

**TRANSPARENCY**  
(OPEN BUDGET INDEX)

**53**

OUT OF 100

The Government of Croatia provides the public with **limited** budget information.

**PUBLIC PARTICIPATION**

**38**

OUT OF 100

The Government of Croatia is **weak** in providing the public with opportunities to engage in the budget process.

**BUDGET OVERSIGHT**

**27**

OUT OF 100

**BY LEGISLATURE**  
Budget oversight by the legislature in Croatia is **weak**.

**92**

OUT OF 100

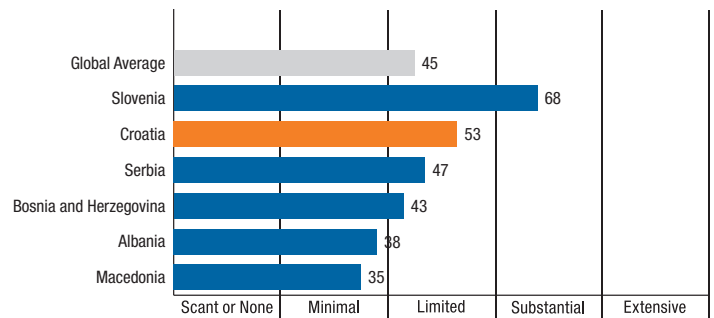
**BY AUDIT**  
Budget oversight by the supreme audit institution in Croatia is **adequate**.

**TRANSPARENCY (OPEN BUDGET INDEX)**

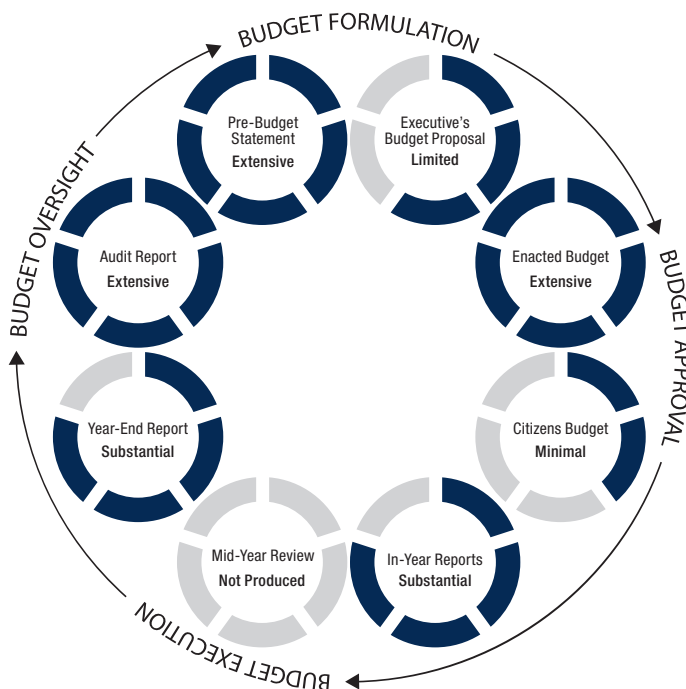
Drawing on internationally accepted criteria developed by multilateral organizations, the Open Budget Survey uses 109 indicators to measure budget transparency. These indicators are used to assess whether the central government makes eight key budget documents available to the public in a timely manner and whether the data contained in these documents are comprehensive and useful.

Each country is given a score out of 100 which determines its ranking on the Open Budget Index – the world’s only independent and comparative measure of budget transparency.

**Regional Comparison**

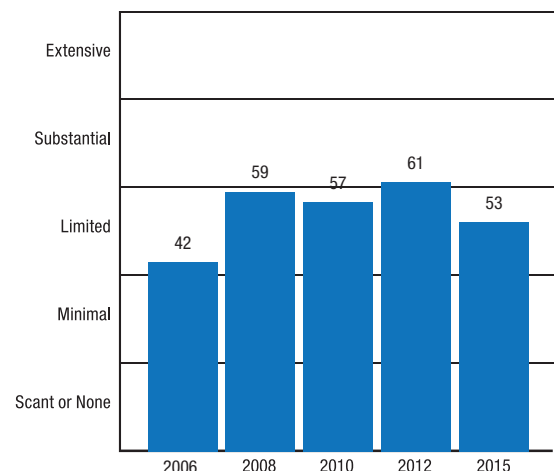


**Usefulness of Budget Information Throughout the Budget Cycle**



Croatia's score of 53 out of 100 is moderately higher than the global average score of 45.

