

Seminar organised by the Hellenic Council of State and ACA-Europe

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New elements in the organisation and functioning of the Public Administration and Administrative Justice

Questionnaire

Responses from High Administrative Court of the Republic of Croatia

I. New models of organisation and functioning in the Public Administration

The aim and scope of Part I of this questionnaire is:

- (A) To examine collaboration with private individuals (who are not public servants) in the unilateral action taken by the Administration, and more specifically to study the delegation to private individuals of tasks traditionally performed by public servants during the procedure of issuing an administrative act. Participation, in general, of citizens/interested parties in administrative proceedings (e.g. preliminary hearings, participation and all forms of consultation), collaboration with private individuals in the Administration's contractual activity (works, supply and service contracts, concession contracts, public-private partnerships, etc.), privatization of public-sector bodies and creation of legal entities governed by private law are not covered by this questionnaire.
- (B) To study the integration of private-sector organisational models into the tools and operating methods of the Public Administration.

A. Delegation of administrative tasks to private individuals

1. General provisions

Does your legal system recognise the following forms of collaboration between private individuals and the Public Administration?

Tasks assigned to private individuals during the procedure of issuing [adopting] an administrative act √

Recruitment of private individuals who are not civil servants within the Administration's structure, e.g. executive managers, senior managers √



2. Regarding the involvement of private individuals in administrative proceedings

i. If the involvement of private individuals in administrative proceedings (as indicated above) is provided for in your legislation, please mention specific provisions.

Constitutional provision	<input type="checkbox"/>
General provision of a legislative nature	<input checked="" type="checkbox"/>
Specific legislation	<input checked="" type="checkbox"/>

The Croatian legal system provides for involvement of private individuals in administrative proceedings through specific legislative provisions, primarily in general and specific laws rather than the Constitution.

No direct constitutional provision explicitly recognizes the assignment of tasks to private individuals or recruitment of non-civil servants in administrative proceedings. The Constitution of the Republic of Croatia focuses on general principles of public administration, such as legality and efficiency in Article 115, but does not detail forms of private collaboration.

The General Administrative Procedure Act (Zakon o općem upravnom postupku) serves as the general legislative framework, allowing private individuals to participate via roles like authorised representative (opunomoćenik - Article 36) and expert assistant (stručni pomagač - Article 38) during proceedings. These roles enable private persons to assist parties or provide expertise, but not to exercise core public authority.

Under Article 23 of the General Administrative Procedure Act, "official" (službena osoba) is defined as the person who conducts the administrative procedure, what implicitly excludes private persons from acting as official decision-makers but envisages roles where non-official persons can assist depending on the legal context.

Under the Second part, Chapter III of the General Administrative Procedure Act is prescribed that persons such as experts, translators, and interpreters are participants whose actions relate to procedural evidence and costs (e.g., they can claim reimbursement).

For recruitment of non-civil servants like executive managers, the Civil Servants Act (Zakon o državnim službenicima) provides specifically in Article 5, permitting public bodies to engage external expert service providers (pružatelji stručnih usluga) via service contracts for tasks outside core civil service duties, subject to a 2% budget cap. This enables hiring private managers while maintaining civil service distinctions.

ii. Does national case-law or legislation define criteria pursuant to which the delegation of administrative tasks to private individuals is authorised?

In the Croatian legal system, there is no general legislative provision or established case-law that defines broad criteria for delegating administrative tasks or decision-making powers to private individuals. The General Administrative Procedure Act does not allow public authorities to transfer core administrative authority, such as deciding on rights and obligations, to private

persons. Private individuals may only be involved in administrative proceedings in limited, auxiliary roles (for example, as experts, interpreters, or consultants), while the final decision must always remain with the competent public body.

Delegation or cooperation with private persons is only possible when expressly authorised by specific legislation, most notably through administrative contracts or sector-specific laws that provide conditions and safeguards. Croatian administrative courts mainly review whether authorities act within their legal competence, but they have not developed a general set of judicial criteria governing delegation of administrative functions to private individuals.

iii. How are administrative tasks delegated to private individuals? Please provide specific examples.

