



LOTUS 2011/12

Excerpt from the Research Report

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Cooperation, Accountability and Transparency against Corruption - project in a nutshell

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Transparency of public institutions is one of the prerequisites for successful mitigation of corruption, as well as for raising citizens' trust in the work of these institutions, whereas providing information of public interest is the first step towards transparency.

Through this project, GONG, in cooperation with its partners, continues to monitor and advocate transparency at all levels of government in Croatia. Two researches that will be conducted for this purpose, will include all units of local and regional self-government in Croatia (LOTUS – Local, accountable and transparent government and self-government), and public authority institutions at the national level (DUH – Good governance in Croatia). Strengthening the role of civil society organizations (CSO) in mitigation of corruption relies on two elements – strengthening and intensifying cooperation processes within the Advocacy Network, and researching the level of cooperation between the bodies of public authority and CSO's in the fight against corruption. Finally, by monitoring the implementation of the anticorruption policy and publicly disclosing the results of our activities, we will raise the level of public awareness of the mechanisms available for cooperation and activity in the field of the fight against corruption.

Project partners:



Project co-financed by:



EU



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Office for NGOs



National Foundation for Civil Society
Development

Views and opinions expressed in this excerpt are those of the author and do not represent the views and opinions of the European Union, Croatian Government Office for Cooperation with NGO's or the National Foundation for Civil Society Development.

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1. Introduction

This excerpt comprises the key findings of the LOTUS 2011/12 Research Report on transparency and openness of all local and regional government units in Croatia. Representatives of the local and regional self-government units should pay special attention to the section entitled *Areas of Improvement*, as it contains recommendations for further improvements in the levels of openness and transparency in their work (thus indirectly influencing their progress in the next round of research). Recommendations related to each dimension begin with those requiring minimal investments of resources, and move towards the more complex ones – those requiring additional resources, but hopefully with sufficient elaboration of their importance in terms of enhancing the transparency of work and openness of the decision making processes to citizens.

The full research report entitled "Research findings on transparency and openness of activities of the local and regional self-government units in the Republic of Croatia" is available (in Croatian) on GONG's Internet pages: <http://www.gong.hr/download.aspx?f=dokumenti/LOTUS2011-ISTRAZIVACKIIZVJESTAJ.pdf>.

An easy-access database, which you can use to compare the result of your cities/municipalities/counties, with results of other cities/municipalities or counties is available here: <http://www.gong.hr/lotus/default.aspx>. If you want to check the progress (or deterioration) of a city/municipality in comparison to the research conducted in 2009, click on this link: <http://www.gong.hr/lotus/yearscomparison.aspx>.

In spite of results that are still not satisfactory, **the fact that positive shifts were made over the past two and a half years and that the overall transparency level has increased is encouraging.** We hope that the results of our research will be used by the representatives of local and regional authorities in order to improve their own activities; by the citizens in order to keep themselves informed about results achieved by their communities and to encourage them to submit more requests for transparency to the authorities; by other researchers, who will use this research as a starting point or inspiration for conducting other researches on the democratization level in Croatia and the region.

2. About the research

In the period September 2011 - February 2012, GONG, in cooperation with the Association of Cities of the Republic of Croatia, conducted the second round of research focused on transparency and openness of the local and regional self-governments. The same as in 2009, the research entitled "Local, accountable and transparent government and self-government – LOTUS", has been conducted in every city and municipality in the Republic of Croatia, and additionally extended this time, to include the counties. The research was conducted within the project entitled "CAT against Corruption", funded by the IPA 2008 EU Funds, and co-funded by the Government's Office for Cooperation with NGO's and the National Foundation for Civil Society Development.

The research covered each of the 576 units of local and regional self-government (hereinafter referred to as: LRGU) (127 cities, 429 municipalities and 20 counties¹), in order to determine the present situation and, in case of cities and municipalities, assess the progress made since the first round of research in areas relevant to transparency of activities and openness towards the citizens, cooperation with civil society organizations and the functioning of local self-government. These areas have been recognized as the key factors relevant for further development of democracy and citizens' participation in political lives of their local communities.

The basic concept of transparency of activities in local and regional self-government was taken in the broad sense to include the *overall openness of the local government bodies towards the citizens and interest groups*, and it was operationalized through five dimensions in the case of cities and municipalities, and four dimensions in the case of counties.

Sources of data used in the research were the statutes of cities/municipalities/counties and Rules of Procedure of their representative bodies, official web pages, survey questionnaires that were faxed and e-mailed to all LRGUs and telephone calls made to the LRGUs' central telephone number. In addition, GONG's volunteers sent mystery FOIA requests to all of the 576 JLRS's to gain insight into the FOIA implementation at local levels.

