise that right by setting up a works council.

Is it common to have collective agreements in your jurisdiction that apply to all employers in a particular region or sector?

Collective agreements are provided by and very common under Croatian law. Multiple collective agreements are in force in both the public and private sector, e.g. the Atlantic Trade Collective Agreement (retail industry), the PLIVA Collective Agreement (pharmaceutical industry), the newly amended Podravka Collective Agreement (food industry) etc.

2 Conditions of employment

What is the minimum age requirement for employment?

15 is the minimum age requirement for employment in Croatia.

What type of work may a child undertake? For example, are there any specific restrictions?

Child labour is prohibited. A person under the age of 15 or a person aged 15 and over and under the age of 18 attending compulsory primary education may not be employed.

Exceptionally, children and such minors may participate in the making of films, the preparation and performance of works of art, stage and other similar works, to the extent and in workplaces that do not endanger their health, safety, ethics, education or development. Such work requires the approval of a labour inspector.

A minor aged 15 and over may be employed only with the authorisation of a parent or guardian, and the guardian may grant this authorisation only with the prior approval of the competent social welfare authority.

Minors enjoy special protection from overtime and night work, as well as working in redistributed or unequal working hours, and the employer shall provide employees who are minors with at least five weeks of annual leave per year.

Wages

What is the minimum wage requirement for employees? Are there any exceptions in minimum wages for young persons or people with disabilities?

Minimum wage requirement for employees in Croatia is 700,00 EUR in gross income, provided by the Minimum Wage Decree for the Year 2023.





There are no minimum wage exceptions for young people and people with disabilities, who enjoy other benefits (higher tax rebates, disability allowance etc.).

Are there any conditions which warrant a pay raise or extra pay? If yes, what are they?

Labour Act does not mention the right to a pay raise or extra pay, but contains provisions on the right to increased salary. The employee is entitled to an increased salary for difficult working conditions, overtime and night work and for work on Sundays, holidays and non-working days determined by a special act.

When are wages due? For example, is there any obligation to pay wages weekly, or monthly?

There is a monthly obligation to pay wages expressly stipulated in the provisions of the Labour Act. Salary, salary compensation and other remuneration is paid within the deadlines specified in either the collective agreement or employment contract, but no later than the fifteenth day of the current month for the previous month.

Are employers obliged to provide employees with paid leave on public holidays?

No, employers are not obliged to provide employees with paid leave on public holidays. However, employees who are not performing work on public holidays shall be entitled to paid leave.

Are employers obliged to provide employees with annual leave?

Yes, employers are obliged to provide employees with annual leave.

Is there a requirement to pay overtime? How is overtime compensated?

The employer is obliged to pay for overtime work. The amount of increased salary for overtime work is determined by the terms of the collective agreement, the working regulation or the employment contract. The salary increase for each hour of work on Sundays may not be less than 50%. If the increase for overtime work is not determined by the collective agreement, the working regulation or the employment contract, the employee shall have the right to an appropriate salary increase.

Are there any extraordinary circumstances that could be relied on to temporarily cease paying employees for the hours worked?

There are no statutory provisions permitting temporary cessation of payment to employees for the hours worked.

Are employees entitled to an end-of-year payment?





The right to an end-of-year payment isn't expressly provided by the Labour Act, but can be stipulated by a collective agreement or an employment contract.

Are employees entitled to payments when their employment contract is terminated, such as notice or notice pay, accrued or untaken holiday and/or statutory severance?

Employees are entitled to severance pay if dismissed after at least two years of continuous work. Employees who are dismissed for misconduct or are at least 65 years old with 15 years of pensionable service at the time of dismissal are not entitled to severance pay.

If the employment contract is terminated, the employer shall pay compensation to the employee who has not used the annual leave instead of using the annual leave. The employer can offer the employee to use the unused days of annual leave instead of paying the compensation.

Alternatively, the employer can send the employee on annual leave during the notice period, and then they shall be obligated to pay the employee for that period (salary compensation during annual leave).

Working hours

What is considered a full time working week? If the employee is contractually required to work less than this amount are they considered a part time employee?

A full time working week is deemed to be forty hours per week, unless the law, collective agreement, agreement concluded between the works council and the employer or the employment stipulates a different working time as the full working time.

If the employee is contractually required to work less than 40 hours, they are considered a part-time employee, unless the law, collective agreement, agreement concluded between the works council and the employer or the employment stipulates a shorter working time as the full working time.