**Change in Transparency Over Time**



Note: The following categories are used to report the usefulness of each document:

Not produced, Published Late, Internal Use, Scant, Minimal, Limited, Substantial, or Extensive.

# TRANSPARENCY (OPEN BUDGET INDEX)

## The Availability of Budget Documents Over Time

Document	2006	2008	2010	2012	2015
Pre-Budget Statement	●	●	●	●	●
Executive's Budget Proposal	●	●	●	●	●
Enacted Budget	●	●	●	●	●
Citizens Budget	●	●	●	●	●
In-Year Reports	●	●	●	●	●
Mid-Year Review	●	●	●	●	●
Year-End Report	●	●	●	●	●
Audit Report	●	●	●	●	●

● Not produced/published late ● Produced for internal use ● Published

Croatia's score of 53 on the 2015 Open Budget Index is lower than its score in 2012.

Since 2012, the Government of Croatia has increased the availability of budget information by:

- Publishing the Citizens Budget.
- Improving the comprehensiveness of the Year-End Report and Audit Report.

However, the Government of Croatia has decreased the availability of budget information by:

- Reducing the comprehensiveness of the Executive's Budget Proposal.
- Reducing the comprehensiveness of the In-Year Reports.

Moreover, the Government of Croatia has failed to make progress in the following ways:

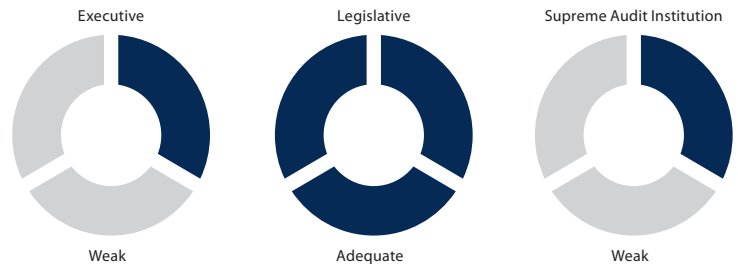
- Not producing a Mid-Year Review.

# PUBLIC PARTICIPATION

Evidence suggests that transparency alone is insufficient for improving governance, and that public participation in budgeting can maximize the positive outcomes associated with greater budget transparency.

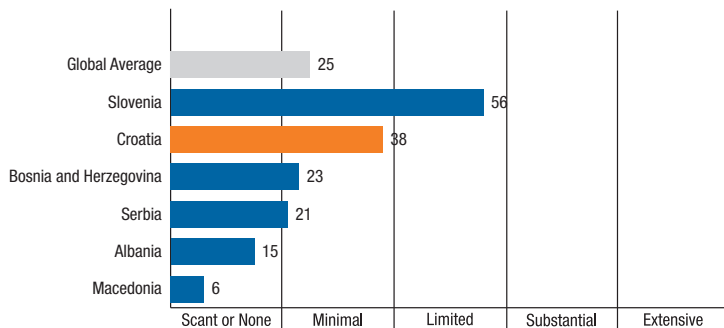
To measure public participation, the Open Budget Survey assesses the degree to which the government provides opportunities for the public to engage in budget processes. Such opportunities should be provided throughout the budget cycle by the executive, the legislature, and the supreme audit institution.

## Elements of Public Participation



Croatia's score of 38 out of 100 indicates that the provision of opportunities for the public to engage in the budget process is **weak**. This is higher than the global average score of 25.