The five basic transparency dimensions were operationalized through 51 indicators that were scored², in order to measure the LRGUs' transparency levels. In the case of meeting the related requirement, every indicator is worth 1 point; 0 points in the case of failure to meet the requirement. Different dimensions had different numbers of indicators, and different weight in the final result, since some of them were perceived as more important for the very objective of the research.

3. Key findings and conclusions

In spite of the progress made in the overall result, the transparency level in the local and regional self-government units in Croatia still shows a significant improvement potential, especially in municipalities. There are still 70% of local authorities in Croatia regarded as insufficiently transparent or extremely non-transparent. This assessment is based on the low average "failing" result (4.57 points out of maximum 10). Indeed, the results of 59% of LGRUs were even lower than this average, and only 30% of them achieved the "passing grade" (more than 5 points). At the same time, there are only 6% of those who can be considered exceptionally transparent (more than 7.5 points).

The results of municipalities were notably worse (3.91 point in average) compared to significantly higher average results achieved by cities (6.25) and counties (6.45). Although the majority of counties could be considered transparent, there is still a lot of improvement potential at the level of counties as well.

¹ For the purpose of this research, the City of Zagreb, which has the county status, was treated as the city.

² Individual indicators within dimensions are listed in Annex 1 to this document.

The findings suggest that the results are primarily connected to the status, and not as much to the financial and administrative capacities. Although there are correlations between the budget amount and the transparency level, as well as between the size of the population and transparency, the fact is that exceptionally transparent governments can be found among the cities, among the municipalities, and among the counties. This points to the conclusion that **transparency is primarily related to understanding of its importance, and more importantly, its benefit for the community, by the leading individuals and institutions in the respective community, rather than financial and institutional capacities, whose influence is only indirect.**

In comparison to the research conducted in 2009, **the percentage of *exceptionally transparent cities* has grown significantly (by 18%), in addition to the considerable decline in percentage of *insufficiently transparent ones* (by 15%), and their disappearance from the category of *extremely non-transparent cities*.**

Unlike the cities, **there is only 1% less municipalities in the category of *extremely non-transparent*, which represents an insignificant decrease, while a slightly more considerable percentage (7-8%) of municipalities moved from the category of *insufficiently transparent to transparent*.** It seems that **changes in the legal framework, in terms of electing public officials directly, made no significant influence on the increase of the transparency level in municipalities.**

The mere existence of an official web page does not have a significant impact on the transparency level, since there are **no big differences between the average results scored by the units that have official web pages and those that don't have them. On the other hand,** the fact that **90% of LRGUs have their own official web pages does not significantly influence the levels of transparency.** The findings are telling us that **the representatives of local authorities are still failing to adequately use this medium to inform and interact with the citizens.**

The results for individual indicators declined proportionally to the level of demand it placed on active engagement of the public authority bodies. This finding was corroborated in all of the dimensions researched. The most commonly found indicators are the ones related to the formal mechanisms; the less common ones are those related to transparent publishing of decisions and documents that influence the lives of citizens, while the least frequent indicators are the ones enabling the citizens to truly participate in the decision-making processes.

Such findings point to the still prevailing “culture of administrative and political secrecy“, which is one of the characteristics of the Croatian political culture, in which the public administration failed to, or has no wish to learn, that its purpose is to serve the citizens and meet their needs.

Regarding individual dimensions, the highest result was achieved in the dimension of *Openess of council sessions to the public* (54%), which is also the only dimension in which the

score of LGRUs' exceeded 50% of the total number of points. The results in dimensions *Citizens' direct participation in decision making* (48%) and the *Implementation of the FoIA* (47%) have borderline scores, while the dimension of the *Openness of Executive Authorities* scored 42%. The dimension with the worst score is *Cooperation with civil society organizations*, which scored a worrisonome 26% of the total points.

The research raised some new questions, primarily those referring to the need for identification of factors that have caused the increase in the transparency levels in the cities, and which failed to manifest themselves in the case of municipalities. More specifically, questions referring to the influence (or lack thereof) of outside pressures (media, active CSOs, citizens), perception of one's own importance (or lack of importance), as well as to achievements made in the process of democratization and acceptance of European democratic standards and practices.