Are there fixed public/statutory holidays each year? Can employees be required to work on public/statutory holidays? Are employees entitled to any other type of leave besides public/statutory holidays?

Public and statutory holidays in Croatia are defined by the Act on Holidays, Memorial Days and Non-working Days (OG 110/19). Employees can be required to work on public or statutory holidays, for which they are entitled to increased salary. Employees are also entitled to annual leave of at least four weeks for each calendar year.

Employees are also entitled to paid leave for a total of seven working days per year (unless otherwise stipulated by a collective agreement, a employment bylaw and employment contract) for important personal needs (marriage, birth of a child, serious illness or death of a member of the immediate family, etc.).

Do part time employees receive any particular protection on the basis of their part-time status?





The employers are obligated to ensure the same working conditions for their part-time employees as for their full-time employees with similar professional knowledge and skills who perform the same or similar work. If the employer does not employ such person, they're obligated to provide their part-time employees with working conditions as regulated by a collective agreement or other working regulation. They're also obliged to provide their part-time employees with advanced training and education under the same conditions as their full-time employees.

Do part-time employees receive the same pro-rated terms to full time employees, e.g. in relation to pay and benefits?

Yes, part-time employees receive the same pro-rated terms as full-time employees.

Social security

What social security contributions are employers obliged to pay? Presumably, pro-rated contributions are required for part time employees?

Employers are required to pay mandatory pension insurance and mandatory health insurance for employees. Pro-rated mandatory pension insurance and mandatory health insurance is required for part-time employees.

Are employers obliged to provide health insurance to their employees?

Yes, employers are obliged to provide health insurance to their employees.

Are employees entitled to unemployment insurance/benefits following the end of employment?

Yes, employees are entitled to unemployment insurance following the end of employment if they register as an unemployed person with the Croatian Employment Service.

The following categories of employees are not entitled to unemployment insurance:

- employees who terminate employment or service, except in cases of extraordinary termination caused by their employer's behaviour;
- employees who terminate employment or service by written agreement;
- employees whose employment was deemed terminated by court settlement;
- employees who did not satisfy during the probationary period or during their internship or traineeship or did not pass the professional exam within the prescribed period, which is established by a special regulation as a condition for continued work;
- employees who were dismissed due to hidden behaviour of the employee or extraordinary dismissal due to a serious breach of work obligations or termination of service by force of law due to reasons determined by the behaviour of the official;





- employees whose employment was terminated due to serving a prison sentence longer than three months.

Are employers obliged to provide sick leave? If yes, for how long? How many days have to be paid by employers? Is it possible to have unpaid sick leave?

Yes, employers are obliged to provide sick leave (*bolovanje*) to employees. There is no maximum duration prescribed for paid sick leave as long as there is a medical indication justifying the employee's temporary incapacity. The employer is required to pay for the first 42 days of sick leave. After that period, sick leave payments are made by Croatian Health Insurance Fund. There are no statutory provisions regulating unpaid sick leave.

Are employers obliged to provide maternity leave for employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid maternity leave?

Yes, employers are obliged to provide maternity leave (*rodiljni dopust*) to employees. The employee has the right to maternity leave for the duration of 28 days before the day of the expected birth until the child is six months old, which consists of mandatory and additional maternity leave.

The employee shall exercise the right to mandatory maternity leave for a continuous duration of 98 days of which 28 days before the day of the expected birth and 70 days after the birth of the child. After the mandatory leave period expires the employee can exercise the right to additional maternity leave until the child reaches 6 months of age, which can be transferred to the father of the child.

Following the expiration of maternity leave, employed or self-employed parent has the right to parental leave from the day the child reaches six months of age, which can be used up to the eighth year of the child's life. An employed or self-employed parent has the right to parental leave for a duration of either 8 or 30 months, depending on the number of children born and the way it is used.

An employed or self-employed parent has the right to parental leave for:

- 8 months, for the first and second-born child.
- 30 months, for twins, the third child, and each subsequent child.

The right to parental leave may be generally used by both parents, each for a duration of 4 or 15 months, with each parent retaining two months of parental leave that cannot be transferred to the other parent and can be used individually, simultaneously, or alternately, according to mutual agreement.

Employers are required to pay for the entire duration of maternity and parental leave (even if the employee exercises the right to additional maternity leave). There are no statutory provisions regulating unpaid maternity and parental leave.





Is paternity leave available to employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid paternity leave?