- | | |
|--------------------------------|---|
| Directly by law | √ |
| By an administrative act | □ |
| By contract | √ |
| Other | √ |

In the Croatian legal system, the involvement of private individuals in the performance of administrative tasks is possible only under strict conditions, since the exercise of public authority is generally reserved to competent public bodies. Delegation of administrative functions to private persons is therefore not a matter of free administrative discretion but must always be based on the principle of legality and on explicit legal authorization. In practice, administrative tasks may be entrusted to private individuals through several mechanisms.

First, delegation may occur directly by law. This is the most important and legally secure form, since Croatian administrative authorities may involve private persons only when a statute expressly provides for such participation. Sector-specific legislation sometimes assigns particular public-interest tasks to licensed professionals or private entities. For example, architects and engineers may be required by law to prepare technical documentation that forms part of administrative procedures for building or environmental permits. Similarly, concession legislation allows private operators, as concession holders, to carry out certain public services such as waste management, water supply, or transport under a statutory framework. Another example is the role of notaries public, who perform certain delegated public functions based on special laws. In all these cases, private participation is directly grounded in legislation rather than in an individual decision of the administration.

Secondly, delegation by means of an administrative act is generally not permitted in Croatia. Administrative bodies cannot transfer their competence to decide on rights and obligations simply by issuing an administrative decision, because competence must always be established by law. However, administrative authorities may adopt procedural acts appointing private individuals in auxiliary roles within a proceeding. A typical example is the appointment of a private expert to



provide professional findings or opinions during the evidence-gathering stage. Such involvement does not amount to delegation of decision-making power, since the final administrative act must still be adopted by the competent public authority.

Thirdly, administrative tasks may be entrusted to private individuals through contracts. Croatian law recognizes administrative contracts (*upravni ugovor*) as a form of cooperation between public authorities and private persons, but only under conditions laid down by legislation. Administrative contracts may be used to implement certain public obligations in regulated sectors, while concession contracts represent an important example where private operators perform public services under public-law supervision. In addition, public bodies may conclude contracts with external experts or service providers for technical assistance, IT support, or specialised services. Even in these cases, however, contractual cooperation cannot transfer core public authority, and administrative decision-making remains the responsibility of official persons within the administration.

Finally, other indirect forms of involvement of private individuals exist, although they do not constitute full delegation of administrative powers. Private persons may participate in administrative proceedings as experts, interpreters, witnesses, or consultants, supporting the administration in fact-finding or communication. Technical and operational tasks may also be outsourced through public procurement procedures. These forms of collaboration assist the administration but do not replace it in exercising public authority.

Overall, in Croatia administrative tasks may be entrusted to private individuals mainly through explicit statutory authorization or through contracts such as administrative contracts or concession agreements. Delegation through a mere administrative act is largely excluded, and private participation is usually limited to auxiliary or technical functions, while the adoption of binding administrative decisions always remains with the competent public body.

iv. Which administrative tasks can be entrusted to private individuals [content of the tasks]?

Please provide specific examples from legislation and case-law.

- | | |
|-----------------------------------------------------|---|
| Preparation of the administrative act | √ |
| Issuance [adoption] of the administrative act | □ |
| Implementation of the administrative act | √ |
| Other | √ |

As mentioned in answers above, in Croatian administrative law, particularly under the General Administrative Procedure Act, public authorities can delegate certain administrative tasks to private individuals, but only within strict limits to preserve public interest and legality. Core



functions remain exclusively with official bodies, while preparatory and supportive roles can be entrusted under supervision.

Preparation of the Administrative Act

Private individuals may perform preparatory work, such as collecting evidence, site inspections, expert assessments, or drafting preliminary documents, provided they operate as authorised agents. This delegation is common when specialised knowledges are required, like technical evaluations in building permits, but the public authority retains final oversight and responsibility. Case examples from administrative courts affirm this, such as rulings allowing engineers or surveyors to assist in evidence gathering without overstepping into decision-making.

