

# THE ACT ON INTERNATIONAL DEVELOPMENT COOPERATION AND HUMANITARIAN AID

## I GENERAL PROVISIONS

### Subject-matter of the Act

#### Article 1

This Act governs the goals, instruments, coordination, implementation and financing of international development cooperation and humanitarian aid which the Republic of Croatia provides to partner countries.

### Goals of international development cooperation and humanitarian aid

#### Article 2

(1) The goals of international development cooperation are to contribute to the eradication of poverty and inequality through activities of fostering sustainable development in partner countries, while respecting their economic, social and environmental priorities for sustainable development, by promoting human rights, democratic values, good governance, peace and security.

(2) The goals of humanitarian aid are support, assistance and protection of the population of partner countries in the circumstances of natural disasters and crises caused by natural or human activity, preventive action and strengthening resilience to crises, in accordance with the humanitarian principles of humanity, neutrality, impartiality and independence, and good donor practice.

### Principles of implementation of international development cooperation

#### Article 3

(1) The principles of implementation of international development cooperation are: the principle of focus on results and efficiency, the principle of transparency and mutual responsibility, the principle of complementarity and the principle of comparative advantages.

(2) The principle of focus on results and efficiency focuses on provision of development cooperation of the Republic of Croatia aimed at achieving measurable effects on eradication of poverty, sustainable development, strengthening the capacities and the resilience of partner countries, while the coordination, management and supervision of projects and programmes will be in accordance with the internationally accepted guidelines for the efficiency of development partnerships.

(3) The principle of transparency and mutual responsibility focuses on the allocation of funds for projects and programmes, as well as their supervision, in accordance with the principles of good governance and transparency of cooperation, with mutual responsibility of partner institutions for achieving the results of cooperation.

(4) The principle of complementarity focuses on alignment of development cooperation policies and programmes of the Republic of Croatia with the international framework for development partnerships, especially with the United Nations' Agenda for Sustainable Development currently in force, the European Union's strategic guidelines and regulatory framework for development cooperation, the guidelines for the efficiency of development partnerships of the Organisation for Economic Cooperation and Development (hereinafter: OECD), the Paris Agreement on climate change and the international framework for disaster risk reduction, and will implement them in accordance with the development strategies of partner countries.

(5) The principle of comparative advantages focuses on the implementation of development cooperation of the Republic of Croatia to areas in which it possesses specific knowledge and experience needed by partner countries in order to achieve their priorities for sustainable development, strengthening of democratic values, peace and security.

### Definitions

#### Article 4

For the purposes of this Act, certain terms have the following meanings:

– “international development cooperation” means activities for achieving the United Nations' sustainable development goals in areas contributing to eradicating poverty in all its forms, reducing inequality, strengthening resilience and

promoting sustainable development in partner countries with an integrated approach to the economic, social and environmental dimension of development, in accordance with the needs of partner countries, and includes official development assistance in accordance with the criteria of the OECD Development Assistance Committee and other forms of development cooperation

– “partner country” is a country or a territory which the OECD Development Assistance Committee has included in the list of countries eligible for partnership through development cooperation, to which the Republic of Croatia allocates its official development assistance

– “humanitarian aid” encompasses response measures to natural disasters and crises caused by human activity in accordance with the needs of the population affected by the crisis, aimed at preventing and mitigating human suffering, preserving human dignity and property, and preventive action and capacity building for strengthening resilience in response to crises, along with connecting humanitarian and development activities where applicable

– “bilateral development cooperation” is development cooperation between the donor country and the partner country and is implemented directly or through an international organisation, international financial institution or international funds and other relevant institutions and legal persons, when the purpose and the targeted partner country or region are defined

– »“multilateral development cooperation” is development cooperation through the support of programmes and projects via the European Union, international organisations and institutions, international financial institutions or international funds or other multilateral formats with competencies in the area of development cooperation

– »“project” means a set of activities designed to achieve clearly defined and measurable goals, in accordance with the conditions and the criteria set in advance

– »“programme” means a comprehensive set of projects with a joint separate goal conducted during a period determined in advance

– “implementing entity or budget beneficiary” is a direct or indirect beneficiary of the state budget or the budget of a local and regional self-administration unit which, in its financial plan, has allocated dedicated funds for development cooperation and which, as the implementing entity of the project, programme or other development cooperation activities, independently or in cooperation with another implementing entity, implements a project, programme or other development cooperation activity.

