

Standing and operational space of non-governmental organisations (NGOs) in contributing to respecting and promoting fundamental rights in EU Member States

Croatia 2017

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1 Regulatory environment for the work of non-governmental organisations

Title of legislation and reference	Topic (please make reference to categories A-F see guidelines)	Effect on civil society (positive or negative) Please include reference to source of information
1. Act on Associations (<i>Zakon o udrugama</i>) ¹	C, D	<p>Positive effects:</p> <ul style="list-style-type: none"> - the new law has created a more transparent framework for the work of associations - the founder of an association can now also be a minor aged 14 years old, as well as adults deprived of legal capacity - all data stored in the register of associations and the statute of association are now public, and publicly available on the website of the Ministry of Administration - the procedure for the dissolution of an association is now clearly defined <p>Negative effect:</p> <ul style="list-style-type: none"> - more administrative burdens have been imposed with respect to the daily work of associations, regardless of the scope of work or the

¹ Croatia, Act on Associations (*Zakon o udrugama*), Official Gazette 74/14, 1 October 2014.

		<p>size of the association. These additional administrative tasks are both time and resource-consuming and not as easily handled by associations of different sizes and capacities</p> <ul style="list-style-type: none"> - associations are obligated to define in their Statute their possible "economic/commercial activities" (for self-sustainability). If associations gain any "profit" from those activities, this profit can be taxed by "profit tax" (depending on the scope and character of activities, by decision of State Tax Office)
<p>2. Act on Financial Operations and Accounting of Non-profit organisations (<i>Zakon o financijskom poslovanju i računovodstvu neprofitnih organizacija</i>)²</p>	D	<p>Positive effect:</p> <ul style="list-style-type: none"> - the new law has created a more transparent framework for the financial work of associations (i.e. yearly financial reports of all associations will now be publicly available through the Register of non-profit organisations run by the Ministry of Finance)

² Croatia, Act on Financial Operations and Accounting of Non-profit Organisations (*Zakon o financijskom poslovanju i računovodstvu neprofitnih organizacija*), Official Gazette 121/14, 15 October 2014.

		Negative effect: - Additional administrative burdens that are time and resource-consuming are required for the daily work of associations, regardless of their scope of work or the size of the association
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2 EU Member State government funding for non-governmental organisations – trends and developments 2011-2016

2.1 Overall amount of government funding

From the available data for the period 2011- 2014 (data for 2015 and 2016 are still not available), we can observe an increase in the amount of government funding for NGOs. Government funding is coming in administrative terms from two sources: the state budget and revenues from lottery games³. The data are presented in Table 1⁴:

	2011 (in HRK)	2012 (in HRK)	2013 (in HRK)	2014 (in HRK)
State budget	235,596,455.30	234,216,712.95	254,635,687.27	294,548,630.78
Lottery revenues	305,879,897.27	277,877,487.37	304,013,119.12	351,415,999.72
total	541,476,352.57	512,094,200.32	558,648,806.39	645,946,630.50

Table 1: Governmental funding provided to CSOs for the period 2011 – 2014 in HRK

³ Since the State owns the National lottery, revenues from lottery games are technically also government funding, however, administratively they are marked separately within state budgets.

⁴ Croatia, Government Office for Associations (Ured za udruge Vlade RH), The Report on the Financing of Projects and Programs of Civil Society Organisations from Public Sources in 2014 (*Izvješće o financiranju projekata i programa organizacija civilnog društva iz javnih izvora u 2014. godini*), June 2015.

