



CROATIA

PUBLIC PARTICIPATION Mechanisms in Fiscal Matters

Croatia scored 53 out of 100 on the Open Budget Index, a comparative measure of central government budget transparency.



Croatia has adopted a number of transparency laws and institutions after its accession to the European Union in 2010, but many of these measures lack government support. Despite this, some initiatives have enjoyed some limited success in increasing transparency.

EXECUTIVE BRANCH



CREATING AN ENABLING ENVIRONMENT FOR DEVELOPMENT FOR CSOS IN THE GOVERNMENT'S NATIONAL STRATEGY



Annual budget cycle: Executive budget preparation, auditing and review; new policy initiatives on revenues, expenditures, financing, and liabilities.

OBJECTIVE
Developing cooperation between the Government and CSOs in the implementation of the National Strategy for Creating an Enabling Environment for Civil Society Development (National Strategy).

MECHANISM
• The Council for Civil Society Development (CCSD) was created in 2008 as an advisory body for cooperation between the Government and CSOs in the implementation of the National Strategy, the objective of which is to strengthen the legal, financial and institutional system of support to CSOs.
• The council: a) constantly monitors public policies affecting civil society development, b) expresses opinions to the Government on draft legislation and, c) contributes to setting priorities for the use of EU funds.
• It has 27 members: 12 from government, 12 from NGOs, and 3 from CSOs and trade unions.
• It sends yearly reports to the Government and can establish permanent and temporary working groups.

RESULTS
According to the Review of Implementation of the Operational Plan of the National Strategy for Creating an Enabling Environment for Civil Society Development for 2008-11, out of 103 measures designed to be implemented, 37 were successfully, 56 partially implemented, 10 measures' implementation had not started.
A National Strategy for 2012-2016 was adopted but not assessed as of yet.

CIVIL SOCIETY PRE-BUDGET CONSULTATIONS ON SOCIAL AND ECONOMIC ISSUES



Annual budget cycle: Executive budget preparation, design, production, and delivery of public goods and services.

OBJECTIVE
Create the Economic and Social Council (ESC) to constitute a forum for social dialogue for the protection and promotion of economic and social rights.

MECHANISM
• Created the ESC in 2000 to identify areas where action is needed for the protection and promotion of economic and social rights.
• Tripartite cooperation: ESC is composed of representatives of Government, employers' associations, and trade union associations, with equal number of representatives. Citizens are not included at this stage.
• The ESC has a rotating President and two Vice-Presidents appointed by members for one year.
• Meetings to discuss draft laws, regulations and programs take place before budget formulation, when the ESC evaluates and gives opinions on fiscal and economic matters.
• The ESC monitors the situation in specific policy areas and gives its opinion on regulations in the field of labor, economy and social security.

RESULTS
While the government is obliged to present the budget to the ESC and discuss with social partners, this is only formally fulfilled, since the discussion takes place after final budget draft is adopted by government.

CSO PARTICIPATION IN THE BUDGET EXECUTION



Annual budget cycle: Budget implementation.

OBJECTIVE
Engage with the public during the execution phase of the budget process.

MECHANISM
• In the execution phase, budget supervision by the Ministry of Finance can be based on citizens' petition.
• Citizens can suggest to the Ministry of Finance which institutions should be supervised.
• In addition, citizens can use a service through which they can search payments made to suppliers from the state budget.
• Citizens can also use budget guides to provide access to more user-friendly budget data.

RESULTS
There is no publicly available information that the budget supervision was actually conducted by the Ministry of Finance due to citizens' petitions.

PUBLIC HEARINGS ON BUDGET BILLS, FUND OPERATION PLANS, AND SETTLEMENT OF ACCOUNTS



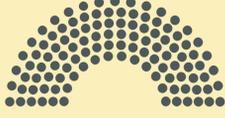
Annual budget cycle: Pre-budget consultations.

OBJECTIVE
• Discuss motions and initiatives for the enactment of laws and regulations.
• Hold hearings on petitions and proposals submitted to parliament by the citizenry.

MECHANISM
• The Finance and Central Budget Committee is engaged in all phases of the budgetary process, discussing motions, initiatives and reports and monitoring the work of the Government.
• The Committee consists of MPs with voting rights and up to 6 external members without voting rights.
• The Committee receives budget materials before the first reading in Parliament.
• Committees hold public hearings on issues presented in the budget, in which testimony from the public is heard from the external members.
• Data regarding the committees' reports is published on the Parliament's website.

RESULTS
Since 2003, citizens can contact a parliamentary information officer in every budget phase.
Proposals of external members are regularly dismissed. External members can state their opinion, but cannot vote or veto. It is questionable how much the public is able to participate in the discussion through the external members.
Committees may invite public officials, scholars and professionals to meetings to obtain opinions.
There is no publicly available data on petitions or proposals submitted by citizens to the Parliament.
Sessions of Parliament and the Committee are open to the public, but some not in their entirety.

LEGISLATURE



EXPERT AND CIVIL SOCIETY PRE-BUDGET CONSULTATIONS



Annual budget cycle: Pre-budget consultations and exercises.

OBJECTIVE
Take into consideration the public's opinion on macro-economic forecasts, budgetary priorities, and controversial projects.

MECHANISM
• The Fiscal Policy Committee (FPC), an independent body in Parliament, participates in all phases of the budgetary process with the main task of evaluating the implementation of fiscal rules (Fiscal Responsibility Act).
• FPC consists of a chairperson and 6 members from various institutions (Supreme Audit Institution, Institute of Economics, Institute of Public Finance, Croatian National Bank, faculties of economics and law) appointed by the Parliament.
• FPC hosts public hearings in which expert witnesses are invited to participate.
• At FPC meetings, specific, detailed information about certain types of revenues and expenditures is given. On each bill that relates to the work of the FPC, members can give their suggestions, which are sometimes adopted in the final version.

RESULTS
In 2014, FPC issued five opinions on various budget documents.
External members complain that their views, although submitted to the Government and publicly available online, have no significant effect on government policies.

SUPREME AUDIT INSTITUTION



SUPREME AUDIT INSTITUTION



Annual budget cycle: Audit and review.

OBJECTIVE
Answer citizens' questions on budget auditing.

MECHANISM
• The Supreme Audit Institution (SAI) publishes an audit report of the state budget, the budget of individual ministries and other users of the state budget.
• It conducts compliance, financial and performance audits and makes them available to the public.
• It also maintains two public relations officers (a national and an international one), who are charged with answering citizens' questions.

RESULTS
No formal feedback is provided to the public about how their input was used to decide the audit program.



ENJOY the case study FULL VERSION from our site!
<http://bit.ly/1Oapd2x>

ENGAGE WITH US
www.fiscaltransparency.net

@FiscalTrans
/FiscalTransparency

GIFT
GLOBAL INITIATIVE FOR FISCAL TRANSPARENCY