4. Improvement areas

The improvement areas were identified in each of the dimensions analyzed, but we would first like to emphasise the necessity of compliance with all of the legal obligations with regard to creating the prerequisites for implementation of the Freedom of Information Act (appointing the information officer in charge of providing information and creating the Information Catalogue), as well as the obligations arising from the Youth Council Act. **Limited resources are not and cannot be an excuse for the violation of legal and constitutional obligations.**

In the future, official web pages should be used much more to inform the citizens and include them in the decision-making processes, rather than as a commercial or tourist portal of the local communities in question. **Here, it is important to seriously reconsider the web page structure** in order to provide the citizens with easy access to information they are searching for. At the same time, **it is important to ensure regular updates of web pages, since only updated pages provide the citizens with timely, complete and accurate information.** In addition, we recommend adding search engines, as well as including the key information about the competence of every part of the local and regional self-government unit. This information should be conveyed without the excessive use of legal or administrative vocabulary, but in everyday, almost spoken language. In that way, web pages would also function as a tool for educating the citizens about the manner of functioning of the authorities and about relations between the representative and executive branch.

4.1. *Improvement areas in the dimension of Openness of Council Sessions to the Public*

We invite all of the LGRUs to publish their Statute and Rules of Procedure for representative bodies directly on their web pages, especially considering the changes in relations between the executive and representative authorities at the local level due to introduction of direct elections of mayors and county prefects. At the same time, this is also one of the ways of informing and educating the citizens about the aforementioned changes, and considering the minimal resources needed, we expect this recommendation to be followed by all of the LRGUs that have not done so already.

Additional efforts should be made to include systematic announcements, agendas, session materials, minutes and press releases following the sessions, on the web pages. These documents provide citizens with thorough insight into the activities of a certain LRGU, thus enabling an adequate and timely engagement in the matters of their interest. We would like to emphasize that our research indicator was “at least one announcement published in the past year”. However, had the indicator been “systematic publishing”, the results would have turned out much worse.

4.2. Improvement areas in the dimension of Openness of the Executive Authority Activities to the Public

This dimension contains a series of indicators that could easily result in considerably higher transparency levels. The simplest one among them is to **determine fixed business hours for mayors or county prefects during which they receive the citizens, and to publish those hours online and within their official premises. We find it crucial to enable the citizens of every LRGU to reach their directly chosen mayor or county prefect during specified business hours, in order to provide them with equal opportunities of expressing their problems, views or opinions.**

With regard to **online publishing of official newsletters**, if the decisions are published in the county gazettes, it is very important, and yet simple, to insert a **link to the county gazette. In the case of cities or municipalities publishing their own gazettes**, in addition to the possibility of direct insight in the official premises or libraries, they must also be **published online**. In both cases, **it is very important to note the number of the gazette in which the respective document or the decision has been published**. Otherwise, it is highly unlikely for the citizens to find the requested document, especially if annual directories of decisions are not published and posted online. A simple step further could be made by **directly publishing the decisions reached by the body of executive authority within the relevant section of a web page, in order to facilitate the search for decisions and documents of interest to the citizens.**

Creating a list of entities with which no public procurement contracts may be concluded due to conflict of interest, or creating statements on the absence of such entities, as well as creating lists of signed public procurement contracts, is already a legal obligation. Therefore, it is highly advisable to publish these documents online, which can also be done very easily.

Rewriting the budget to make it easier for citizens to understand it, is slightly more complex a task, that initially requires an additional resource investment in order to design the structure of the “Budget in a Nutshell”. However, creating the new versions, while maintaining the same income and expenditure categories should not require significant additional investments, especially in case of regular online publishing in such a form, as well as distribution to the media when the budget is enacted and the “Budget in a Nutshell” is created. The media would most probably publish the budget in such form, which might results in savings. Namely, in that case, there would be no need to distribute such brochures to every household or pay for publishing this information in the local newspapers.

Finally, **considerably more resources should be invested in the implementation of the Code on Consultations with the Interested Public, primarily with regard to education of consultation coordinators. This education could be carried out with the support of the Government Office for Cooperation with NGO’s. Online public discussions, as well as a few live face-to-face discussions, during which the citizens would be given an opportunity to**

express their stands on important decisions that would influence their lives, would surely result in increased legitimacy, and thus also in higher acceptance of such decisions by those who are subject thereto.

4.3. Improvement areas in the dimension of Implementation of the FOIA

The first and most important recommendation refers to all those LGRUs that failed to appoint information officers and did not create an Information Catalogue, **to immediately fulfill these legal requirements.**

At the same time, **online publishing of the announcement on the right of access to information, contacts of the information officers and the Information Catalogue,** is a simple activity that requires minimal resources. **Putting up an online contact form** should not be complicated or expensive either. Provided that these tasks are completed, there is no reason not to score much better results in this dimension in the next round of research.