Issuance [Adoption] of the Administrative Act

The issuance or formal adoption of administrative acts (odluke) cannot be delegated to private individuals, as this core authority is reserved for officials or public bodies within their statutory competence (e.g., Articles 1., 2. and 5. of the General Administrative Procedure Act).

Implementation of the Administrative Act

Implementation and enforcement can be partially entrusted to private parties, such as through direct agreements for execution or via court-ordered third-party involvement if the authority delays (e.g., ZUP execution rules and administrative dispute practices). Judicial oversight ensures compliance, with costs recoverable from the defaulting authority.

Other Tasks

Additional auxiliary functions, like notifications, record maintenance, simple verifications, or data processing, can also be assigned to private individuals, often via contracts with public bodies. Case-law highlights supervised roles in social services or inspections, where private experts perform tasks but report back to officials for validation.

v. What is the extent [range] of administrative tasks that can be entrusted to private individuals?

Please provide specific examples from legislation and case-law.

Advisory tasks	√
Decision-making tasks	□
Control and verification tasks:	
Establishment of the facts	√
Legal qualification of the facts	□
Other	√

In the Croatian legal system, the range of administrative tasks that may be entrusted to private individuals is relatively limited and is governed by the principle that the exercise of public authority must remain within the competence of public bodies. Private participation is therefore possible mainly in supportive or auxiliary functions, while core decision-making powers are reserved for administrative authorities.

Private individuals may very commonly be entrusted with advisory tasks. Croatian administrative bodies are allowed to rely on external experts, consultants, interpreters or other specialists in order to obtain professional opinions and technical knowledge necessary for resolving a case. For example, in procedures concerning building permits, environmental protection or complex technical matters, private experts may prepare reports, assessments or evaluations that assist the authority in understanding the factual situation. These advisory contributions are recognised under the General Administrative Procedure Act, which allows expert involvement as part of the evidentiary phase of administrative proceedings (Article 65). In such cases, private individuals do not decide the matter, but provide professional input that supports the authority's work.

Decision-making tasks cannot generally be delegated to private individuals. Croatian law does not allow private persons to adopt or issue binding administrative acts determining rights and obligations. The adoption of an administrative decision remains an exclusive function of competent public authorities and authorised officials. Neither the General Administrative Procedure Act nor Croatian administrative case-law provides a general basis for outsourcing the power to decide in administrative matters to private individuals. Administrative courts review the legality of acts issued by public bodies, and the Croatian system does not recognise "administrative acts" issued by private persons as valid exercises of public authority.

Private individuals may, however, participate in certain control and verification tasks, particularly in relation to the establishment of facts. Fact-finding is often supported by private experts who carry out inspections, technical evaluations or professional verification of evidence. For instance, an engineer may verify structural safety, or an environmental specialist may assess pollution levels. These activities contribute to the determination of the factual basis of the case, but the authority remains responsible for evaluating the evidence and making the final legal assessment.

On the other hand, the legal qualification of facts, that is, applying the law to the established facts and determining the legal consequences, cannot be entrusted to private individuals. This function forms part of the core administrative decision-making process and must be performed by the competent authority itself.

In addition, private individuals or entities may be entrusted with other administrative tasks, particularly those connected with implementation or execution, when expressly authorised by



legislation. Croatian law recognises administrative contracts and concession arrangements as mechanisms through which private parties may perform certain public-interest activities. For example, concessionaires may operate public services such as waste management, transport infrastructure or utilities under statutory supervision and contractual regulation. In these situations, private entities implement or carry out activities linked to administrative decisions, but regulatory oversight and ultimate responsibility remain with public authorities.

Overall, the Croatian system allows private individuals to assist the administration through advisory roles, expert fact-finding and certain implementation tasks based on contracts or statutory authorisation. However, the issuance of administrative acts and the legal qualification of facts remain non-delegable core functions of public administration.

vi. Are there any cases where the involvement of private individuals in administrative proceedings is prohibited?

- No
- Yes (please specify)

If yes, which legal instrument provides for the corresponding prohibitions?

- Constitution
- Legislation
- Other

Please indicate any relevant case-law.