Yes, paternity leave (*očinski dopust*) is available to employees. The employee has the right to continuous paternity leave depending on the number of children born (10 working days for one child, 15 working days for twins, triplets or more). The employee may use the right until the child reaches 6 months of age, provided that he does not use one of the other leaves at the same time. The employee may use the right regardless of the employment status of the mother. Employers are required to pay for the entire duration of paternity leave. There are no statutory provisions regulating unpaid paternity leave.

Are employers liable for absence due to work-place injuries?

Yes, employers are liable for absence due to work-place injuries (*ozljeda na radu*). The employer is liable to the employee for damage due to work-place injury according to the rules of causation, which means that the employer is liable under strict liability, based on the fact that the damage was caused.

Are employees entitled to retirement benefits from the employer? If yes, what benefits?

No, employees are not entitled to retirement benefits from the employer.

Are employers obliged to introduce reporting channels and legal safeguards for whistleblowers?

Yes. The employer is obliged to adopt a policy regulating the internal reporting system (if they have more than 50 employees), appoint a person and a deputy in charge of internal reporting, protect the whistleblower from any harmful actions as well as undertake all necessary measures to stop such harmful actions and any negative consequences they might have, protect the received data and ensure there are procedures for keeping records on any reports received.

3 Safe and supportive work environment

Broadly what measures have to be in place to ensure employers uphold health and safety? (such as fire or earthquake drills)

The employer has the obligation to carry out risk assessment. Training of employees for work in a safe manner is carried out by occupational health and safety specialist (*stručnjak zaštite na radu*) employed by the employer. The training of employees is carried out in accordance with the training program, which must be based on the risk assessment and must include all the potential dangers, harms and exertions at work identified in the risk assessment and the methods of elimination.





Is there a requirement for an employer to issue any form of non-discrimination policies? (such as gender equality policies, equal employment opportunities, diversity, and inclusion policies, etc.)

Employers are not currently required to adopt any kind of diversity and inclusion policies. At the employer level, quotas are prescribed for employment of disabled persons if the employer meets certain conditions, i.e., if they employ at least 20 persons and are not one of the employers exempt from the provision. The obligation to meet the quota can be avoided if the employer pays a monetary fee.

Is there a requirement to provide employees with training designed to combat discrimination and harassment?

There is no requirement for employers to provide employees with training designed to combat discrimination and harassment. However, employers are required to ensure a safe work environment, which includes the protection of employees' dignity during work from any acts by persons with whom the employee comes into regular contact, which could be deemed as unwanted conduct towards the employee. An employer with 20 or more employees is obliged to appoint a person responsible for handling complaints from employees regarding violations of their dignity.

Is there a requirement to have a data protection policy?

All employers are required to comply with the GDPR. An employer employing at least 20 employees is obliged to appoint a person who must enjoy the trust of the employees and is authorised to supervise whether personal data are collected, processed, used and communicated to third parties in accordance with the law.

All employers shall determine in advance by working regulation and inform their employees accordingly on what kind of personal information is collected, for how long and for what purpose.

Is it mandatory for employers to have a Child Protection Policy (CPP)? Are employees obliged to provide training on CPP to its employees?

It's not mandatory for employers to have a Child Protection Policy and there's no general obligation to provide CPP training to employees, unless prescribed by a specific act.

4 Tax

Which taxes are mandatory for employers to pay and deduct on behalf of their employees?

Employers are required to deduct and pay income tax and municipal surtax on income tax on behalf of their employees. Certain municipalities have abolished the surtax on income tax.

Are all employee taxes deducted from the salary that the employer pays or is there a requirement for employees to pay certain taxes directly?





There is no requirement for employees to pay certain taxes directly. Employee taxes are deducted from the salary.

5 Remote work

Are employers required to have a registered legal entity in the jurisdiction in order to employ employees in the jurisdiction?

No, employers are not obliged to have a registered legal entity in the jurisdiction in order to employ employees in Croatia.

Are employers required to provide any form of physical working space for employees working in your country?

No, employers are not required to provide any form of physical working space for employees working in Croatia. Employers should provide a suitable place of work if it's deemed necessary due to the nature of the work performed, but there's no statutory obligation to do so.

Please provide general instructions for employers on what to check if the employer has remote employees, including concerning employee tax liabilities.

A non-resident employer should check whether his country of residence has signed a Double Tax Agreement with the Republic of Croatia. A non-resident employer is required to deduct and pay contributions (health insurance and pension insurance) on salaries for employees employed in Croatia. A non-resident employer who is liable for paying contributions in Croatia is also required to submit a request for a personal identification number (OIB).