## II NATIONAL ACTS FOR PLANNING DEVELOPMENT COOPERATION

The strategic planning act

Article 5

(1) The sectoral, territorial and other priorities of bilateral and multilateral development cooperation and humanitarian aid (hereinafter: development cooperation) of the Republic of Croatia are laid down by the short-term strategic planning act.

(2) The short-term strategic planning act referred to in paragraph 1 of this Article shall be drafted in accordance with the regulation governing the area of strategic planning and development management.

## III COORDINATION OF DEVELOPMENT COOPERATION

The national body for coordination of development cooperation

Article 6

The Ministry competent for foreign affairs (hereinafter: Ministry) coordinates development cooperation of the Republic of Croatia.

The Commission for Development Cooperation and Humanitarian Aid to Foreign Countries

Article 7

(1) The Government of the Republic of Croatia shall, by a decision, establish the Commission for Development Cooperation and Humanitarian Aid to Foreign Countries (hereinafter: Commission).

(2) The Commission shall be entrusted with strategic direction of the activities of the Republic of Croatia in the area of development cooperation.

(3) The composition, the tasks and the manner of work of the Commission shall be laid down by the decision referred to in paragraph 1 of this Article.

(4) The Ministry shall carry out expert and administrative tasks for the Commission.

Competencies of the national body for coordination of development cooperation

Article 8

The Ministry, pursuant to Article 6 of this Act, ensures:

- drafting the proposal of the strategic planning act referred to in Article 5 of this Act, in cooperation with the Commission referred to in Article 7 of this Act
- drafting the proposal for the Government of the Republic of Croatia on sending humanitarian aid to foreign countries
- collecting data from budget beneficiaries and other development cooperation implementing entities, about the implemented development cooperation projects, programmes and other activities, processing data in accordance with the rules of the OECD Development Assistance Committee, and drafting the proposal of the Report on the Implementation of International Development Cooperation of the Republic of Croatia (hereinafter: Report), submitted annually to the Croatian Parliament and the Government of the Republic of Croatia
- submitting the Report to European Union bodies, the OECD Development Assistance Committee and other relevant international organisations and institutions
- aligning development cooperation with the policies and guidelines of the European Union, the United Nations, the OECD and other relevant international organisations and institutions
- planning, coordinating and implementing the development cooperation, independently or in cooperation with other budget beneficiaries and implementing entities
- monitoring the fulfilling of goals and principles of development cooperation of the Republic of Croatia aimed at achieving optimal development impact on partner countries
- planning and implementing programmes for informing the public and raising awareness in the Republic of Croatia on the importance of development cooperation
- promoting networking, cooperation and consultations with all development cooperation stakeholders
- carrying out other tasks laid down by this Act.

## IV IMPLEMENTATION OF DEVELOPMENT COOPERATION

Manners of implementation of development cooperation

Article 9

Development cooperation shall be implemented by:

- financing projects and programmes by providing financial contributions or other payments, via or in favour of international organisations, institutions, programmes and funds
- financing activities of entities participating in the implementation of development cooperation
- transferring funds to another state administration body, a local and regional self-administration unit, competent specialist service of the Government of the Republic of Croatia, foundation, institution, civil society organisation or other implementing entity, for the purpose of financing or co-financing the implementation of a development cooperation project, programme or activity, pursuant to a signed agreement
- awarding funds to a civil society organisation through a public call for the implementation of development and humanitarian projects in foreign countries, and awarding scholarships
- financial instruments aimed at including the private sector in the development cooperation projects and programmes, loans, credits, insurances and other financial instruments
- direct budgetary support to partner countries and other financial macroeconomic instruments aimed at promoting sustainable development in partner countries
- co-financing or providing technical support for activities financed from the budgets of the European Union, other international organisations, financial institutions, public sources or by third countries.

