

DTB

NEW ECONOMIC RELIEF MEASURE DUE TO COVID-19 PANDEMICS

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The Governing Board of the Croatian Employment Service (CES) adopted a new job preservation measure due to Covid-19 pandemics.

The measure shall apply from **1 June 2020 to 31 December 2020**, and relates to temporary introduction of full-time employment for employees working less than their full monthly hours of work, but not less than half of monthly hours of work.

Please find below a more detailed description of the measure adopted by the Croatian Employment Service.

JOB PRESERVATION AID

The measure applies to:

- employers engaged in economic activity, employing 10 or more employees; and
- employees employed full-time on 31 May 2020.

Financing:

- a net maximum of HRK 2,000.00 monthly per employee
- up to 50% of monthly working hours may be financed by using the aid granted due to reduction of working hours.

CRITERIA

- expected **reduction in total monthly working time of all employees** employed full-time in month for which the support is sought, **by a minimum of 10%**
- **drop in turnover of at least 20% compared to the same month in previous year**
- aid may be granted to employers employing :
 - 10-50 employees, if the application has been submitted for at least 20% of employees
 - 51 or more employees if the application has been submitted for at least 10% of employees
- aid does not include teleworking employees
- employer may not dismiss employee with respect to whom support has been granted in the period of 30 days from the date of discontinuation of aid

CRITERIA – continued

- The employer shall be obligated to repay the aid it has been granted if, in the period from the date when the aid was granted to 31 December 2021, the employer:
 - distributed dividends or share in profit
 - allocated own shares to members of management board/executive officers/procurators, etc.
 - granted any option rights to the foregoing persons
 - paid performance bonus, performance rewards above the non-taxable amount, etc. to the above persons
 - acquired its own shares

More info at:

<https://mjera-orm.hzz.hr/skracivanje-radnog-vremena/>