The employee who is employed by a non-resident employer is required to deduct and pay income tax and municipal surtax on salary paid by a non-resident employer.

Employers employing remote employees shall adhere to the provisions of the Occupational Health and Safety Act. They shall also carry out a risk assessment and provide the employee working remotely with the necessary written instructions regarding the protection of occupational health and safety.

6 What to do when things go wrong

Dispute resolution

Do employees (including volunteers) need to go through any form of dispute resolution before bringing a claim to a court or tribunal?

Yes, an employee who thinks that their employer has violated a right from an employment relationship may, within fifteen days from the delivery of the decision violating their right, or from the knowledge of the violation of rights, request the employer to exercise the right in question.





If the employer fails to comply with the employee's request within fifteen days from the submission of the request, the employee may request the protection of the violated right before the competent court in a further period of fifteen days.

Resignation

What grounds do employees have for resignation?

Employees may resign with the prescribed or agreed notice period, without stating the reason for resignation (regular notice).

Employees (and employers) have a justified reason for resignation without the obligation to comply with the prescribed or agreed notice period if due to a particularly serious breach of an employment obligation or the occurrence of some other important fact, while taking into account the interests and obligations of both parties, the continuation of employment relationship is not possible. (extraordinary notice).

Termination

What grounds do employers have for the termination of employment contracts?

Employers may terminate the employment contract with the prescribed or agreed notice period if they have a justified reason for doing so (regular notice):

- if the need to perform a particular job has ceased due to economical, technological or organizational reasons (business conditioned termination)
- if the employee is not able to properly perform his or her obligations from the employment relationship due to certain permanent characteristics or abilities (personally conditioned termination)
- if the employee violates the obligations arising from the employment relationship (termination due to misconduct)
- if the employee did not satisfy during probationary period (termination due to dissatisfaction during probationary period).

Employers have a justified reason for termination of the employment relationship without the obligation to comply with the prescribed or agreed notice period if due to a particularly serious breach of an employment obligation or the occurrence of some other important fact, while taking into account the interests and obligations of both parties, the continuation of employment relationship is not possible. (extraordinary notice).

What is the responsibility of employers for damages incurred by an employee's actions within his/her work?

Employers shall indemnify any third party who has been harmed or had damage caused by their employees during work or in connection with work. The responsible employee is obliged to indemnify the employer for the amount of indemnity paid to the third party.





b. Independent contractors/consultants*

Section Contents

1 Contracts	15
2 Conditions of work for consultants.....	16
3 Safe and supportive work environment	19
4 Remote work	19
5 What to do when things go wrong	19

A (independent) contractor (izvođač) is a person who undertakes to carry out certain work, such as make or repair a thing, physical or intellectual work etc. in exchange for a price that the end user (naručitelj) undertakes to pay.

** The term consultant will be used to also refer to independent contractors, or any other term that would mean a person that provides goods or services under a written contract or a verbal agreement but does not work to meet the definition of employee.*

1 Contracts

What types of independent contractor/consultant agreements are available? Are there any specific agreements available to NGOs?

The main type of independent contractor agreement provided under Croatian law is a **service contract** (*ugovor o djelu*). An **author's contract** (*autorski ugovor*) is a subtype of service contracts concluded specifically for an original intellectual creation from the fields of literature, science, and art. There are no specific statutory provisions about service contracts for NGOs, but a service contract can be tailored for specific needs of an NGO. Please note the aforementioned contracts are not regulated by the Labour Act, but by the Croatian Obligations Act (OG 35/05-156/22) and independent contractors fall under a different legal regime than employees.

What are the main elements of consultant agreements?

There are no statutory provisions regulating consultant agreements under Croatian law. Contracts concluded as consultant agreements are treated as service contracts.

A service contract must contain information on:

- the nature of the work being carried out;
- the price that the end user undertakes to pay.

Is it possible to have probation periods for independent contractors/consultants? If yes, for how long?





No, it is not possible to have probation periods for independent contractors. Service contracts are usually concluded for the performance of a one-time job or an occasional service.

Is it possible to have a fixed term consultation/independent contractor agreement? Are there any restrictions around fixed term consultant/independent contractor agreements?

Yes, it is possible to have fixed term independent contractor agreements. Under a service contract the independent contractor usually provides a one-time job or an occasional service and sets their own working hours. There aren't any restrictions around fixed term independent contractor agreements.

Do independent contractor/consultant agreements have to be in writing? Are there any signatory requirements? For example, could they be signed in-person or electronically, etc.)?