Type of activity	2011 (in HRK)⁵	2012 (in HRK)⁶	2013 in (HRK)⁷	2014 (in HRK)⁸
Sport	135,508,038.00	137,743,158.00	125,646,151.70	134,959,189.46
Support for people with disabilities, people with special needs and socially vulnerable groups	117,742,933.94	101,388,449.89	106,241,215.00	142,912,017.56
Protection and promotion of culture, cultural and historical heritage and protection of nature	105,725,918.34	93,667,744.86	101,441,930.75	114,935,272.46
Democratization, civil society development, social cohesion and philanthropic development	42,769,894.72	39,414,961.72	48,454,451.89	48,706,059.06
Participation of national minorities in public life in Croatia	48,561,656.92	46,854,697.30	40,069,138.55	33,969,376.16
Protection and promotion of health, psychological and physical integrity and improvement of the culture of life	9,715,936.35	8,381,611.00	17,194,552.79	13,047,572.94
Technical culture	13,493,244.53	13,769,610.94	17,055,832.00	17,466,045.00
Youth	2,397,770.35	4,037,515.64	14,184,233.88	11,057,644.53
Employment		0.00	13,754,420.88	11,685,663.07
War veterans and war victims	17,010,925.53	16,401,870.00	13,349,924.55	13,422,852.33
Prevention of all forms of addiction and unacceptable behaviour of children and youth	10,823,864.00	10,140,000.00	11,269,854.70	9,336,299.37
Protection and promotion of human rights	5,733,764.22	5,675,722.17	9,442,854.38	7,862,657.79
Protection and rescue	1,365,000.00	1,000,000.00	8,929,243,00	25,956,364.63
International cooperation and EU accession	2,629,318.77	4,970,786.34	8,898,790,32	7,439,584.40
Science	6,649,016.95	9,856,419.89	6,943,462.96	6,371,456.76
Environmental protection and sustainable development	3,153,697.72	806,646.44	5,095,178.61	6,254,225.45
Economic and related activities	4,723,459.45	3,926,456.04	4,217,316.18	0.00

Tourism	7,126,262.35	6,709,700.00	3,483,743.97	3,669,632.07
Children support	1,039,983.40	690,000.00	1,950,000.00	2,929,312.14
Professional development and training	2,237,382.15	1,717,374.02	1,433,359.69	1,869,541.63
Animal protection	65,766.09	153,200.00	223,501.83	0.00
Fostering and recognition of creativity and promotion of life skills and abilities of children and youth	3,852,188.07	5,910,561.66	188,400.00	6,599,828.30

2.2 Distribution of government funding

Distribution of government funding across different types of activities is visible in Table 2:

Table 2: Distribution of government funding across different types of activities

In Table 2, we can observe different trends in the distribution of governmental funding in the period 2011-2014. However, the most significant change in the distribution of funding which had a substantial impact on NGOs working on human rights and democratization is visible in Table 3, which shows the distribution of funding from lottery revenues. Namely, in 2016 the government decreased funding for the "civil society development" budget line by 50 % compared to 2015. This budget line is distributed through the National Foundation for the Development of Civil

⁵ Croatia, Government Office for Associations (*Ured za udruge Vlade RH*), Report on the Financing of Projects and Programs of Civil Society Organisations from Public Sources in 2012 (*Izvješće o financiranju projekata i programa organizacija civilnog društva iz javnih izvora u 2012. godini*), June 2013.

⁶ Croatia, Government Office for Associations (*Ured za udruge Vlade RH*), Report on the Financing of Projects and Programs of Civil Society Organisations from Public Sources in 2013 (*Izvješće o financiranju projekata i programa organizacija civilnog društva iz javnih izvora u 2013. godini*), June 2014.

⁷ Croatia, Government Office for Associations (*Ured za udruge Vlade RH*), Report on the Financing of Projects and Programs of Civil Society Organisations from Public Sources in 2014 (*Izvješće o financiranju projekata i programa organizacija civilnog društva iz javnih izvora u 2014. godini*), June 2015.

⁸ *Ibid.*

Society which is a semi-independent foundation (the government cannot directly appoint the Director of the National Foundation, instead the Foundation Steering Committee appoints the director). The National Foundation is itself financed through the lottery revenues. State funds for CSOs are distributed through different state institutions (various Ministries and government offices) and through the National Foundation. Most human rights, rule of law, democratization and civil society development projects are financed through this Foundation.

	2011⁹	2012¹⁰	2013¹¹	2014¹²	2015¹³	2016¹⁴	2017¹⁵
Sport	34.47	34.47	35.00	30.96	30.96	32.95	35.00
Fight against drugs	5.42	5.42	5.58	5.14	5.14	4.52	4.00
Social and humanitarian projects	19.98	19.98	9.11	10.39	10.39	17.81	11.00

⁹ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2011 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2011. godinu*), Official Gazette 29/2011, 9 March 2011.

