

Enabling Social Innovation in Croatia

Country Snapshot


Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ¹

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Croatia's social innovation ecosystem.

 Direct focus on social innovation  Connected but indirect focus on social innovation  No focus on social innovation


INSTITUTIONAL FRAMEWORK

Official Definition of Social Innovation

 While Croatia does not have an official legal definition of social innovation, policy discussions commonly refer to **social entrepreneurship** as a related concept, focusing on enterprises that pursue social objectives while reinvesting profits into community impact. ²

The government's **Strategy for the Development of Social Entrepreneurship in the Republic of Croatia (2015–2020)** established criteria and principles for recognising social enterprises but did not define social innovation as a separate concept. ³

Government Body for Social Innovation

 Rather than a dedicated agency for social innovation, responsibilities related to the social economy and social entrepreneurship are primarily coordinated by the **Ministry of Labour, Pension System, Family and Social Policy**, with support from ministries responsible for economy, civil society and innovation. ⁴

Other relevant institutions include the **Government Office for NGOs**, the **Croatian Agency for SMEs, Innovations and Investments**, and the **Agency for Professional Rehabilitation and Employment of Persons with Disabilities**, which supports work-integration social enterprises. ⁴

Government Strategy for Social Innovation

 While Croatia has not adopted a national strategy explicitly dedicated to social innovation, the **Strategy for the Development of Social Entrepreneurship in the Republic of Croatia 2015–2020** aimed to create a supportive institutional and financial environment for social enterprises and promote employment of vulnerable groups. ³

Elements related to social innovation also appear in the **National Development Strategy of the Republic of Croatia 2030**, which emphasises inclusive growth, innovation capacity and civil society development. ⁴

Policies, Laws & Regulations

There are no laws specifically regulating social innovation or social enterprises; instead, the sector operates through existing legal forms and policies.⁵

Key enabling frameworks include:

- **Act on Associations (2014)** – regulates non-profit organisations and civil society actors engaged in socially innovative activities.²
- **Act on Cooperatives (2011)** – provides the legal basis for cooperative enterprises often used by social entrepreneurs.²
- **Act on Foundations (2018)** – governs philanthropic foundations supporting social and community initiatives.²
- **Act on Institutions (1993)** – regulates public and private service institutions that can deliver social services.²

Additional enabling policies include the **National Strategy for Creating an Enabling Environment for Civil Society Development (2012–2016)** and ongoing efforts to develop a **National Plan for Civil Society Development 2021–2027**.⁴

Official Statistics

Croatia does not maintain official statistics specifically on social innovation. However, data on the social economy and social enterprises is collected through surveys and EU-supported initiatives such as the **Croatian Social Enterprise Monitor (CSEM)**, which gathers information on social enterprises and their activities.⁶

Government Programs

Government support typically occurs through broader programmes for civil society, employment and innovation rather than dedicated social innovation initiatives.

Examples include:

- **European Social Fund (ESF) programmes** supporting employment inclusion, social services innovation and social entrepreneurship development.³
- Funding and capacity-building programs implemented by the **National Foundation for the Development of Civil Society**, which provides grants and institutional support for NGOs and community initiatives.⁴

ECOSYSTEM

Stakeholders

Croatia's social innovation ecosystem is largely driven by civil society organisations and social entrepreneurship networks.⁴

Prominent actors include:

- **Croatian Network of Social Entrepreneurs (HMDP)** – a national network promoting social entrepreneurship and collaboration.²
- **ACT Group** – a consortium of social enterprises providing incubation, education and social service innovation projects.⁷
- **NESsT (Nonprofit Enterprise and Self-sustainability Team)** – an international organisation investing in and supporting social enterprises in the Balkans, including Croatia.⁴
- **Impact Hub Zagreb** – a co-working space and innovation hub offering education programs on entrepreneurship and social impact.²

Support Initiatives

Common forms of non-financial support include incubators, mentorship programs, innovation labs and civil society capacity-building initiatives.

