

SME-related policy measures adopted, implemented or announced in 2021

CROATIA

Title of the measure (national language)	Title of the measure (English translation)	Implementing body	Adopted / implemented / announced as part of the 'National Recovery and Resilience Plan' (Yes / No)	Status (Adopted or implemented or announced)	Date of adoption/ implementatio n or announcement (DD/MM/YYYY)	General description (objectives / key features / budget - if applicable, and weblink to online source)
ENVIRONMENTAL ASPECTS OF SUSTAINABILITY						
Jačanje konkurentnosti poduzeća ulaganjima u digitalnu i zelenu tranziciju	Strengthening the competitiveness of enterprises by investing in the digital and green transition	Ministry of Economy and Sustainable Development and Croatian Agency for SMEs, Innovations and Investments (HAMAG- BICRO)	No	Implemented	30/04/2021	Support (grants) for investments in green and/or digital technologies aiming to strengthen the competitiveness and stimulate the growth of SMEs in order to increase their ability to respond to market challenges caused by the Covid- 19 crisis. In particular, this support aims at encouraging energy-efficient and/or technologically advanced production and innovative business models. Up to now, 842 applications were received.

						<p>The grant award procedure was concluded on 31 December 2021 due to the utilization of the total financial allocation. A total of 274 Financing Decisions were issued.</p> <p>Total budget: € 132.000.000 Min. grant: € 67.000 Max. grant: € 1.000.000</p> <p>Source:</p> <p>https://hamagbicro.hr/poziv-jacanje-konkurentnosti-poduzeca-ulaganjima-u-digitalnu-i-zelenu-tranziciju/</p> <p>https://hamagbicro.hr/zavrsono-podnosenje-prijava-na-javni-poziv-jacanje-konkurentnosti-poduzeca-ulaganjima-u-digitalnu-i-zelenu-tranziciju/</p> <p>https://efondovi.mrrfeu.hr/MIS/Cms/Pozivi/Poziv?id=22f5cbd5-fbc3-43c3-850d-99516946bece</p>
SOCIAL ASPECTS OF SUSTAINABILITY						
Nacionalna razvojna strategija Republike Hrvatske do 2030. godine	National Development Strategy of the Republic Croatia until 2030	National Government	No	Adopted	05/02/2021	<p>With the strong focus on competitive and innovative economy as well as digital transition of society and economy (two out of thirteen strategic goals in total), the new National Development Strategy has been adopted bringing new comprehensive framework for further social and sustainable development until 2030.</p> <p>The first (out of 13 in total) strategic goal, particularly important for SMEs, is called</p>

						<p>"Competitive and innovative economy" with the aim of increasing competitiveness by improving the processes and procedures that entrepreneurs encounter while working with public bodies. It will also support the development of competitive, technologically advanced and export-oriented economy based on knowledge, innovation and the application of advanced technologies.</p> <p>Source:</p> <p>https://vlada.gov.hr/UserDocsImages/Vijesti/2021/velja%C4%8Da/05%20velja%C4%8De//Nacrt%20NRS%202030%20i%20Dodaci%20sa%20amandmanom.pdf</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2021_02_13_230.html</p>
Test tržišta rada u novom Zakonu o strancima	Labour market test in the new Aliens Act	Ministry of Economy and Sustainable Development	No	Adopted	01/01/2021	<p>Within the new Aliens Act there is an important novelty for entrepreneurs - the introduction of the Labour Market Test. The labour market test is required to show whether the demanded labour force is available in the unemployment register before the employer requests foreign labour. After performing the test, and if it shows that there is no required labour force on domestic labour market, the employer may apply for a residence and work permit for third-country nationals. The Croatian Employment Service</p>