¹⁰ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2012 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2012. godinu*), Official Gazette 31/2012, 14 March 2012.

¹¹ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2013 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2013. godinu*), Official Gazette 144/2012, 21 December 2012.

¹² Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2014 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2014. godinu*), Official Gazette 151/2013, 16 December 2013.

¹³ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2015 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2015. godinu*), Official Gazette 17/2015, 13 February 2015.

¹⁴ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2016 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2016. godinu*), Official Gazette 38/2016, 25 April 2016.

¹⁵ Croatia, Croatian Government (*Vlada Republike Hrvatske*), Regulation on criteria for determining beneficiaries and method of allocation of revenue from games of chance for 2017 (*Uredba o kriterijima za utvrđivanje korisnika i načinu raspodjele dijela prihoda od igara na sreću za 2017. godinu*), Official Gazette 17/2017, 24 February 2017.

Persons with disabilities	12.46	12.46	16.20	20.00	20.32	19.31	19.31
Technical culture	3.97	3.97	5.18	4.78	4.46	4.01	4.01
Culture	10.20	10.20	11.89	11.85	11.85	12.41	14.00
Non-institutional education	1.01	1.01	4.00	2.67	2.67	2.11	1.50
Civil society development	12.49	12.49	13.04	14.21	14.21	6.88	11.18

Table 3: Distribution of lottery money in percentages (%)

When the government decided in 2016 to decrease the percentage of lottery revenues dedicated to the development of civil society from 14.21 % to 6.88 %, civil society organisations active in the fields of human rights, democratization and development of civil society launched the Initiative for a Strong Civil Society¹⁶ to warn the government and the public how such significant cuts in funding would harm civil society in Croatia. Platform 112 – a network of 60 NGOs, including the most visible human rights and democratization NGOs in Croatia also condemned this reduction in funding, and characterised it as an attack on freedom of association, expression and assembly and as an attack on the very concept of a liberal democracy.¹⁷

The new government that took office in October 2016 then increased the percentage of funding from lottery revenues for civil society development to 11.18 %, but still has not approved the new Steering Committee of the National Foundation for Development of Civil Society, which has to name a new Foundation Director. This has in effect paralyzed the work of the National Foundation, as well as the funding for civil society.

2.3 Restrictions (or other changes) on NGO funding from other sources

Due to the fall of the government in June 2016 (which was in power for only 6 months) followed by new elections, and the appointment of the new government in October 2016, there was a delay in the preparation of documentation needed for the release of open calls for NGOs projects financed through the European Social Fund. This has resulted in the delay

¹⁶ M. Mrakovčić (2016), 'Bad decisions, the devastating effects' (*Štetne odluke, razorne posljedice*), Kulturpunkt.hr, 10 November 2016.

¹⁷ Libela.org (2016), 'Platform 112: How many voters would vote for the government if they knew that Mr. Hasanbegović will be the Minister of culture?' (*Koliko bi ljudi glasalo za Vladu da su znali da će Hasanbegović biti ministar?*), 29 April 2016.

of open calls. Some calls which had been announced for 2016 have still not been opened in April 2017.

Finally, in February 2017, the media reported that the Government had suddenly withdrawn from the final adoption procedure of the finalised draft of the National Plan for Combating Discrimination,¹⁸ which had been developed by Working Group over a period of two years. Human rights NGOs reported that this was due to the pressure of radical right wings groups¹⁹ who complained that the draft National Plan reduced the rights of citizens who are religious believers and who respect family values.²⁰ The adoption of the Plan is one of the conditions for the government to access the EU Competitiveness and Cohesion Operational Fund 2014 – 2020, and it must be adopted by June 2017. Bearing in mind that the last National Plan was developed over a period of 2 years, the media has expressed their concern that the government will not be able to meet the EU deadline of June 2017 and will lose access to € 6.88 billion from the EU funds. Part of that funding would also be dedicated to civil society projects.