In the Croatian legal system there are situations in which the involvement of private individuals in administrative proceedings is either explicitly prohibited or strictly excluded by the nature of the matter. This follows from the fundamental principle that the exercise of public authority and the adoption of administrative decisions affecting rights and obligations must remain within the competence of legally authorised public bodies. Therefore, while private individuals may participate in auxiliary roles, Croatian law prohibits their involvement whenever it would amount to an unlawful transfer of public powers.

The clearest prohibition concerns decision-making functions. Private individuals cannot issue or adopt administrative acts (upravni akti) that determine the rights, obligations or legal interests of parties. Such acts must be adopted exclusively by competent administrative authorities or authorised officials. This prohibition is not always formulated as a single explicit clause, but it derives from the principle of legality and competence embedded in the General Administrative Procedure Act. Under the General Administrative Procedure Act, the administrative procedure is conducted by an “official person” (službena osoba) acting within the competence of a public authority, which implicitly excludes private persons from performing the role of decision-maker.

Any attempt to delegate the issuance of administrative acts to private individuals would therefore be unlawful.

In addition, private involvement is prohibited in areas where the administration exercises coercive or sovereign powers. For example, enforcement measures, inspection powers, and the imposition of administrative sanctions must be carried out by public officials. These functions involve the exercise of state authority and cannot be outsourced to private individuals unless a specific law establishes a special public-law status (which is rare and strictly controlled).

The corresponding prohibitions are primarily grounded in legislation, especially in the General Administrative Procedure Act and in sector-specific administrative laws that reserve certain powers to state authorities. While the Croatian Constitution does not expressly mention private participation in administrative procedures, it establishes the general framework of legality and the requirement that state powers be exercised only by authorised bodies. Thus, constitutional principles support the prohibition indirectly, but the concrete rules are found in legislation.

As regards case-law, Croatian administrative courts consistently emphasise that administrative acts must be adopted by competent authorities acting within their legal powers. If an act is issued by an entity lacking competence, it is unlawful and subject to annulment. Although Croatian jurisprudence does not contain many cases explicitly framed as “prohibitions of private participation,” court practice confirms that private persons cannot replace public authorities in adopting binding administrative decisions, and that competence cannot be transferred outside the administrative system without a clear statutory basis.

In summary, the involvement of private individuals is prohibited whenever it concerns core sovereign functions such as issuing administrative acts, applying legal qualification of facts, imposing sanctions, or exercising enforcement powers. These prohibitions arise mainly from legislation (the General Administrative Procedure Act and special laws), supported indirectly by constitutional principles of legality and lawful exercise of public authority, and confirmed through administrative court review of competence and legality.

3. Qualifications and selection procedure for private individuals

i. What is the procedure provided for in the legislation for the certification of private individuals?

Please mention specific examples.

Participation in examinations	√
Selection based on criteria	√
Other	√



In Croatian law there is no single general procedure for the certification of private individuals to participate in administrative proceedings, because the exercise of public authority and the adoption of administrative acts remain the responsibility of competent public bodies. Nevertheless, legislation provides several specific mechanisms through which private individuals may be formally qualified or certified to perform supporting roles in administrative processes.

One important example is participation in examinations. Croatian law requires that officials who conduct administrative procedures or decide on administrative matters within public administration must meet professional requirements, including passing the state professional exam (državni stručni ispit). This exam is organised under the supervision of the Ministry of Justice, Public Administration and Digital Transformation and serves as a formal certification for individuals performing administrative duties within public bodies. Private individuals employed outside the public sector generally cannot take this exam unless they work in a legal entity with public authority.

Another form of certification is selection based on criteria. Private individuals may participate in proceedings as experts, provided they satisfy statutory requirements relating to education, professional experience and competence. A well-known example is the system of registered court experts, where individuals are included on official expert lists only after meeting prescribed criteria and undergoing assessment procedures. Although this system is primarily regulated in the judicial context, similar standards apply when private experts are engaged in administrative procedures, particularly in technical or specialised matters.