						<p>conducts the test and allows employment depending on the test results.</p> <p>Source:</p> <p>Interviews with the representatives of the Ministry of Economy and Sustainable Development, the Ministry of the Interior and the Ministry of Labour, Pension System, Family and Social Policy (11/2021)</p> <p>https://vlada.gov.hr/UserDocsImages/2016/Sjednice/2020/Kolovoz/6%20sjednicaVRH/6%20-%207.doc</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2020_12_133_2520.html</p>
DIGITALISATION (e.g. Digital Innovation Hubs, training, vouchers, grants or loans for digitalisation and to invest in new digital equipment, etc.)						
INNOVATION (e.g. vouchers, grants or loans for R&D and innovation, support to encourage SMEs to commercialise RTD results and to acquire patents, etc.)						
SKILLS (e.g. vocational education and training, forecasting skill needs, measures to adapt the vocational training systems to the requirements of the labour market, etc.).						
Naukovanje za obrtnička zanimanja	Apprenticeships for craft occupations	Ministry of Economy and Sustainable Development	No	Implemented	04/01/2021	This measure aims at encouraging economic entities to participate in the education of students who acquire occupations in the system of tied crafts according to the Unified Learning Model (ULM) which contributes to the acquisition of skills for independent work in the profession and the development of social and entrepreneurial competencies.

						<p>The main aims are to ensure the acquisition of key skills and competencies in crafts and to ensure quality educated staff that can encourage employment and self-employment in crafts. The public call was published at the end of 2020 and implemented during 2021. Total budget: € 5.560.000 Source:</p> <p>https://mingor.gov.hr/UserDocs/Images/UPRAVA%20ZA%20INDUSTRIJU,%20PODUZETNI%20%A0TVO%20I%20OBRT/Javni%20poziv%20Naukovanje%20za%20obrtne%20C4%8Dka%20zanimanja%202020.pdf</p>
ADMINISTRATIVE BURDEN						
Daljnja liberalizacija tržišta usluga kroz nastavak reforme reguliranih profesija	Further liberalisation of services market through the continuation of the reform of regulated professions	Ministry of Economy and Sustainable Development	Yes	Implemented	2021	In 2021 the liberalization of the services market was further strengthen and implemented through more than 250 deregulation measures in around 50 sectors and professions. The overall regulation of the economy, services market entry and key professional services has been reduced from the highest EU level (PMR 2013) to the average EU and OECD level. Within the new National Recovery and Resilience Plan framework, the reform goal is to further simplify or abolish at least 50 regulatory requirements for the private professional services sector by the end of 2024, to reach at

						<p>least total 300 implemented measures.</p> <p>Source:</p> <p>Interviews with the representatives of the Ministry of Economy and Sustainable Development (11/2021)</p> <p>https://vlada.gov.hr/UserDocsImages/Vijesti/2021/srpanj/29%20srpnja/Plan%20oporavka%20i%20otpornosti%2C%20srpanj%202021..pdf</p> <p>https://mingor.gov.hr/o-ministarstvu-1065/djelokrug/uprava-za-trgovinu-i-politiku-javne-nabave/slobodno-trziste-usluga-i-roba/liberalizacija-trzista-usluga/7028</p>
REGULATORY OBSTACLES						
Izmjene i dopune Zakona o poticanju ulaganja 2021	Amendments to the Investment Promotion Act 2021	Ministry of Economy and Sustainable Development	No	Adopted	26/02/2021	Support (grants and deadlines extensions) to investors (including businesses and SMEs) whose investments have been stopped or slowed down due to the COVID-19 pandemic. The measure enables the extension of the prescribed period of implementation of investment projects for all projects that are being implemented during the pandemic period. Support is provided for the modernization of business processes (automation, robotization and digitalization of production

						processes) in production activities. Source: https://narodne-novine.nn.hr/clanci/sluzbeni/2021_02_20_443.html
Izmjene i dopune Zakona o radu	Amendments to the Labour Act	Ministry of labour, pension system, family and social policy	Yes	Announced	11/2021 (07/09/2020)	The government in collaboration with key stakeholders announced the start of the significant changes in the labour legislation. The main goal is to enable greater competitiveness of the economy through the amendments to the Labour Act. The working group established during 2021 is preparing the text of the new Act, which should enter into force by the end of 2022. The amendments will address the general problem of over-regulation, and will also improve the regulation of work from home. In addition, improvements are envisaged in the regulation dealing with additional work as well as the problem of a large number of fixed-term employment contracts. Source: https://vlada.gov.hr/vijesti/aladrovic-za-rtl-cilj-je-izmjename-zakona-o-radu-omoguciti-vecu-konkurentnost-gospodarstva/30297

ACCESS TO FINANCE (including guarantee schemes, public funding programmes, support for alternative financing and equity financing, favourable legal, tax and regulatory frameworks for investments, fiscal incentives)

