

### 3. Croatia

Sunčica Brnardić

A work contract with a Croatian employer is the basis for social security rights for third-country nationals. Portability depends on the existence of international agreements and their content. Social welfare rights are available to third-country nationals only with permanent residence. Third-country nationals can be practically excluded from claiming employment benefits if their residence depends on the existence of work relationship, which is the case with single work-residence permits. Third-country nationals entering Croatia for the purpose of work who do not need a single work-residence permit remain insured in the country of origin.

Table 1.3 Overview of the relationship between form of migration and entitlement to a particular social security service

Third-country national categories	Social security categories					
	Health insurance	Pension contributions	Unemployment insurance	Basic security (social assistance)	Insurance against accidents at work	Child benefits
Posted workers	Depending on the agreement	Depending on the agreement	Yes	No	Depending on the agreement	No
Intra-corporate transfers	Yes	Yes	Yes	No	Yes	No
Seasonal workers	Yes	Yes	Yes	No	Yes	No
Temporary agency workers	Yes	Yes	Yes	No	Yes	No
High-level professionals	Yes	Yes	Yes	No	Yes	No
Self-employed	Yes	Yes	Yes	No	Yes	No

Source: Author's analysis, 2022.

## **Description of the Croatian system**

### **1. Overview of social security rights of short-term third-country national migrant workers**

According to the Aliens Act, third-country nationals who have been issued a single work-residence permit on the basis of a work contract with a Croatian employer are guaranteed by law the right to equal treatment in relation to branches of social security, as defined by Regulation (EC) No 883/2004. All third-country nationals with a single work-residence permit on the basis of a work contract with a Croatian employer have the right to social security in Croatia and are obliged to pay contributions. This applies to the self-employed as well. They are insured against old age, partial or full loss of work capacity and physical injury, reduced work capacity, illness, accidents at work and occupational diseases. In addition, contributions for health care are paid by the employer on top of the gross wage.

Third-country nationals entering Croatia for the purpose of work who do not need a single work-residence permit (i.e. on the basis of confirmation of a work declaration, posted workers from EU/EFTA) remain insured in their own countries or in their countries of habitual employment.

### **2. Differences in social security rights of different categories of short-term third-country-national migrant workers**

Third-country-national seasonal workers and third-country-national temporary agency workers do not differ in terms of the scope of social security rights from other workers on a single work-residence permit. As for third-country nationals posted directly from third countries, it is unclear from legislation which security regime applies. It seems that this matter is regulated by the bilateral/multilateral agreement which constitutes the basis for such posting. Third-country nationals posted from EU/EFTA countries remain insured in the country of their employment, as regulated by the Posted Workers Directive.

### **3. Conditions for obtaining different social security rights**

There are no special conditions for obtaining social security rights. As for social welfare rights, they can be exercised only by foreign nationals with permanent residence. Therefore, most third-country nationals on work permits in Croatia would not qualify for social assistance (including family benefits, the right to social housing or other specific social rights). In exceptional cases, however, they may also be entitled to one-time allowances and temporary accommodation.

An example worth mentioning is a practical problem that occurs for many third-country nationals in relation to realising their right to unemployment benefits. Many (if not most) come to Croatia for a period of one year, which is the maximum duration of the work-residence permit. If their contract is not extended, technically

---

they would earn the right to unemployment benefits, given that the condition is 9 months of work in the past 24 months (under the same conditions as Croatian and EU nationals). Given that termination of the employment relationship automatically means the loss of the right to reside in Croatia, however, the worker is unable to claim these rights, as they are also unable to register as an unemployed person in Croatia, available for work. In practice, this means that the worker needs to go back to their country of origin, unable to claim unemployment benefits, while simultaneously applying for work in Croatia from their home country.

#### 4. Portability of benefits between the host country and the country of origin

Portability of benefits between the host country and the country of origin depends largely on the existence of signed bilateral agreements and their content. However, the literature suggests problems with claiming contributory pensions in Croatia for workers originating from countries that have signed bilateral agreements with Croatia covering entitlement to the pension scheme (Špadina 2020).

#### 5. Social security rights of short-term third-country-national migrant workers during the Covid-19 pandemic

There were no notable changes in social security rights for short-term third-country-national migrant workers during the Covid-19 pandemic.

#### 6. Overview of enforcement and monitoring

Upon issuing the single work-residence permit the Ministry of the Interior will notify the Croatian Employment Service, Tax Administration, Croatian Pension Insurance Institute, Croatian Health Insurance Institute and the State Inspectorate. The Ministry of the Interior may refuse to issue or cancel the single work-residence permit if the employer fails to meet its duties in relation to social security and tax obligations, respecting workers' rights and working conditions, as well as respective collective bargaining agreements binding for the employer.