More complex, and in terms of resources, more demanding task, is the one of educating the LRGUs on the implementation of the Act, which is the task of the Personal Data Protection Agency, the competent body in this matter. However, considering the fact that the right of access to information became a constitutional right through the 2010 Constitutional Amendments, any investment of resources in this area would be justified and desirable.

4.4. Improvement areas in the dimension of Cooperation with civil society

The same as in previous dimensions, **the simplest way of raising the transparency level in this dimension is by publishing online information on calls for proposals for CSOs' and results thereof, as well as ensuring the allocation of funds in line with the Code of Financing and clear criteria instead of an arbitrary approach of allocating funds to "everybody".** Although such an approach would probably reduce the total number of projects or organizations funded, it would increase the efficiency of utilization of public funds, since the organizations that meet the criteria would be awarded higher funds, thus becoming able to increase the scope of their beneficiaries and/or quality of their services/activities, as well as longer-term implementation of activities. To the LRGUs, such an approach would enable easier monitoring of utilization of funds. Besides, such an approach would indirectly influence the increase in organizational capacities of respective CSOs', encouraging them to invest significantly stronger efforts in creating projects and activities with clear goals and purposes, corresponding to the needs and priorities of social or economic development in their respective communities.

With regard to the activities of the **youth council pursuant to the Youth Council Act, efforts should be made to inform the youth in communities and clarify to them the advantages and opportunities provided through this mechanism,** and thus encourage them to nominate candidates. In communities with active youth councils, there is a potential for

adding new issues to those discussed by the respective councils, besides the Youth Councils' annual work plans or their execution.

Finally, considering the findings stating that **one fifth of LRGUs does not fully understand the meaning and the content of the term “civil society”**, it is important that the CSOs themselves invest additional efforts to ensure cooperation and partnership with their authority units, and use this cooperation to increase the capacities of local government units. At the same time, it seems important to design the activities of the Government Office for Cooperation with NGO's and the National Foundation for Civil Society Development, as well as of the local community foundations, which will enable the units at the local level (especially municipalities) to grasp the important concepts promoted by the civil society organizations (gender equality, harm reduction, demarginalisation, social inclusion...).

4.5. Improvement areas in the dimension of Citizen's direct participation in decision making

Since holding elections for the community level local self-government and the consequent constitution of local committees do not represent legal requirements, but an opportunity to encourage the LRGUs to apply the principle of subsidiarity, i.e. to place the decision making process to the lowest possible level of authority, **the obvious recommendation would be to seriously reconsider the size of the local structural unit that would benefit from such an arrangement, and the size that would make it redundant and unnecessary.** This issue could be the matter of discussion between any local community and its citizens, by way of a consultation process or an advisory referendum of the local community.

For units whose local committees have already been constituted, the easiest way to increase their results in this dimension would be by publishing their contacts online. One should not forget that apart from the existing population of a certain community, the need to contact the lowest authority level could also come from another person. It is plausible and possible that a certain family considers moving or buying property in some area, and wishes to check the level of infrastructure development in some residential area or development plans for the near future. Of course, such information could be obtained at the municipal or the city level, but sometimes the information received “first hand” – from those who reside in that area every day, are much more valuable. One should also keep in mind that **functional local committees tend to take off the pressure from the higher authority levels, in terms of resolving problems in certain residential areas or neighborhoods, as well as the fact that they function as a place of building social cohesion and inclusion of those citizens whose social networks are less developed.**

The decision on initiating **advisory referenda** as forms of the citizens' direct participation in decision making should be reached in cases **when the cost of conducting the referendum is justified in relation to the costs and benefits of (not) reaching a decision** that would make a considerable influence on the lives of certain community members. On the other hand, **conducting other forms of consultations with the community, in accordance with the**

provisions of the Code on Consultations With the Interested Public, should become the key mechanism of engaging the citizens in the decision making processes, whereas a systematic implementation of the Code might, over time, result in reducing the need for conducting advisory referenda, since the credibility of the authority representatives would be much higher, and their decisions more legitimate from the citizens' perspective.