Examples include:

- **ACT Group incubation and acceleration programs** supporting social entrepreneurs through mentoring and tailored capacity-building.¹
- **Impact Hub Zagreb programs** promoting entrepreneurship and social innovation skills among young people and startups.²
- Training initiatives implemented by civil society networks and EU-funded projects.⁴

Collaboration

Cross-sector partnerships exist but remain relatively limited and often occur through EU-funded initiatives or civil society networks.⁴

Examples include:

- **INnoClusion project**, which brings together NGOs, technology companies and social service organisations to develop innovative solutions for elderly people and persons with disabilities.¹
- Collaboration between social enterprises and public institutions through EU-funded programmes and local innovation projects.⁴

Events & Awards

Key events promoting social innovation or social entrepreneurship include:

- **Impact Hub Zagreb events and startup programs**, bringing together entrepreneurs, NGOs and investors to develop social impact projects.²
- Various regional workshops, conferences and training programs organised by ACT Group and civil society networks.¹

Formal national awards specifically dedicated to social innovation are limited, although entrepreneurship competitions and innovation awards occasionally include social impact categories.⁴

FINANCE

Financing Schemes

There is no consolidated estimate of annual funding specifically dedicated to social innovation in Croatia; most funding flows through broader civil society, entrepreneurship or EU cohesion funds.⁴

Key financing sources include:

- **European Social Fund (ESF)** grants supporting employment inclusion, social entrepreneurship and community services innovation.³
- **National Foundation for the Development of Civil Society grants** supporting NGOs and social initiatives.⁴
- **Impact investment and philanthropic funding**, including support from international organisations such as NESsT.⁴
- **Crowdfunding and community financing** increasingly used by social enterprises and NGOs.⁵

Financing Inclusivity

Funding programmes often prioritise vulnerable groups such as unemployed youth, people with disabilities, national minorities and socially excluded communities.³

However, research suggests that access to financing remains uneven across regions and smaller organisations often face barriers in accessing funding opportunities.⁸

Public Awareness of Social Innovation



Public discourse around social innovation in Croatia is still developing and is more commonly framed around social entrepreneurship, civil society initiatives and social services innovation.⁵ Media coverage and public discussions increasingly highlight topics such as inclusive employment, community development and sustainable business models.⁸

Research



Academic research on social innovation is emerging, primarily within studies of social entrepreneurship, public policy and civil society development.⁸ Research institutions and universities such as the University of Zagreb contribute to studies on social entrepreneurship and the social economy.⁵

Practitioner research initiatives include:

- **Croatian Social Enterprise Monitor (CSEM)** – a research initiative collecting data on social enterprise practices and ecosystem challenges.⁴

Education & Human Capital



Croatia does not yet offer many degree programs specifically dedicated to social innovation. However, related topics such as social entrepreneurship, social economy and sustainable development are incorporated into university courses and entrepreneurship programs.⁵ Informal education initiatives are provided through incubators and innovation hubs such as Impact Hub Zagreb and ACT Group training programs.² No national estimate exists for the proportion of graduates receiving credentials directly related to social innovation.

Entrepreneurship



Business Environment

Croatia's Global Entrepreneurship Monitor National Entrepreneurship Context Index score is approximately **4.3/10 (2024)**.²



Innovation Capacity

Croatia ranks 42nd globally in the Global Innovation Index 2025.¹⁰



Social entrepreneurship prevalence

Survey evidence indicates many entrepreneurs are motivated by social impact objectives, although the sector remains relatively small and emerging.⁶

Social & Environmental Consciousness



Solidarity

World Values Survey findings suggest strong solidarity at community and family levels, though engagement with national civic initiatives varies.¹¹



Political participation

Croatia scores around 6.3/10 on political participation

EIU Democracy Index.¹²



Volunteering

Approximately 15% of the population reports volunteering

CAF World Giving Index.¹³



Sustainability

Croatia ranks 33rd globally in the Environmental Performance Index, with strong performance on several environmental indicators.¹⁴