No, service contracts don't have to be in writing, they can also be concluded orally. Therefore, there aren't any signatory requirements. For the electronic signature to be treated the same as the wet ink signature, it must be a qualified electronic signature (QES) and comply with the eIDAS regulation.

Do all types of independent contractors/consultants have to be under contract in order to be able to work?

Croatian law doesn't distinguish between different types of independent contractors. In order to perform work as an independent contractor, a person has to be under a service contract.

Can you provide a simple template of the agreements mentioned above? Is there an obligation to run a criminal record check to the extent that any independent contractor will be working with children or vulnerable people?

Service contracts are usually concluded for the performance of a one-time job or an occasional service and there isn't a statutory obligation to run any kind of criminal record check.

Templates:

Service contract (in Croatian): <http://primjeri-ugovora.com/usluge/ugovor-djelu/>

Author's contract (in Croatian): <http://primjeri-ugovora.com/usluge/autorski/>

2 Conditions of work for consultants

Are there any minimum age requirements for an individual to work under a consultant/independent contractor agreement?





No, there aren't any minimum age requirements for an individual to work as an independent contractor under a service agreement. Minors are required to have approval of a legal guardian when concluding a service contract.

Does a consultant/independent contractor need to obtain a license or any other permission in order to work?

No, an independent contractor doesn't need to obtain a license in order to work under a service contract, unless it pertains to a specific profession for which such licenses are required

Payment

Are there any minimum pay requirements for consultants/independent contractors? Are there any exceptions in minimum wages for young persons or people with disabilities?

No, there aren't any minimum pay requirements for independent contractors and there aren't any exceptions in minimum wages for young persons and people with disabilities.

Is there any requirement to provide statutory/paid leave to consultants for statutory holidays?

No, there isn't any requirement to provide statutory or paid leave to independent contractors for statutory holidays.

Is there any requirement to pay annual leave to consultant/independent contractors? If so, how is this compensated, if at all?

There isn't a statutory requirement to provide annual leave to independent contractors.

Is there an obligation to provide consultant/independent contractors with overtime? How is this compensated if required?

There's no statutory obligation to provide consultants with paid overtime because service contracts are usually concluded for a fixed fee.

Are consultants entitled to an end-of-year payment?

No, independent contractors are not entitled to an end-of-year payment unless otherwise agreed. Service contracts are usually concluded for a performance of a one-time job or an occasional service.

Are consultants entitled to a final payment when the contract is terminated?





No, end users (employers) are not obliged to cover work-place injuries for independent contractors. Independent contractors are entitled to choose their own working hours and place of work.

Working hours

Are consultants entitled to any type of leave, whether paid or unpaid?

N/A.

Social security

Does the end user engager need to make any social security contributions on behalf of a consultant/independent contractor? Are independent contractors entitled to health insurance from the end user engager?

N/A.

Are independent contractors/consultants entitled to unemployment insurance/benefits after termination of their independent contractor/consultancy agreement from the end user engager?

N/A.

Are independent contractors/consultants entitled to sick leave from the end user engager? If yes, for how long? How many days have to be paid?

N/A.

Are independent contractors/consultants entitled to maternity leave from the end user engager? If yes, for how long? How many days/months have to be paid?

N/A.

Are independent contractors/consultants entitled to paternity leave from the end user engager? If yes, for how long? How many days/months should be paid?

N/A.

Are employers obliged to cover work-place injuries for independent contractors/consultants?





No, end users (employers) are not obliged to cover work-place injuries for independent contractors. Independent contractors are entitled to choose their own working hours and place of work.

Are independent contractors/consultants entitled to retirement benefits from the end user? If yes, what benefits?

No, independent contractors aren't entitled to any kind of retirement benefits from the end user.

3 Safe and supportive work environment

Are there any differences in terms of the regime that applies to employees?

Yes, there is no requirement for end users or contractors to adhere to the Occupational Health and Safety Act. There is an exception: if the work performed under a service contract is an indispensable part of end user's business activities, the end user should provide the same safety standards for the independent contractors as they do for employees. Under the aforementioned terms, end users shall be liable for damages incurred by the performance of the contracted work under the provisions of the Occupational Health and Safety Act.

4 Remote work

Are end user engagers required to have a registered legal entity in the jurisdiction in order to hire independent contractors/consultants there?

No, end users are not required to have a registered legal entity in Croatia in order to hire independent contractors.

5 What to do when things go wrong

Resignation

Do consultants/independent contractors need a reason to terminate the contract or can they terminate it for any reason in accordance with the terms of the contract?