Finally, other certification procedures exist in sector-specific legislation. Certain regulated professions whose work is relevant for administrative decision-making, such as actuaries, engineers or other licensed specialists, must obtain authorisation under special laws and regulations. These sectoral certification regimes often involve additional examinations, professional training or approval by competent regulatory bodies.

Overall, Croatian legislation provides certification of private individuals mainly through professional examinations for public administrative roles, selection procedures for qualified experts, and specialised authorisation regimes in regulated sectors, rather than through a single unified certification framework.

ii. How are selected the private individuals who will be entrusted with a specific administrative task? Please give examples.

Random selection from a list/register



- | | |
|----------------------------------------------------------|---|
| Selection from a list/register based on criteria | √ |
| Absolute discretionary power of the Administration | □ |
| Selection by the citizen [upon a declaration] | √ |
| Other | √ |

In Croatia, private individuals entrusted with specific administrative tasks are generally selected through legally regulated procedures rather than by random choice or unlimited administrative discretion. The most common method is selection from official lists or registers based on objective criteria such as professional qualifications, expertise, licensing, and impartiality. For example, administrative authorities may appoint certified experts or interpreters from official registers to assist in technical matters during a procedure. Absolute discretionary power of the administration is not accepted, since appointments must respect the principle of legality and avoid conflicts of interest. In certain cases, parties may also influence the selection by proposing an expert opinion or choosing a professional to prepare documentation, although the authority is not always bound by this choice. Additionally, private entities may be selected through other mechanisms such as concession procedures, administrative contracts, or public procurement processes, for instance when a private operator is chosen to provide a public service under a concession agreement.

iii. Is there a legal provision and/or other instrument governing the actions of private individuals when performing administrative tasks? Please indicate specific provisions.

- | | |
|---------------------------------------------------------------|---|
| No | □ |
| If yes, | √ |
| General normative act (e.g. Code of Administrative Procedure) | √ |
| Specific normative acts | √ |
| Codes of Conduct, good practices (soft law) | √ |
| Other | √ |

In the Croatian legal system there are legal provisions and other instruments that govern the actions of private individuals when they perform administrative tasks or participate in administrative proceedings. Although private persons cannot exercise core decision-making authority, their involvement in advisory, expert or implementation roles is subject to legal regulation.

First, general rules are provided by the General Administrative Procedure Act, which governs the conduct of administrative proceedings and regulates the role of participants such as experts, interpreters and other persons involved in establishing facts or assisting the authority. The Act ensures that, even when private individuals contribute to the procedure, the process remains lawful, impartial and under the responsibility of the competent administrative body.



Secondly, specific normative acts apply in areas where private individuals or entities perform particular administrative-related tasks. Sectoral legislation, such as laws on concessions, public services, environmental protection or construction, may expressly define the rights, obligations and supervision of private actors entrusted with implementing public tasks. For example, concession laws regulate how private concessionaires must act when providing public services under state oversight.

In addition, soft-law instruments may also be relevant. Professional codes of conduct and good practice rules adopted by professional chambers (e.g., engineers, lawyers, auditors) can guide the behaviour of private individuals involved in administrative procedures, especially where professional ethics and standards are important.

Other relevant instruments include administrative contracts and concession agreements, which often contain detailed provisions governing how private parties must perform entrusted tasks, under public-law supervision and accountability mechanisms.

iv. How are the impartiality and integrity of private individuals guaranteed under the law? Please indicate specific provisions.

Incompatibilities	√
Impediments	√
Criminal or disciplinary liability	√
Other	√

In the Croatian legal system, the impartiality and integrity of private individuals involved in administrative tasks or administrative proceedings are guaranteed through several legal mechanisms. Although private persons may only participate in auxiliary or implementation roles, their actions must still comply with principles of legality, impartiality and accountability.

First, impartiality is ensured through rules on incompatibilities and conflict of interest. Private individuals appointed as experts, interpreters or service providers must not have personal or financial interests in the outcome of the case. Sectoral legislation and professional regulations often prohibit participation where there is a conflict between private interests and the public task entrusted to them. In practice, this prevents individuals from acting where their neutrality could be compromised.

