

Overall social welfare system in Croatia

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The social welfare system in Croatia provides assistance to the socially vulnerable people and to people in unfavorable personal or family conditions. The system includes activities related to prevention, support and assistance in satisfying basic needs and improving the quality of life.

The social welfare system is managed by the Ministry of Social Policy and Youth and governed, primarily, by the Law on Social Protection¹. According to the law, activities related to social protection can be carried-out by state institutions, local and regional government units, other legal subjects or individuals.

The key institution, responsible for implementing the majority of the activities within the system, is Center for social work (CSW). CSW is a public institution, responsible for deciding on rights within social protection field, and for providing social services to the disadvantaged and vulnerable categories of population. The CSW network consists of 79 Centers with 38 branch offices. In addition to CSWs, other three types of institutions can provide services in the social welfare system. These are Homes for social protection, Centers for community based services and Centers for home based services. While CSW can be established and owned only by the state, represented by the Ministry of Social Policy and Youth, the other three types of institutions can be established by the state or other subjects (local government, other legal subjects or individuals).

Expenditure on social protection in Croatia was 20.9% of GDP in 2012. This was lower compared to EU average of 28.6 for the same year.

In March 2014, the government of Croatia adopted the Strategy for Combating Poverty and Social Exclusion (2014-2020). The purpose of the Strategy is to achieve the minimum living standard for the most endangered part of the population and to prevent new poverty and social exclusion occurrences. The Strategy is compatible with the objectives of the European strategy for smart, sustainable and inclusive growth – Europe 2020.

In December same year, the Ministry of Social Policy and Youth adopted the Standards for quality of social care services. The standards were introduced simultaneously with instructions for implementation, with specific indicators and instructions for monitoring and self-assessment of the providers of social services. It is expected that the standards will have

¹ Other ministries and laws are involved in managing and regulating the field of social welfare. However, due to lack of space, the key ministry and the most relevant law are mentioned.

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positive impact not only on quality of services, but also on transparency in provision of services and on possibility to monitor and evaluate the quality of work of different providers.

The family traditionally plays important role in providing for welfare and social inclusion. The feeling of solidarity even for a broader family circle is very strong and the support for children and the elderly is very often the responsibility of family members.

Relevant indicators 2

Table 1: Unemployment rate

	Dec. 2012	Dec. 2013	Dec. 2014	Dec. 2015
Total	17.80	17.00	17.80	15.30
Male	17.60	16.60	17.70	14.20
Female	18.00	17.50	17.90	16.60

Table 2: Youth unemployment rate

	Dec. 2012	Dec. 2013	Dec. 2014	Dec. 2015
Total	46.90	48.20	46.30	40.30
Male	47.40	48.60	46.30	37.10
Female	46.30	47.70	46.20	44.70

Table 3: People at risk of poverty or social exclusion

	2012	2013	2014
Total	32.60	29.90	29.30
Male	31.80	29.60	28.60
Female	33.30	30.20	29.90

² Source: Eurostat

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Table4: Children (0-17) at risk of poverty or social exclusion by educational attainment level of their parents

	2012	2013	2014
Total	34.80	29.30	29.00
Less than primary, primary and lower secondary education	79.00	71.40	77.70
Upper secondary and post-secondary non-tertiary education	35.40	28.90	28.60
Tertiary education	7.20	11.20	10.40

Table 5: Expenditure on social protection as % of GDP

2010	2012	2012	2013
20.80	20.40	20.90	21.7

Mandates in the area of social welfare services

In addition to the central government, Croatia has two levels of sub-national government: municipalities and cities represent the local level, while counties represent the regional level of government. According to the current territorial division, there are 428 municipalities, 127 cities, 20 counties and the city of Zagreb, making a total of 576 units of local government³. City of Zagreb has a status of both city and a county.

Although the decentralization process in Croatia was initiated in 2001, the social welfare system is still centralized, with limited responsibilities and limited funding transferred from the central to the regional and local level of government.

³ <https://uprava.gov.hr/o-ministarstvu/ustrojstvo/uprava-za-politicki-sustav-drzavnu-upravu-te-lokalnu-i-podrucnu-regionalnu-samoupravu/lokalna-i-podrucna-regionalna-samouprava/popis-zupanija-gradova-i-opcina/846>

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Besides being responsible for developing the legal framework for functioning the social welfare system, for monitoring and analyzing the system functioning and for determining the network of social welfare institutions, central government (Ministry of Social Policy and Youth) is authorized for licensing all providers of social services, with exception of licensing services for old people, for homeless people, for home based services and for individual professional social service providers. Authority for licensing providers of these types of services is transferred to the regional level.

