Deliverable 2.2.2  
Thematic factsheet “Coworking in Croatia”

<table>
<thead>
<tr>
<th>PROJECT INFORMATION</th>
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<tr>
<td><strong>Project name</strong></td>
<td>Social innovation research on coworking clusters</td>
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<tr>
<td><strong>Acronym</strong></td>
<td>COWORKMed</td>
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<td><strong>Axis</strong></td>
<td>1 “Promoting Mediterranean innovation capacities to develop smart and sustainable growth”</td>
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<tr>
<td><strong>Programme specific objective</strong></td>
<td>1.1 To increase transnational activity of innovative clusters and networks of key sectors of the MED area</td>
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<td><strong>Project website</strong></td>
<td><a href="https://coworkmed.interreg-med.eu/">https://coworkmed.interreg-med.eu/</a></td>
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<td><strong>WP</strong></td>
<td>2 Communication</td>
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<td><strong>Activity</strong></td>
<td>2.2 local and regional workshops</td>
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<tr>
<td><strong>Partner in charge</strong></td>
<td>CIPA</td>
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<td><strong>Partners involved</strong></td>
<td>CIPA</td>
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<td><strong>Status</strong></td>
<td>Draft dated March 1st</td>
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<td><strong>Distribution</strong></td>
<td>Public</td>
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STATE OF COWORKING IN CROATIA

PUBLIC PERCEPTION OF COWORKING AND COWORKERS

Since 2012, Coworking Croatia has been providing support, relevant information, knowledge and skills required for opening and managing a coworking space, organizing coworking events and promoting coworking through Coworking Croatia website, social media and local, national and online media. The initiative has encouraged and endorsed each new coworking space in the country in order to help build the national coworking community. There is, however, a long way to go.

In general, the level of understanding of coworking is still not satisfactory. It mostly depends on the area (a city, a village or a region) where a specific coworking space operates. Coworking is better understood in the cities where a coworking space/coworking spaces already exist and less in the areas where coworking spaces are nonexistent, including rural areas.

The insufficient awareness of the coworking potential and benefits results in the lack of financial support for opening and running the spaces. The perception of coworkers themselves is often wrong too. Most of the coworkers are freelancers, which are wrongly attributed as "misfits" and, consequently, coworking spaces are the spaces for misfits. This results in further difficulties in getting customers (coworkers). Finally, there is a lack of understanding of how demanding and time-consuming it is both building a coworking community and opening a functional coworking space capable of covering the needs of their coworkers.

COWORKING DEFINITION PROPOSED BY COWORKMED

“A Coworking space is a physical space aiming to build and implement a dynamic community of members sharing common attitudes towards independent work, and in particular the will to develop exchanges and to widen skills and job opportunities by meeting other people having the same attitudes. Coworking spaces are actively managed to promote these goals, also by organizing events and activities supporting mutual learning and exchanges.”

In general, the proposed definition has been accepted, but there is still a discussion going on about adding a few relevant elements, such as experimentation, territorial dimension, and clearly stated the basic coworking values/principles on which the coworking movement was founded: community, collaboration, openness, sustainability and accessibility.

NUMBER OF COWORKING SPACES

There is a dozen of coworking spaces in Croatia with the trend of growth.

TYPOLOGY

Coworking spaces vary by:

- **Type of ownership**: private, government/public (e.g., Coin Zadar, Coworking Osijek, Coworking space within Technological Park Zagreb)
- **Organizational forms**: NGO (e.g., BizKoshnica Coworking Zagreb)/network association (e.g., Impact HUB Zagreb), company with limited responsibility (e.g., HUB385)
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- **Physical location**: mainly in the cities (Zagreb, Osijek, Zadar, Split, Rijeka, Rovinj), most of them in Zagreb, in the continental Croatia
- **Size**: from very small to medium
- **Specialization**: a few are specialized (e.g., Cook HUB culinary coworking), most of them are open to the general public
- **Targeted audience**: creative industries professionals (e.g., FARO11 Rovinj), disadvantaged groups (e.g., youth, unemployed)
- **Self-standing coworking spaces offering services and building communities** or coworking spaces **offered as a service** by companies

**SERVICES**

Coworking spaces offer various services: improvement/development of professional and life skills, mentoring, networking, equipment/IT equipment/3D printers/WiFi, virtual office services, prototyping, logistics, and other (some spaces also offer marketing & PR services, legal advice, and EU funding consultations. And, of course, there is always coffee for coworkers!