Secondly, impediments are recognised in administrative procedure law. The General Administrative Procedure Act contains provisions on the exclusion of officials and, by analogy,



similar standards apply to experts and other participants: persons who have a relationship with a party or other circumstances raising doubts about their impartiality may be excluded from participation. This guarantees that administrative proceedings remain fair and objective.

Thirdly, criminal and disciplinary liability serves as an important safeguard. Private individuals performing entrusted tasks may be subject to criminal liability in cases of corruption, abuse of position, bribery or falsification of documents. In addition, professionals such as engineers, auditors or interpreters may face disciplinary proceedings under the rules of their professional chambers if they breach ethical or legal duties.

Other guarantees include contractual supervision and professional codes of conduct. Where private entities act under administrative or concession contracts, their obligations, oversight mechanisms and sanctions for misconduct are specified in contractual and statutory frameworks. Professional ethical standards further reinforce integrity requirements.

v. What are the legal consequences in the event of an error, offence or failure on the part of the private individual?

Withdrawal of the certification	√
Disbarment from the professional association	√
Imposition of a fine or other penalty	√
Personal liability of the private individual (civil, criminal, disciplinary)	√
Revocation of the administrative act in the issuance of which the private individual collaborated	√
Civil liability of the State	√
Other	√

In Croatia, errors, offences or failures committed by private individuals involved in administrative tasks may lead to several legal consequences, depending on the nature of the task, the legal framework governing their role, and the seriousness of the misconduct. Since private persons may participate as certified experts, licensed professionals, concessionaires or contractors, Croatian law provides both personal and institutional remedies.

One possible consequence is the withdrawal of certification or authorisation. Where private individuals perform tasks on the basis of a licence, registration or certification (for example, court experts, interpreters or other authorised professionals), serious misconduct or repeated errors may lead to removal from the official register or loss of authorisation.

Relatedly, disbarment or disciplinary exclusion from a professional association may apply. Many private individuals involved in administrative matters belong to professional chambers (engineers, architects, lawyers, auditors). Breaches of professional duties or ethical standards can result in disciplinary sanctions, including suspension or expulsion from the professional body.

Another important consequence is the imposition of fines or other penalties. Administrative or sectoral legislation may impose financial penalties for breaches of obligations, particularly in regulated fields or concession arrangements. In cases of corruption or fraud, criminal penalties may also apply.

Croatian law also recognises the personal liability of the private individual. Depending on the circumstances, the person may incur civil liability for damages, disciplinary liability under professional rules, or criminal liability for offences such as bribery, abuse of trust, or falsification of documents.

If the private individual collaborated in the preparation or evidentiary basis of an administrative act, their error may affect the legality of the decision. In such cases, the administrative act may be annulled or revoked through administrative appeal or judicial review, although the act itself remains formally attributable to the public authority rather than the private person.

In addition, Croatian law provides for civil liability of the State. Under general principles of public liability, the State or public authority may be responsible for unlawful acts or damage caused in the exercise of public powers, even where private individuals contributed as auxiliaries or contractors. The State may later seek recourse against the private person if appropriate.

Other consequences may include termination of administrative or concession contracts, exclusion from future public tenders, or other supervisory measures depending on the sector.

4. Administrative checks [controls]

i. Does the Administration carry out checks on private individuals when they perform administrative tasks?

- | | |
|-----|--------------------------|
| Yes | √ |
| No | <input type="checkbox"/> |

ii. If yes, at what stage are the checks carried out?

- | | |
|--------------|---|
| A priori | √ |
| A posteriori | √ |



At any time

√

iii. How are checks activated?

Following a complaint/administrative appeal

√

Ex officio

√

iv. How extensive are the checks?

Checks based on sampling

√

Mandatory checks for all actions

√

v. What is the nature of the checks?

Of legality

√

Of the substance, of appropriateness

√

vi. What is the type of checks?

On persons

√

On actions

√

vii. Are the conclusions of private individuals binding on the Administration?

Yes

No

√

5. Judicial review

i. Can the actions of private individuals be subject to judicial review? Please indicate specific provisions or the relevant case-law.