Independent contractors can terminate a service contract for any reason in accordance with the terms of the contract.

Termination of agreement

What grounds do end user engagers have for the termination of consultant agreements?

End users can terminate a service contract for any reason in accordance with the terms of the contract.





What is the responsibility of the end user engagers for damages incurred by a consultant's actions within his/her work?

End users are liable for damages incurred by independent contractors' if it's been stipulated in the service contract. Contractors are held liable for incurred damages under general conditions for damage liability prescribed by the Obligations Act.





c. Volunteers

Section Contents

1 Contracts	21
2 Conditions of employment.....	21
3 Safe and supportive work environment	23
4 Tax	24
5 What to do when things go wrong	24

A **volunteer** (*volonter*) is a natural person who volunteers in the Republic of Croatia or abroad, in accordance with applicable national and international regulations.

1 Contracts

Are organizations required to sign any form of agreement with volunteers?

Conclusion of a volunteering contract in writing is mandatory in the following cases:

- when the volunteer work is associated with increased risks to the life and health of volunteers;
- when the volunteer is a foreign citizen volunteering in Croatia;
- when Croatian citizens volunteer abroad in the framework of volunteering activities organized or co-organized by volunteer organizers based in Croatia;
- for long-term volunteering (volunteering which the volunteer performs regularly and continuously, on a weekly basis for a period of at least three months without interruption);
- for volunteer work with children, people with disabilities, the elderly and infirm, people with illnesses, or people completely or partially deprived of their legal capacity;
- when the volunteer requests it;
- in other cases specified by law.

2 Conditions of employment

Is there a minimum age requirement for volunteers?

Yes, a volunteer is required to be at least 18 years of age. A minor who has reached 15 years of age (*maloljetni volonter*) can conclude a volunteering contract only with the written consent of their legal guardian. A minor volunteer may volunteer only for activities or provide services appropriate for their age, physical, mental and moral level of development and skills that do not pose a risk to their health, development and success in fulfilling school obligations.





What type of volunteering work may a child undertake? Are there any restrictions around this?

A child who has not reached the age of 15 (*dijete volonter*) may be involved in the performance of educational volunteer activities only for the purpose of upbringing and education in a way that contributes to their development and socialization and if the organizer of volunteering is an educational institution, a social welfare institution or another legal entity that organizes volunteering for educational purposes with the consent of the competent bodies of the state administration, educational institutions or social welfare institutions, or that has an agreement with competent authority in the field of education.

Child volunteers may perform volunteering activities only with the written consent of their legal guardian and aren't allowed to perform any volunteering activities in period between 11:00 pm to 6:00 am.

Payments and reimbursement

Are organizations allowed to pay stipends to volunteers?

No, volunteering organizations aren't allowed to pay stipends to their volunteers.

Are organizations allowed to reimburse volunteers? If yes, for what expenses (such as transportation, food, etc.).

Yes, volunteering organizations are allowed to reimburse volunteers for the following, invoice-backed expenses:

- work clothes, equipment and protective items necessary for volunteering;
- feeding, care and training of an animal owned by a volunteer that participates in volunteering activities or services;
- medical services and vaccines received for the purpose of volunteering;
- education costs outside the school system necessary for volunteering;
- expenses incurred in connection with the execution of volunteer services and activities;
- volunteer insurance premiums in case of death, physical injury or occupational disease during volunteering;
- volunteer insurance premiums for the purpose of insuring liability for damage caused while volunteering for a volunteer organization or a third party;
- costs of obtaining documents or paying fees necessary to enable volunteering;
- other expenses incurred in connection with the performance of volunteer services and activities;





- fees and expenses paid as part of European Union programs and international programs related to the financing of volunteering programs.

Volunteers are also entitled to per diems for travel expenses, provided that the per diem amount does not exceed one prescribed for civil servants.

Working hours

Are there any obligations around how many hours volunteers can work?

Yes, volunteering for more than 38 hours a week for a period of more than three months without a break of at least three months is not allowed.

It is possible to volunteer for a longer period of time in the event of extraordinary circumstances that involve an event or a certain condition that could not be predicted and could not be influenced, and which may endanger the life and health of citizens, property of greater value, significantly damage the environment, disrupt economic activity or cause significant economic damage, as a result of which operational forces of the civil protection system may be activated in a certain area.

Are volunteers entitled to any type of leave?

No, volunteers aren't entitled to any type of leave.

Social security

Are organizations obliged to pay any social security contributions on behalf of their volunteers?

