

# Croatia: Public participation in national level budget process

Mihaela Bronić  
Institute of Public Finance  
Zagreb, Croatia

Senior Budget Officials CESEE - SBO  
Zagreb, May 25, 2018

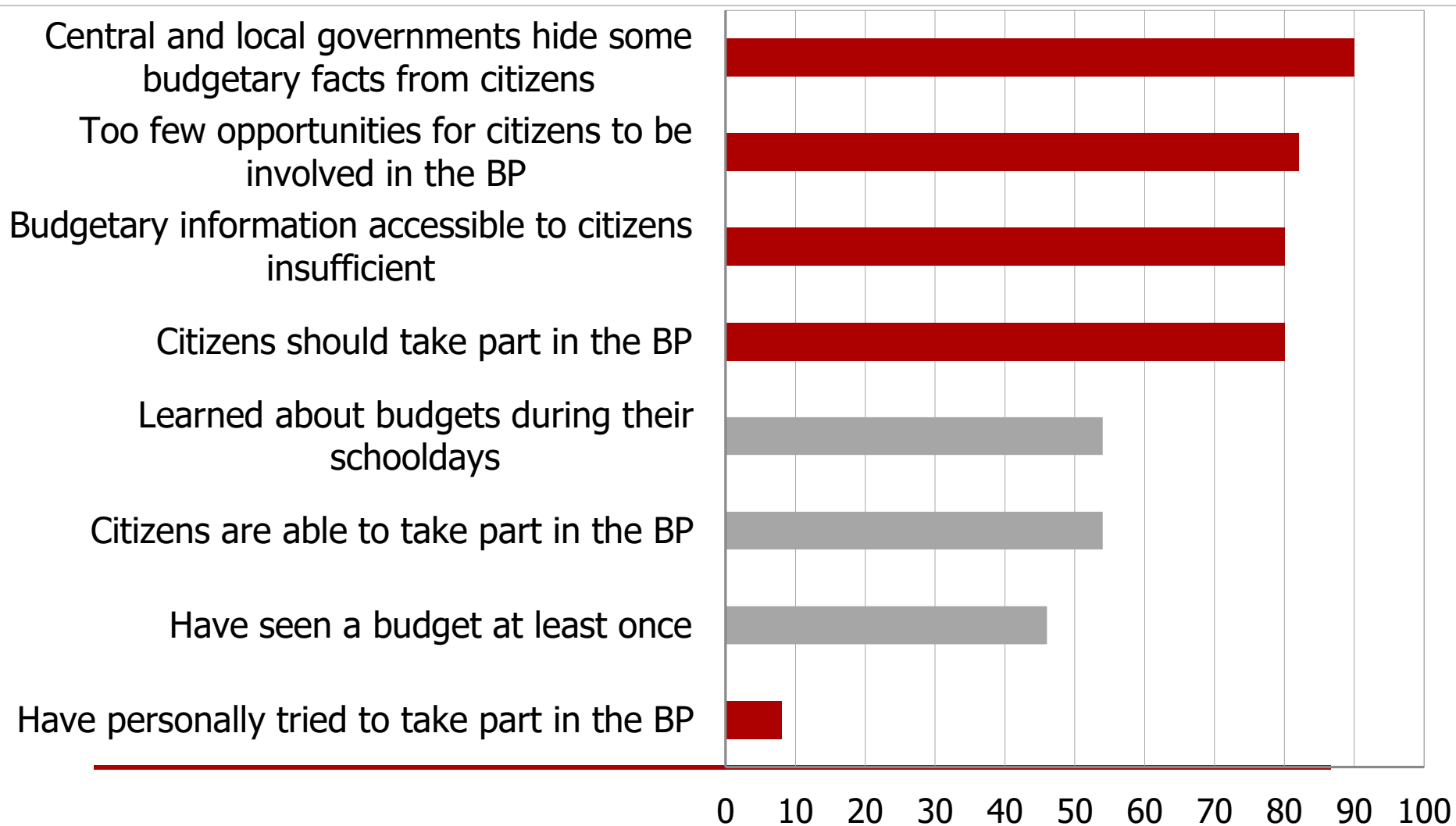


# The structure of presentation

- National level public participation in budget process is not satisfactory
  - Obstacles are numerous
  - Conclusion:
    - increased budget literacy/citizens education along with
    - more opportunities for PP is needed.
-

