

Pursuant to Article 23, paragraph 2 of the Associations Act (Official Gazette, No. 88/01 and 11/02), the Croatian Parliament, at its session on 2 February 2007, adopted the following

CODE

OF GOOD PRACTICE, STANDARDS AND BENCHMARKS FOR THE ALLOCATION OF GRANTS FOR PROGRAMMES AND PROJECTS OF NGOs

PROCEDURE AND PRINCIPLES FOR THE APPROVAL OF FUNDING

I

(1) This Code shall regulate basic standards and principles for the conduct of state administration bodies and offices of the Government of the Republic of Croatia (hereinafter: grant providers) in the procedure of approving grants from the State Budget to NGOs for the implementation of their programmes and projects aimed at public benefit in the Republic of Croatia.

(2) For the purpose of the efficient use of available resources in society, and the rational and transparent use of funds from the State Budget, when allocating grants to NGOs for the implementation of projects and programmes, grant providers shall act pursuant to the provisions of this Code.

(3) The procedure for approving funding from the State Budget shall be based on the following principles:

1. *determining priorities for the funding* of programmes and projects of NGOs for the budget year;
2. *announcing public tenders*, with clear tender conditions, benchmarks for the appraisal of applications and the procedure for awarding grants (including priority areas for applications, ways of preventing potential conflicts of interest, and the possibility of insight into the appraisal procedure). The public tender should be open for applications from NGOs for at least 30 days from the date of the announcement;
3. *opening of received applications by a commission*;
4. *appraisal of submitted projects and programmes by expert bodies* established by grant providers and composed of representatives of state administration bodies, research and professional institutions and non-profit legal persons (associations, foundations and others), pursuant to the rules of procedure or some other act regulating the functioning of expert bodies;
5. *delivering written responses to applicants* about the funding approved, or reasons for denied funding;
6. *publication* of tender results, including information about associations, programmes and projects for which grants were awarded, and about the amount of the grants;
7. *concluding contracts* concerning the funding of programmes and projects with associations which have been awarded grants at the latest within 60 days following the expiry date;
8. *monitoring and evaluating the implementation of approved programmes and projects*, and of the purposeful spending of the grants awarded on the basis of an obligatory descriptive and financial report submitted by NGOs to grant providers pursuant to the provisions of grant agreements;

(4) In the case of misuse of grants by the association, the grant provider shall suspend further payment of grants and request that the grants already disbursed be refunded.

BASIC FUNDING BENCHMARKS

(1) Associations participating in public tender procedures for the approval of grants from the State Budget for programmes and projects of public benefit in the Republic of Croatia must:

1. be entered into the Register of NGOs of the Republic of Croatia,
2. promote the constitutional values of the Republic of Croatia,
3. engage in activities aimed at the needs of the community and at maintaining sustainable development.

(2) In addition to an application for funding, the association shall submit a financial report, a certificate showing that the responsible person in the association has no criminal record, and an excerpt from the Register of NGOs of the Republic of Croatia, as well as other documents pursuant to the conditions stipulated in the tender announced by the grant provider.

(3) An association may use grants from the State Budget only for carrying out activities envisaged in the approved programme or project.

(4) An association may not be allocated grants under the provisions of this Code for activities already financed from the State Budget or pursuant to special regulations.

COUNCIL FOR THE DEVELOPMENT OF CIVIL SOCIETY

III

(1) The Council for the Development of Civil Society, as an advisory and expert body of the Government of the Republic of Croatia, pursuant to the Decision on the Establishment of the Council for the Development of Civil Society (Official Gazette Nos. 26/02, 11/03 and 34/04), shall monitor, analyse and evaluate funding from the State Budget approved by grant providers to programmes and projects of NGOs in the Republic of Croatia through public tender procedures in accordance with the provisions of this Code.

(2) Grant providers shall submit information about financed programmes and projects to the Council for the Development of Civil Society and to the Office for Cooperation with NGOs.

TRANSITIONAL AND FINAL PROVISIONS

IV

1. On the date of entry into force of this Code, the Decision on benchmarks for the determination of associations whose activities are of interest to the Republic of Croatia and on the allocation of funding to associations from the State Budget shall cease to have effect (Official Gazette No. 86/98).

2. This Code shall enter into force on the eighth day after the day of its publication in the Official Gazette.

Class: 007-01/06-01/01
Zagreb, 2 February 2007

CROATIAN PARLIAMENT

President
of the Croatian Parliament
Vladimir Šeks (signed).