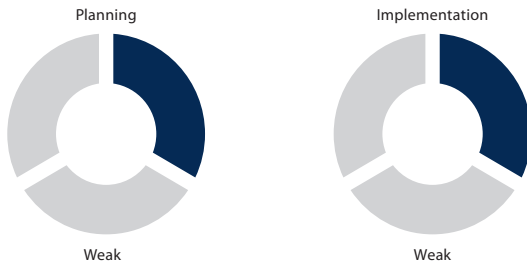
## Regional Comparison



# BUDGET OVERSIGHT

The Open Budget Survey examines the extent to which legislatures and supreme audit institutions are able to provide effective oversight of the budget. These institutions play a critical role – often enshrined in national constitutions – in planning budgets and overseeing their implementation.

## Oversight by the Legislature



The legislature provides **weak** oversight during the planning stage of the budget cycle and **weak** oversight during the implementation stage of the budget cycle. The legislature does not have a specialized budget research office, and a pre-budget debate by the legislature does not take place. In both law and practice, the legislature is not consulted prior to the virement of funds in the Enacted Budget, spending any unanticipated revenue, and spending contingency funds that were not identified in the Enacted Budget.

## Oversight by the Supreme Audit Institution



The supreme audit institution provides **adequate** budget oversight. Under the law, it has full discretion to undertake audits as it sees fit. Moreover, the head of the supreme audit institution cannot be removed without legislative or judicial approval, which bolsters its independence. Finally, the supreme audit institution is provided with sufficient resources to fulfill its mandate but has a limited quality assurance system in place.

# RECOMMENDATIONS

## Improving Transparency

Croatia should prioritize the following actions to improve budget transparency:

- Produce and publish a Mid-Year Review.
- Increase the comprehensiveness of the Executive's Budget Proposal by presenting more information on the classification of expenditures for prior years and the classification of revenues for prior years.
- Increase the comprehensiveness of the Year-End Report by presenting more information on planned versus actual debt and interest and on planned versus actual macroeconomic forecasts.

## Improving Participation

Croatia should prioritize the following actions to improve budget participation:

- Establish credible and effective mechanisms (i.e., public hearings, surveys, focus groups) for capturing a range of public perspectives on budget matters.
- Ensure the public is informed of the purpose of public budget engagements and provided with sufficient information to participate effectively.
- Establish formal mechanisms for the public to assist the supreme audit institution to formulate its audit program and participate in audit investigations.

## Improving Oversight

Croatia should prioritize the following actions to strengthen budget oversight:

- Establish a specialized budget research office for the legislature.
- In both law and practice, ensure the legislature is consulted prior to the virement of funds in the Enacted Budget, the spending of any unanticipated revenue, and the spending of contingency funds that were not identified in the Enacted Budget.

# METHODOLOGY

The Open Budget Survey uses internationally accepted criteria developed by multilateral organizations such as the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), and the International Organisation of Supreme Audit Institutions (INTOSAI). It is a fact-based research instrument that assesses what occurs in practice through readily observable phenomena. The entire research process took approximately 18 months between March 2014 and September 2015 and involved about 300 experts in 102 countries. The Survey was revised somewhat from the 2012 version to reflect emerging developments in accepted good practice and to strengthen individual questions. A full discussion of these changes can be found in a technical note on the comparability of the Open Budget Index over time (see below).

Survey responses are typically supported by citations and comments. This may include a reference to a public document, an official statement by the government, or comments from a face-to-face interview with a government official or other knowledgeable party.

The Survey is compiled from a questionnaire completed for each country by independent budget experts who are not associated with the national government. Each country's questionnaire is then independently reviewed by an anonymous expert who also has no association to government. In addition, IBP invites national governments to comment on the draft results from the Survey and considers these comments before finalizing the Survey results.

The Government of Croatia provided comments on the draft Open Budget Questionnaire results.

Research to complete this country's Open Budget Survey was undertaken by:

Ivica Urban and Mihaela Bronić  
Institut za javne financije  
Smičiklasova 21  
10000 Zagreb  
Croatia  
[office@ijf.hr](mailto:office@ijf.hr)

## Further Information

Visit [www.openbudgetsurvey.org](http://www.openbudgetsurvey.org) for more information, including:

- The Open Budget Survey 2015: Global Report
- Individual datasets for each of the 102 countries surveyed.
- A technical note on the comparability of the Open Budget Index over time.