**ACTIVITIES TO TAKE PART IN**

Coworkers can attend and take part in different kinds of events: educational activities, presentations, promotions, exhibitions, meetups, hackathons, conferences, gatherings, and others.

Some of the existing coworking activities are connected or integrated with the activities of business centers, hubs, or other organizations. Some are also connected to educational institutions (e.g., with universities), but there are still difficulties with building relationships with relevant stakeholders within communities/nationally.

**COWORKING BENEFITS**

For end users, the benefits are pooling of/sharing resources, accessibility, affordability, shared energy, business and social relationships and networking, collective projects, new business opportunities, jobs/gigs/income opportunities, investments, increased creativity and new ideas, access to know-how, continued learning opportunities, better time management, affordable services, active role in community, visibility, relaxed atmosphere, and trusting environment.

Community benefits from coworking spaces because they support and help community development through: creating innovative solutions, attracting and connecting diverse actors and talents, inclusion, support for vulnerable groups (e.g., youth), encouragement of entrepreneurial spirit, cooperation and synergetic effects saving through joining the forces in projects relevant for communities, city quarters’ development, self-employment/employment/jobs, GDP growth, and other.

**Comment**: Changed/improved legal practice would increase the benefits of coworking to both end users and communities

**CHALLENGES**

The main coworking challenges recognized by the local and regional workgroup are as follows: new business models, legal framework and bureaucracy, better access to funding/finances and fair grants from local and other authorities, market research and
mapping the needs of the ecosystem, new services and new customers, a lack of/insufficient affordable spaces, high fixed costs, human resources, sustainability, a lack of strategy, cooperation and collaboration (cross-sectoral, among coworking spaces, better connecting with businesses, partners networks, small communities, competition (primarily what is perceived as disloyal, unfair competition and conflict of interests), dumping.

**LEGAL FRAMEWORK**

Croatian legislators have not recognized the coworking concept. There is neither a specific legal regulation nor there are particular procedural steps for the opening of a coworking space or activities organized and/or carried on by coworking spaces. The current regulation/bureaucratic steps are the same as for other businesses. Some activities are overregulated, such as food preparation, which results in coworking spaces not being able to offer to their members a joint kitchen. This is relevant because kitchens are usually one of the most appreciated activities where people learn to know each other and build trust informally.

It seems that the level of support from national/regional/local policy is medium in Croatia. There is no special national public policy toward co-working development, but some city/regional public intervention exists. The funding of coworking spaces has happened through the grants (EU, local contribution).

At this time, there are not too many incentives for opening a coworking space. Coworking spaces can propose specific services, but coworking concept and issues are neither specially supported nor promoted.

Last but not least, there are no credit lines or funding sources in Croatia that would benefit the opening of coworking spaces treating them differently than just the ordinary business. (Sources: IED, Coworking Croatia, L/R WG Zagreb).

**FUTURE OF COWORKING**

The potential of coworking is large and relevant because of the large number of unemployed youth and a growing number of freelancers and remote workers (and there is a trend of growth of this number). Further, Coworking model has the potential of becoming the best model for cooperation between all sectors in the society and innovation.

There is also a growth in the openings of new coworking spaces and coworking services. What the future of coworking in Croatia will be depends on several factors, such as: innovative services, the coworking spaces' ability to find, attract and keep their customers, the level of collaboration among coworking spaces as well as with other sectors, the level of policy and community support.

Source: L/R WG Zagreb, COWORKMed