Poticanje gospodarskog razvitka u potresom pogođenim područjima	Stimulating economic development in earthquake-affected areas	Croatian Bank for Reconstruction and Development - HBOR	No	Implemented	01/2021	<p>The measure was adopted after the devastating earthquakes in Sisak-Moslavina County to support public and private sector businesses in rebuilding destroyed and damaged facilities and equipment and to re-establish regular business operations. The measure aims to encourage economic development through loans for financing fixed assets and working capital investments under more favourable conditions.</p> <p>Source:</p> <p>https://www.hbor.hr/wp-content/uploads/2021/10/Investicije-privatnog-sektora-10-2021-1.pdf</p> <p>https://www.hbor.hr/wp-content/uploads/2021/10/Investicije-javnog-sektora-7-2021.pdf</p>
Kredit uz jamstvo Europskog Investicijskog Fonda (EIF) u okviru Pan-Europskog Garancijskog fonda (EGF)	European Investment Fund (EIF) guaranteed loans under the Pan-European Guarantee Fund (EGF)	Croatian Bank for Reconstruction and Development - HBOR	No	Implemented	05/2021	<p>Financing for small and medium enterprises and small medium-capitalised enterprises (LEs up to 499 employees) to mitigate the effects of the Covid-19 pandemic. The measure is being implemented through directly approved loans.</p> <p>Source:</p> <p>https://www.hbor.hr/kredit-uz-jamstvo-europskog-investicijskog-fonda-eif-u-</p>

						okviru-pan-europskog-garancijskog-fonda-egf/
Potpore male vrijednosti mikro poslovnim subjektima za saniranje posljedica potresa na području Sisačko-moslavačke županije	De minimis aid for micro business entities to repair the consequences of the earthquake in the Sisak-Moslavina County	Ministry of Economy and Sustainable Development	No	Implemented	01/02/2021	<p>Financial support (grants) for micro enterprises (exclusively crafts, companies and cooperatives) that employ at least one person or a maximum of nine persons, and which operate and are registered in the area where the disaster was declared or have a separate business unit in Sisak-Moslavina County.</p> <p>The purpose of the funds is to co-finance the costs necessary for the continuation of economic activities, which includes rehabilitation of business premises, lease of premises, furnishing the interior of business premises, procurement of machinery and equipment, and securing of working capital needed to conduct business activities.</p> <p>Source:</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2021_01_8_161.html</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2021_07_84_1568.html</p> <p>https://mingor.gov.hr/1-2-2021-otvoreni-javni-poziv-program-dodjele-potpore-male-vrijednosti-mikro-subjektima-malog-gospodarstva-za-saniranje-posljedica-potresa-</p>

						na-podrucju-sisacko-moslavacke-zupanije-za-2021-godinu/7727
LATE PAYMENTS (measures aimed at addressing late payments)						
ACCESS TO MARKETS (e.g. market-specific support and business training activities, export credit insurance, missions – covering both the Single market and third countries)						
Integracija jedinstvene kontaktne točka za usluge u Jedinstveni digitalni pristupnik	Integration of the Point of Single Contact into the EU Single Digital Gateway	Ministry of Economy and Sustainable Development	No	Implemented	01/2021	<p>The Point of Single Contact for Services provides, in one place, over 200 sets of regulatory information for entrepreneurs regarding business start-ups and freedom to provide services. During 2021, the procedures for obtaining approvals for a number of service activities were digitized. The role of the Contact Point was strengthened in order to increase the quality of information for economic operators regarding national product market rules. Entrepreneurs now have information on access to the market of services and goods all in one place, which reduced barriers for entrepreneurs to seek information.</p> <p>Source:</p> <p>http://psc.hr</p>
Pojedinačno osiguranje kredita za likvidnost izvoznika	Individual liquidity loan insurance for exporters	Croatian Bank for Reconstruction and Development - HBOR	No	Implemented	01/2021	This measure aims to help the Croatian exporters due to the difficulties caused by the Covid-19 pandemic. Insurance policies are used as collateral for new liquidity loans granted by banks to exporters. The aim is to