Annex 1 – Overview of dimension and indicators used in research

1 Dimension *Opennes of* Council/Assembly sessions to the Public

- 1.1 Publicity of activities elaborated in the Statute or Rules of Procedure
- 1.2 Citizens entitled to monitor the council sessions
- 1.3 At least one council session announced online within the past year
- 1.4 Agenda available online prior to the session
- 1.5 Question time defined by Rules of Procedure or the Statute
- 1.6 Rules of Procedure/Statute prescribing the "question tiome" at the beginning of the session
- 1.7 Delivery of materials to the council members prior to the session defined by Rules of Procedure/Statute
- 1.8 Delivery of materials to other interested parties (media, political parties, local committee councils...) prior to the session prescribed by Rules of Procedure
- 1.9 Working materials for council session published online
- 1.10 One or more official minutes of council sessions held within the past year published online
- 1.11 One or more press-releases from the council sessions held within the past year published online
- 1.12 Invitation to the last council session sent to the media
- 1.13 Press-release sent out after the last council session
- 1.14 Media present on the last council session
- 1.15 Official web page containing the full recording of at least one session held within the past year (video or audio)

2 Activities and decisions of executive authority available to public

- 2.1 Statute published directly on the web page
- 2.2 Rules of Procedure of the council/assembly published directly on the web page
- 2.3 Official Gazettes available on the web page or via link
- 2.4 Official Gazette available to citizens for direct insight, besides online
- 2.5 At least one decision of the mayor/county prefect reached within the past year published directly on the web page
- 2.13 Mayor/county prefect has a specified time for reception of citizens
- 2.6 Budget for 2011 published directly on the web page in the form of an official document
- 2.7 Web page containing additional information on the Budget for 2011 useful to citizens
- 2.8 Other ways of informing the citizens on the Budget for 2011 ("Budget in a Nutshell", memo, leaflet, advertisement, media announcement, public discussion...)
- 2.9 Zoning plan published on the web page
- 2.10 Zoning plan available to citizens for direct insight, besides online
- 2.11 Public procurement tenders held within the past year published directly on the web page or via the link to public procurement electronic browser
- 2.12 List of public procurement contracts signed within the past year published online
- 2.14 List of business entities unacceptable for LRGU in terms of closing public procurement contracts published on web pages (or a statement confirming absence of such entities)
- 2.15 Contact information of the coordinator in charge of consultations with the interested public in accordance with the Code on Consultations With the Interested Public published on the web page
- 2.16 At least one report on the consuktations with the interested public, including summarised and consolidated justification of rejected objections with regard to development of local policies, programmes, projects or general acts (not mentioned in zoning plans) in accordance with the Code of Practice on Consultation With the Interested Public published on the web page

3 Implementation of the Act on the Right of Access to Information

- 3.1 Name or number of the information officer/ person in charge of citizens' inquiries available by calling the central telephone number
- 3.2 LRGU's information officer appointed
- 3.3 Contact information of the information officer person in charge of citizens' inquiries published directly on the web page
- 3.4 Contact form available on the web page
- 3.5 LRGU has an information catalogue in accordance with the FOIA
- 3.6 Information catalogue published directly on the web page
- 3.7 Information on the citizens' right of access to information – direct mention of the FOIA provisions, available online

4 Cooperation with civil society organizations

- 4.1 Valid document formalizing the cooperation between local authorities and CSO's signed
- 4.2 At least one call for proposals for CSO's published in 2010 or 2011
- 4.3 Percentage of the 2010 Budget allocated to CSO projects (no points added to score)
- 4.4 Information on the CSO call for proposals or text of the call for proposals published in the past two years available on the web page
- 4.5 List of CSO's including the amounts of financial support received from the LRGU in the past two years available on the web page
- 4.6 Youth Council at the level of city/municipality established in accordance with the Law (founded by the representative body and with a valid mandate)
- 4.7 Council representatives held at least one meeting or enabled the Youth Council representatives to take part in at least one council/assembly session held in the past year
- 4.8 The LRGU representative body requested and received at least one statement by the Youth Council on issues within the scope of their mandate, during the current mandate
- 4.9 Another consultation body composed of CSO and/or business representatives (economic or economic-social council; committees for prevention of substance abuse, development of small business, gender equality, tourism, regional development, agriculture...) established at the city/municipality level

Over the past two years the JLS funded CSO projects or activities focused on:

- 4.10 youth (no points added to score)
- 4.11 gender equality (no points added to score)
- 4.12 promotion of equal opportunities for disabled persons (no points added to score)
- 4.13 prevention of substance abuse (no points added to score)
- 4.14 inclusion of marginalized groups (no points added to score)

5 Citizen direct participation in decision making

- 5.1 Municipality/city statute defines the structure of community level local self-government
- 5.2 Community level local self-government elections held over the past 4 years
- 5.3 Currently functional local committees at the city/municipality level
- 5.4 Contact information on community level local self-government available on the web page
- 5.5 At least one advisory referendum conducted over the past two years