No, volunteer organizations aren't obliged to pay social security contributions on behalf of their volunteers.

Are organizations obliged to provide health insurance to volunteers?

No, volunteer organizations aren't obliged to provide health insurance to volunteers.

Are organizations liable for absences of volunteers due to work-place injuries?

No, volunteer organizations aren't liable for absences of volunteers due to work-place injuries.

3 Safe and supportive work environment

Are there any differences in terms of the regime that applies to employees?

Yes, volunteer organizations are not required to adhere to the Occupational Health and Safety Act.





However, volunteer organizations are obliged to treat volunteers in accordance with the principle of equal opportunities for all persons, regardless of: age, race, skin colour, language, religion, gender, sexual orientation, gender and gender expression, political or other belief, national or social origin, property status, education, social position, marital status, family obligations, membership or non-membership in a political party, association or trade union, state of health, disability and other personal characteristics, and other bases provided for in the regulations governing the matter of combating discrimination, unless otherwise indicated from the nature of volunteer activity.

4 Tax

Are organizations obliged to pay taxes if they pay their volunteers stipends? If yes, what types of taxes are mandatory to pay?

No, volunteer organizations aren't allowed to pay stipends to their volunteers.

5 What to do when things go wrong

What grounds do organizations have for the termination of volunteer agreements/arrangements?

Volunteer organizations may terminate a volunteering contract:

- when the need for volunteering ends
- when they are unable to provide adequate conditions for further volunteering
- when it's determined that a volunteer does not fulfill contractual obligations
- in cases of violation of supplementary ethical rules adopted for certain forms of volunteering
- in cases provided for by the Volunteering Code
- when conditions specified in the volunteering contract are met.

What is the responsibility of organizations for damages incurred by a volunteer's actions within his/her work?

Volunteer organizations aren't liable for any damages incurred by a volunteer's actions within their volunteer work. Volunteers may be required to pay insurance premiums for the purpose of insuring liability for damage caused while volunteering, which the volunteering organizations shall reimburse.





d. Non-citizen employees and consultants, including refugees and others forcibly displaced

Section Contents

1 Status and the right to work.....	25
2 Contracts	27
3 Conditions of employment.....	27
4 Safe and supportive work environment	28
5 What to do when things go wrong?	28

1 Status and the right to work

Are employers obliged to secure legal status for their employees or consultants if they are non-citizens? (such as refugee status, humanitarian visas, visas for trafficking survivors, other recognized protection statuses, etc.)

No, employers are not obliged to secure legal status for their employees or contractors if they are non-citizens. Employers may assist their employees in obtaining legal status, but they are not required to do so.

Are employers obliged to secure work permits for their employees or consultants?

Yes, employers are obliged to secure work permits for their employees or contractors. Employers are obliged to request the implementation of the labour market test and the opinion of the Croatian Employment Service for the employment of third-country nationals, as provided by the Foreigners Act (OG 133/20 – 151/22). After the labour market test is conducted, employers can apply for a residence and work permit for foreign employees within 90 days.

There are some statutory exceptions where a labour market test and the opinion of Croatian Employment service are not required for the issuing or renewal of residence and work permits. These include seasonal employment in agriculture, forestry, catering and tourism (only up to 90 days during the calendar year) and cases where residence and work permits are issued in accordance with Article 110 of the Aliens Act (e.g. self-employment in a company or a craft with at least 51% ownership stake, EU Blue Card holders, service providers, volunteers etc.).

The labour market test and opinion of the Croatian Employment service are not required **in the case of extension of a residence and work permit** for the same employer and the same third-country national.





For employment in **deficit occupations**, The Management Board of the Croatian Employment Service makes a decision on the list of deficit occupations, which is then published on the website of the Croatian Employment Service, and for which the employer is not obliged to request a labour market test. In this case, the opinion of Croatian Employment service is still required for the issuing of residence and work permits.

The list can be found below (in Croatian):

<https://www.hzz.hr/app/uploads/2022/09/HZZ-TTR-Lista-zanimanja-iznimka-od-provedbe-ttr-180621.pdf>

Is it always necessary to obtain a work permit?

No, it is not always necessary to obtain a work permit. In Croatia, persons under international protection may work without a residence and work permit or a work registration certificate.