State budget provides funds for all types of financial assistance.

As mentioned earlier, the central institution in the system is CSW. CSWs are state-owned, funded primarily from the state budget, and governed by a board consisting of three representatives of the central government, one representative of the regional (county) government and one representative of the CSW staff. As CSW are responsible for largest part of social services, from identifying users and the rights that are subject of support, providing assistance, representing beneficiaries in front of other institutions, to collecting data and documenting their work, it is clear that most of the activities within the system are centrally managed and funded. More precisely, as per article 118 in the Law on Social Protection, the state budget covers the gross wages of the CSW staff, material expenses, infrastructure, while regional budgets covers the expenses for official travels, field work, training, transport and services – rent, phone, electricity, among other.

As stated in the article 117 of the same law, the local and regional units of self-government are responsible for providing funds to support functioning of the social welfare institutions owned by them; regional units should cover expenses for heating, while local units should provide funds for accommodation expenses for their residents that can not afford it; cities and county centers are responsible to financially support functioning of community kitchens and accommodation/shelter for homeless people; both local and regional self-government units can provide additional financial assistance to their residents, if available in their budgets.

Most of the functions and services within social welfare system are still centralized, being provided by the CSWs. Some services, mainly residential care, community based and home based services, are partially decentralized, with local and regional government units having an authority to establish and finance institutions providing these types of services, along the state owned ones. Finally, fully decentralized social welfare functions with both responsibilities and funding transferred to the regional and local level are: accommodation and heating expenses and providing food and shelter for homeless people.

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Issues of service development, gaps and obstacles for further decentralization

Large number of municipalities, predominantly rural, with insufficient financial capacity and human resources. Lack of funds and human resources prevent small municipalities to assume full responsibilities required by decentralization.

Resistance to change by the employees in institutions at the local and regional level. Fear that the reforms in ownership and funding structure can bring changes in their working status or even make them redundant is strong motivation to oppose the process. Receiving salary from the central budget is seen as a more secure option, compared to being paid by the local government.

Dependence on the central government, preferring decisions made at central level and receiving funds from the central budget instead collecting revenues at local level. At the same time, the officials at central level do not have a strong desire to transfer the power, decision making position and funds to local level...

Social programs and social issues are not a high priority within local and regional government.

The counties have an authority to establish homes for social protection granted by the law. However, the majority of such institutions owned and funded by counties are homes for old people. This type of institutions is more attractive for the counties as they offer an opportunity for mobilizing private funds which is not the case with other types of social protection homes.

Probably the most important challenge for successful decentralization is the possibility for widening the social gap between the rich and poor counties and municipalities. As mentioned earlier, the Law on Social Protection offer an opportunity to the local or regional units to provide financial assistance to their residents on top of the financial assistance granted from the central level. Meaning that the better-off municipalities and counties can develop and offer additional programs to satisfy the needs of their residents, unlike those with low financial capacity. Bearing in mind that the proportion of residents in need of financial assistance is higher in the poor municipalities and counties, the lower amount of funds, available in these local units of government, is often distributed to larger number of beneficiaries, compared to the richer ones. It can produce significant disparities at local or regional level.

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Lessons learnt or good practices

Developing and setting-up the digital database SocSkrb. Installed in all CSWs, the database provides connection with the Ministry of Social Policy and Youth and other relevant institutions. It enables the social workers to quickly collect data for users of social services on a number of relevant indicators, to verify the eligibility of the potential beneficiaries of financial assistance and to check the financial status, employment status or possession of specific items by the current users.

As per the Law on Social Protection, the counties required to develop regional social protection plans. All 20 counties and the city of Zagreb have developed their social plans in the period 2008-2014, with support of external experts. The role of social plans is very important at the regional level. The situation analysis, which is the first step in developing a regional plan, reveals the gaps in terms of availability and quality of social services. It also points out the discrepancies between the needs of the population and capacities of service providers to fulfill these needs.

Application of the subsidiarity principle in providing social services. Subsidiarity principle increases the responsibility of the lower level institutions, as it states that the issues should be resolved at the lowest level possible.

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