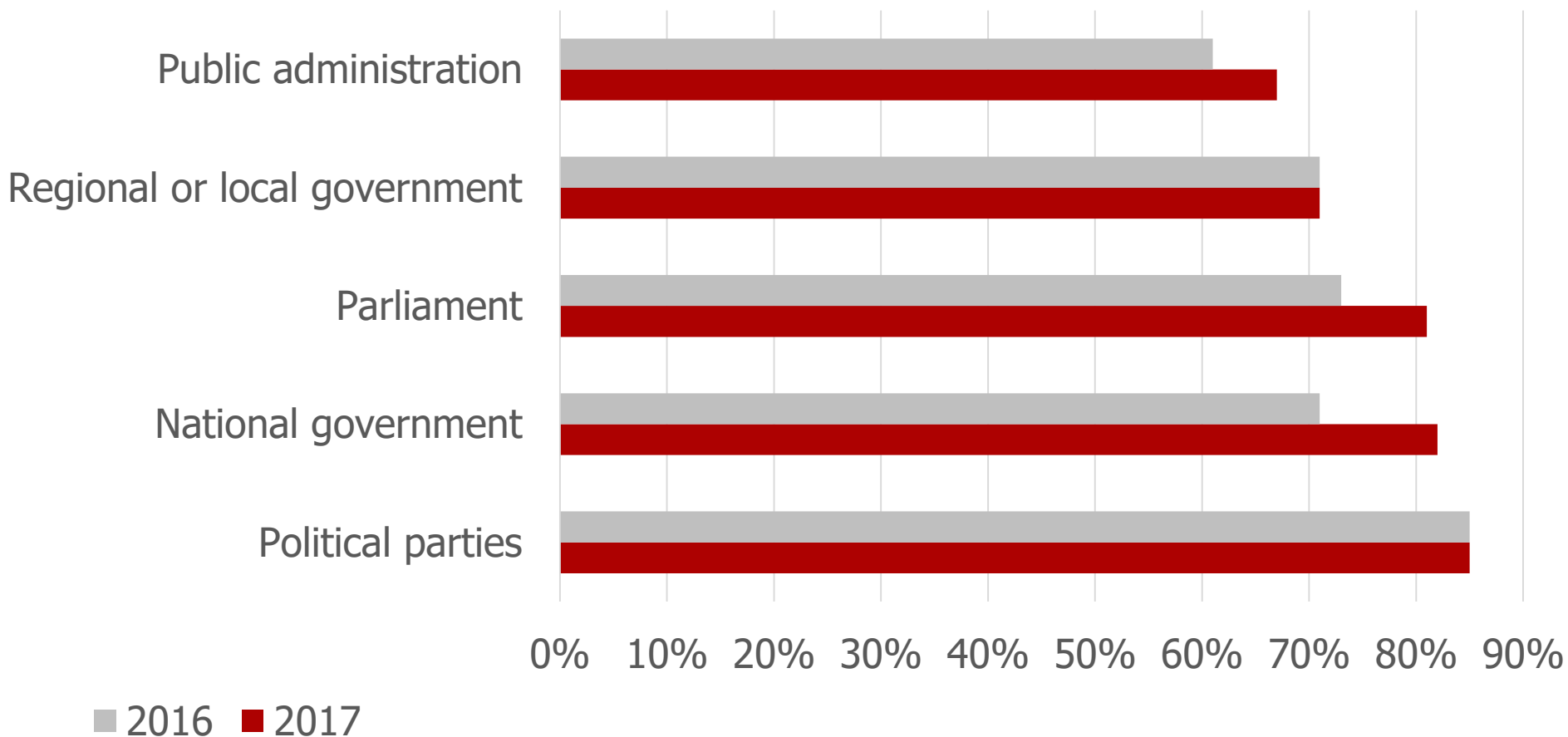
# Numerous obstacles for PP

Graph 1. Online survey about PP in Croatia (in %)



# Numerous obstacles for PP

Graph 2: Croatia - Citizens dissatisfaction with:



Source: European Commission, 2017. Standard Eurobarometer 88

# Numerous obstacles for PP - Engaging citizens is not easy

- Public criticism and distrust → PP is not worth
  - politicians are corrupt
  - decisions have already been made by politicians
  - citizens do not know have their inputs been used
  - it is not safe to participate (you may even lose your job if you work in public sector)
- Lack of
  - interest and understanding of the BP (importance of PP, how and where to participate)
  - understanding of technically presented long budget documents and deciding what is (not)important (too much details)
  - citizens' time (too much work or personal obligations)

## **Numerous obstacles for PP (within government institutions)**

- Inadequate financial and staff resources
- Difficulties obtaining interest from the elected top officials
- Lack of will (government employees have many other tasks, they do not want more tasks)
- Lack of time - the budgets are made in the last minute
- Most of the budget items are already predefined (e.g. employees costs...)

**Increased budget literacy/citizens education** along with **more PP opportunities (multiple, not dependent on time and space)** are needed



citizens should be motivated

---

# Good example: Online Educational Budget Game Proracun(ajme) – City of Rijeka

Aimed at

1. improving LBT
  2. an interactive tool for direct communication between citizens and the mayor
- Citizens
    - get acquainted with the actual budget
    - choose projects which they would like to see realized, which are not included in the existing budget
  - The statistics relating to the chosen projects is used when the budget is planned for the next year

Source: <https://www.vojko-obersnel.com/hr/proracunaj-me/2018>



# Proracun(ajme) – City of Rijeka

## 1. Homepage

- Introductory text about the current budget
- Educational part: keywords are explained (e.g. communal fee)

## 2. Game

- Citizens **choose projects** that are not in their current budget (Total maximum amount of selected projects:  $\approx$  US\$ 10 mil.)
- **Reducing items of current budget or raising communal fees** citizens provide funds for the implementation of selected projects
  - Alarms alert citizens to what happens when an item of current budget decreases or communal fee increases

## 3. Report:

- Selected projects and how are they funded
- Comparison of citizens' budget to the current budget

Source: <https://www.vojko-obersnel.com/hr/proracunaj-me/2018>

## How to increase national level PP?

1. Online educational budget game (like in Rijeka) on the level of each ministry?
  2. Surveys, focus groups – to find out
    - who is (not) participating and why?
    - opinions of the goals in strategic plans of different ministries (are adopted goals too ambitious/modest)?
      - like in Standard Eurobarometer – opinions on EU 2020 targets – e.g. Target - To increase energy efficiency in EU by 20% by 2020?
  3. Introducing budget literacy courses into school curricula (as a part of civil education at all levels of education)?
-

Thank you 😊

Your comments and suggestions are welcome...



Institut za  
javne financije  
INSTITUTE OF PUBLIC FINANCE