Third-country nationals may work without a residence and work permit in the Republic of Croatia if they have an approval for;

- temporary stay for the purpose of family reunification with a Croatian citizen, third-country national with a long-term residence, permanent residence, asylum or subsidiary protection in accordance with the regulations governing international protection
- temporary stay for the purpose of a life partnership with a Croatian citizen, a third-country national with a long-term residence, permanent residence, asylum or subsidiary protection in accordance with the regulations governing international protection
- temporary stay for the purpose of family reunification or life partnership with a third-country national who has been issued an EU Blue Card or a residence and work permit for intra-corporate relocation
- temporary stay for the purpose of family reunification or life partnership with a third-country national with a long-term residence permit in another EEA Member State
- temporary stay for humanitarian reasons
- autonomous stay
- temporary stay as a posted worker
- temporary stay for the purpose of scientific research
- temporary stay for the purpose of family reunification or life partnership with a scientific researcher
- temporary stay for the purpose of studying, if he or she works or is self-employed for a maximum of 20 hours per week, except when student internship is an integral part of the study programme
- status of a full-time student when performing tasks through authorised intermediaries, without employment for a maximum of 20 hours per week
- temporary stay for the purpose of the stay of a long-term resident in another EEA Member State





- asylum or subsidiary protection or is an applicant for international protection in accordance with the regulations governing international protection
- long-term stay
- permanent stay

A third-country national under temporary protection may work in the Republic of Croatia without a residence or work permit or certificate of registration of work.

Can asylum-seekers and other persons forcibly displaced access the right to work if they do not have refugee status or other recognized protection statuses?

Yes, asylum seekers and other forcibly displaced persons acquire the right to work after the expiration of a period of three months from the date of filing an application on which the Ministry of the Interior has not decided if the applicant has not affected the reasons for not making the decision.

2 Contracts

Are employment contracts or consultant agreements for non-citizens different to those for citizens?

No, employment contracts and contractor agreements for non-citizens aren't different to those for Croatian citizens.

3 Conditions of employment

Does national law regulate the quotas for the number of non-citizens within one organization? Are employers obliged to report about employed non-citizens?

No, Croatia abolished employment quotas for third-country nationals in 2021. Employers are not obliged to report about employed third-country nationals.

Are there any other differences in conditions of employment for non-citizens and citizens?

There aren't any other differences in conditions of employment for third-country nationals, provided they've acquired a work and residence permit in accordance with the law.

Are there any specific employment terms that apply to citizens but not apply to non-citizens?





There aren't any specific employment terms that apply to citizens that don't apply to third-country nationals. Once they've acquired a valid work and residence permit, third-country nationals may exercise the same rights as Croatian citizens under the Labour Act.

4 Safe and supportive work environment

Are there any differences in a safe and supportive work environment approach for non-citizens? If yes, please elaborate here.

No, there aren't any differences in a safe and supportive work environment approach for third-country nationals, who are protected under the provisions of the Anti-Discrimination Act (OG 85/08 – 112/12).

Does the employer have additional obligations for non-citizens?

Yes, employers have additional obligations for foreign employees.

Prior to entering into an employment relationship, the employer shall request from the third-country national to **present his valid residence permit** in the Republic of Croatia.

If the contract of employment terminates or if other conditions on the basis of which the stay and work permit was issued cease to exist, the employer and the third-country national shall notify a police administration or a police station thereof within 15 days from the occurrence of those circumstances.

If a third-country national has been posted to work outside the location of his temporary residence or permanent residence for a period of more than 90 days, the employer shall notify the competent police administration or police station thereof within three days.

Employers employing third-country nationals **working without a stay and work permit or a work registration certificate** shall notify the police administration or police station competent according to the location of the third-country national's temporary residence, within eight days from the day the third-country national entered into the employment relationship or started working.

Employers are required to notify a police administration or a police station in the period of 8 days of the termination of employment contracts for third-country nationals or of the fact that other conditions of employment on the basis of which the stay and work permit was issued have ceased to exist.

Employers are also required to notify a police station or a police administration of any change of accommodation for third country seasonal workers within the aforementioned period, if the employer has provided accommodation for the seasonal workers.

5 What to do when things go wrong

Is the process of termination of an employment contract for non-citizens different than for citizens? If yes, please explain here.





No, the process of termination of an employment contract for third-country nationals is the same as for Croatian citizens.

Is the process of resignation for non-citizens different than for citizens? If yes, please explain here.

No, the process of resignation for third-country nationals is the same as for Croatian citizens.

Are non-citizens entitled to the equal protection of employment laws in the event of employment-related disputes?

Yes, third-country nationals are entitled to equal protections under the Labour Act as Croatian nationals in the event of employment-related disputes.





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