3 Access to the decision-making process for non-governmental organisations working on fundamental rights

Title of legislation/policy	Reference	Short summary (max 500 characters)
Act on the Right to Access Information ²¹	Official Gazette	The Act obligates government bodies (local, regional and national) as well as all public bodies, to conduct public consultations before adopting laws, regulations, general acts or other strategic or planning documents

¹⁸ T. Ponoš (2017), ‘Government is gambling: EUR 6.88 bil. EU funds are pending’ (*Vlada se kocka: Hrvatskoj »visi« 6,88 milijardi eura iz EU fondova*), *Novi list*, 15 February 2017.

¹⁹ N1 Television - hr.n1info.com (2017), ‘The government has decided to turn a blind eye to violence and hatred in Croatia’ (*Vlada se odlučila oglušiti na nasilje i mržnju u Hrvatskoj*), 23 February 2017.

²⁰ P. Vidov (2017) ‘Željka Markić “successes” could cost Croatian government 6.88 bil euros’ (*“Uspjeh” Željke Markić Hrvatsku bi mogao koštati 6,8 milijardi eura*), *Faktograf.hr*, 22 February 2017.

²¹ Croatia, Croatian Government (*Vlada republike Hrvatske*) (2013), Act on the Right to Access Information (*Zakon o pravu na pristup informacijama*), Official Gazette 25/13, 85/15, 28 February 2013.

		<p>which have an impact on the interests of citizens and legal persons. The Act also obligates government and public bodies to provide citizens and other interested parties with access to information that is of public interest, via an official request for access to information that the government is obligated to respond to in 15 days. The Act has also established an Information Commissioner as a compliance body. Many CSOs regularly use the Request for Access to Information as an instrument for improving the transparency of the government.</p>
<p>Constitutional Court decision to abolish the Decision on the implementation, monitoring and evaluation of the implementation of the curriculum in health education in primary and secondary schools</p>	<p>Constitutional Court decision U-II - 1118 / 2013, Official Gazette 63/2013, 5 May 2013.</p>	<p>The Constitutional Court suspended a policy decision signed by the Minister of Education, Science and Sport due to the lack of a "democratic procedure during" the drafting and adoption of the policy.</p>

4 Further information

In 2016, organisations working on fundamental rights were politically attacked by extreme right wing MP (from the political party Hrast). In Parliament, the MP called NGOs working on fundamental human rights a

"sick part of society",²² explicitly condemning several of the most prominent human rights organisation. This is just one example of many political attacks on fundamental rights organisations in 2016. After the Croatian Parliament vote of non-confidence of the Croatian Government on 16 June 2016, a new Government was elected in October 2016. Although the new Prime Minister distanced himself and his party from attacks on civil society in his pre-election campaign, once in power, his government appointed the aforementioned MP (who was no longer an MP in the new Parliament) as a human rights adviser to the Minister of Foreign and European Affairs.²³ The Minister of Foreign and European Affairs, who also serves as Vice-President of the Croatian Government and the Government's Coordinator for Human Rights Policy. Fundamental rights groups have expressed their concern that the minister will continue with the political attacks on them and promote an illiberal democracy model, similar to the ones being implemented in Hungary and Poland. In the meantime, after massive citizens demonstrations on International Women's day in Zagreb, Croatia on 8 March 2017 (Woman's March), the human rights adviser to the Minister of Foreign and European Affairs resigned. One of the requests from the Women's March was in fact the resignation of both the human rights adviser to the Minister of Foreign and European Affairs and the Foreign Minister due to their policy attacks on women's sexual and reproductive rights, as well as on LGBT rights.

²² Jutarnji.hr (2016), 'Ilčić: Our civil society is deeply sick, deeply sick, and I hope that's not heresy to say ' (*Ilčić: Naše civilno društvo je duboko bolesno, duboko bolesno, i nadam se da nije hereza to reći*), 29 January 2016.

²³ N1 Television - hr.n1info.com (2017), 'The government has decided to turn a blind eye to violence and hatred in Croatia' (*Vlada se odlučila oglušiti na nasilje i mržnju u Hrvatskoj*), 23 February 2017.