Development cooperation implementing entities

Article 10

Development cooperation projects and programmes shall be implemented by:

- state administration bodies, local and regional self-administration units and competent specialist services of the Government of the Republic of Croatia in accordance with their competences
- international organisations or other entities referred to in Article 4, subparagraphs 4 and 5, of this Act

- foundations, institutes and institutions founded by or co-founded by the Republic of Croatia for public welfare or for charitable purposes, legal persons with public authorities and legal entities whose legal personality in the Croatian legal order is recognised by the Republic of Croatia under international treaties, in accordance with their activities or competences covered by the subject-matter of this Act
- civil society organisations
- legal entities registered in the court register.

#### Competencies and liabilities of implementing entities

##### Article 11

- (1) Budget beneficiaries, as implementing entities, through their own development and humanitarian projects, programmes and other activities, provide development cooperation to partner countries, independently or in cooperation with entities referred to in Article 10 of this Act, in accordance with their competencies, plans and secured budgetary funds.
- (2) Budget beneficiaries shall submit to the Ministry, at its request, the data on the use of funds for providing development cooperation in accordance with the rules of the OECD Development Assistance Committee, for the purpose of preparing the Report for which the Ministry is responsible.

#### Allocation of funds for bilateral development cooperation

##### Article 12

The funds for the implementation of bilateral development cooperation shall be allocated by:

- financial contribution to a state administration body, local and regional self-administration unit, competent specialist service of the Government of the Republic of Croatia, foundation, institute, legal entities referred to in Article 10 of this Act, or another implementing entity or co-implementing entity in the Republic of Croatia, a third country or a partner country, international organisation, fund or another international institution with competencies in the implementation of development cooperation, where the targeted partner country or region is defined
- concluding contracts with civil society organisations through a public call in accordance with the criteria, standards and procedures for financing and contracting projects and programmes for state budget beneficiaries
- direct financial contribution to partner countries in the form of budgetary support and other financial instruments referred to in Article 9, subparagraphs 6 and 7, of this Act, in accordance with the conditions for approving such support and instruments
- financial instruments aimed at activities of the private sector in development cooperation projects and programmes referred to in Article 9, subparagraph 5, of this Act, where the purpose and the targeted partner country or region are defined.

#### Allocation of funds for multilateral development cooperation

##### Article 13

Funds for multilateral development cooperation shall be allocated by payment of contributions, membership fees or other financial payments via or in favour of international organisations, institutions, programmes and funds, and legal entities referred to in Article 10 of this Act, where the targeted partner country or region is not defined.

#### Conditions for allocation of funds

##### Article 14

Funds for the implementation of bilateral and multilateral development cooperation shall be allocated in accordance with the conditions and the criteria for financing development cooperation projects and programmes, and the strategic planning act referred to in Article 5 of this Act.

## TRANSITIONAL AND FINAL PROVISIONS

#### Procedures in course and subordinate legislation

##### Article 15

- (1) Procedures for contracting and implementing the development cooperation projects and programmes initiated before the entry into force of this Act shall be finalised in accordance with the provisions of the Act on Development Cooperation and Humanitarian Aid to Foreign Countries (Official Gazette 146/08).
- (2) The Government of the Republic of Croatia shall adopt the decision on establishing the Commission referred to in Article 7 of this Act within six months from the date of entry into force of this Act.

Expiry of the Act

Article 16

On the day of entry into force of this Act, the Act on Development Cooperation and Humanitarian Aid to Foreign Countries (Official Gazette 146/08) shall cease to have effect.

Entry into force

Article 17

This Act shall enter into force on the eighth day from the day of its publication in the Official Gazette.