Nastavak smanjenja poreza u okviru nove reforme poreznog sustava	Continuation of tax reductions in the framework of the new tax system reform	Ministry of Economy and Sustainable Development	No	Implemented	01/01/2021	<p>New tax system reform in order to continue tax reductions in the field of income tax and profit tax in order to support business, especially SMEs. The amendments of three main tax acts entered into force at the beginning of 2021 bringing reduction of the income tax rates from 24 to 20 percent and from 36 to 30 percent, respectively. Additionally, there is the reduction of the profit tax rate from 12 to 10 percent for entrepreneurs with revenues up to € 1 million (93% of their total number), as well as the increase of the threshold for application of cash accounting scheme to € 2 million.</p> <p>Source:</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2020_12_138_2625.html</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2020_12_138_2627.html</p> <p>https://narodne-novine.nn.hr/clanci/sluzbeni/2020_12_138_2626.html</p>
NATIONAL INDUSTRIAL ECOSYSTEMS						
Nacionalni plan industrijskog razvoja i poduzetništva 2021.-2027	National Plan for Industrial Development and Entrepreneurship 2021-2027	Ministry of Economy and Sustainable Development	Yes	Announced	23/06/2021	The National Plan will define the implementation of strategic goals and priority areas of public policies for the industry and entrepreneurship until 2027,

						<p>taking into account the principles of sustainable development, development needs and potentials of industry and entrepreneurship.</p> <p>The relevant measures and projects, as well as participants in their implementation, implementation activities, and sources of funding and monitoring methodologies will be defined within the plan.</p> <p>In 09/2021, the expert working group was appointed and started to work on its preparation.</p> <p>Source:</p> <p>https://vlada.gov.hr/UserDocsImages/2016/Sjednice/2021/Lipanj/64_sjednica_VRH/64 - 8.rtf</p>
OTHER RELEVANT TOPICS (e.g. second chance for honest bankrupt entrepreneurs, bankruptcy prevention, entrepreneurship education, public procurement)						
Uspostava mehanizma ranog upozoravanja u gospodarstvu i poduzetništvu	Establishment of the early warning mechanism in the economy and entrepreneurship	Ministry of Economy and Sustainable Development	No	Announced	11/2021 (07/2019)	<p>Establishment of a data model to identify difficulties for companies (operating in the real economy and not in the financial sector), thereby reducing the number of company closures and preserving jobs. The main areas of intervention are:</p> <ul style="list-style-type: none"> - Strengthening the focus on vulnerable SMEs; - Creating strong, well-structured cross-sectoral cooperation in which all partners know where to send companies in crisis and how to share and seek experience;

						<p>-Introduction of existing knowledge in the practice of early warning.</p> <p>This measure has already been announced in 2019 but it is not yet implemented, and it is still in the status as announced by the Ministry of Economy and Sustainable Development. The planning process is not yet finalised so the start of the implementation is planned to be in 2022.</p> <p>Source:</p> <p>Interviews with the representatives of the Ministry of Economy and Sustainable Development (11/2021)</p> <p>https://www.hok.hr/novosti-iz-hok/odrzana-radionica-za-uvodenje-mehanizama-ranog-upozoravanja-malih-i-srednjih</p>
Očuvanje i razvoj tradicijskih i umjetničkih obrta	Preservation and development of traditional and artistic crafts	Ministry of Economy and Sustainable Development	No	Implemented	23/09/2021	<p>Grants intended for the preservation and development of traditional crafts that are mostly handmade and inherit special craftsmanship and skills based on patterns of traditional culture and arts and crafts that are characterized by products and services of high aesthetic value.</p> <p>The main goals are:</p> <ul style="list-style-type: none"> - preservation and development of traditional and artistic crafts;

						<ul style="list-style-type: none"> - strengthening the competitiveness of traditional and artistic crafts; - increasing the visibility of traditional and artistic products. <p>Source:</p> <p>https://mingor.gov.hr/UserDocs/Images/UPRAVA%20ZA%20INDUSTRIJU,%20PODUZETNI%C5%A0TVO%20I%20OBRT/Program%20TUO%202021.docx.pdf</p> <p>https://mingor.gov.hr/UserDocs/Images/UPRAVA%20ZA%20INDUSTRIJU,%20PODUZETNI%C5%A0TVO%20I%20OBRT/Otvoreni%20javni%20poziv%20TUO%202021.pdf</p> <p>https://mingor.gov.hr/vijesti/objavljen-javni-poziv-za-program-ocuvanje-i-razvoj-tradicijskih-i-umjetnickih-obrta/8407</p>
--	--	--	--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------