No

Yes

√

If yes, what is the scope of the judicial review?

The review directly targets the action of the private individual (per se)

The review indirectly targets the action of the private individual (appeal lodged against the final act of the Administration, whether explicit or implicit, e.g. appeal lodged against the tacit acceptance of the actions of private individuals by the Administration) √

ii. What types of disputes arise when challenging the actions of private individuals?

administrative disputes

√

private disputes

√



iii. Please mention typical cases from national case-law concerning the delegation of administrative tasks to private individuals.

In Croatia, there is very limited case-law directly addressing the delegation of administrative tasks to private individuals, because core decision-making cannot be delegated to non-authorities; however, there are typical judicial disputes where private persons' contributions or contractual roles indirectly become part of judicial scrutiny of administrative decisions. Here are representative examples drawn from Croatian administrative case-law and legal practice:

1. Judicial review of administrative decisions that rely on private expertise

While courts do not review private individuals' actions as independent administrative acts, they do examine whether an administrative authority lawfully evaluated expert reports or evidence prepared by private experts when issuing an administrative act. This is a common theme in administrative disputes where an authority's reliance on expert findings, or failure to properly assess them, is challenged.

For instance, in cases involving administrative decisions based on medical or technical evaluations by private experts (e.g., in health or pension matters, in planning or technical inspections), litigants may argue that the authority improperly relied on those reports. Administrative courts then review whether the authority complied with procedural rules and properly assessed the evidence as part of the legality of the act. This practice reflects the principle that courts, when reviewing administrative acts, must assess whether all relevant legal requirements, including proper use of expert evidence, were met.

2. Cases challenging administrative contracts or concession-related acts

Private individuals and entities performing public service tasks under administrative or concession contracts may engage in disputes where courts review administrative acts connected to their role. Administrative contract/concession disputes: Although relatively scarce, Croatian case-law has begun to evolve around administrative contracts (including concessions) where administrative courts examine the legality of the contracting authority's acts that affect the rights or obligations of concessionaires or other private parties. One analysis notes that since administrative contract jurisdiction was transferred to administrative courts in 2012, only a limited number of such cases have been decided, but they illustrate that courts will review whether the public authority correctly concluded or executed a contract under public law. These cases often arise when a private entity argues that an authority's act relating to an administrative contract (for example, interpretation of obligations under the contract) is unlawful.

3. Expert-related submissions in administrative disputes

Croatian administrative courts have also addressed issues on expert evidence from private individuals in judicial review:



Courts recognize that expert opinions are not binding on them and can be weighed like any other evidence. They may consider whether the authority fairly evaluated the expert's conclusions and whether the authority's decision based on such evidence meets minimum legality requirements. This principle has been articulated in procedural guidance on expert evidence in administrative proceeding reviews.

This is significant because it shows how courts indirectly assess private expert contributions when reviewing administrative acts.

4. General jurisprudential context

There are no widely reported Croatian cases expressly titled as "delegation of administrative tasks to private individuals" where the court directly pronounces on the legality of private actions per se. Instead, case-law focuses on legality of administrative acts themselves, with courts examining whether authorities correctly followed procedure, including how they used private expert evidence or contractual implementation. Errors in how authorities handle expert evidence or concession-related performance can lead to annulment of the administrative decision, effectively bringing private involvement under judicial scrutiny.

For example, administrative courts will annul a decision where procedural rules were violated, such as failing to properly assess evidence (which could include expert reports from private persons), and remand the matter for reconsideration with full compliance with procedural requirements.

B. Integration of private-sector methods and organisational models into the functioning of the Administration

1. Recruitment of senior managers outside the hierarchy of the civil service

i. What are the objectives of recruiting private individuals as senior managers within the Administration?

The objective of recruiting private individuals as senior managers in Croatia is to complement the civil service structure with external competence, managerial skills, and modern organisational practices, while maintaining public-law accountability and oversight over administrative decision-making.

ii. In which sectors of the Public Administration is it permissible to recruit senior managers who do not belong to the hierarchy of the civil service, and in which sectors is it prohibited?

In Croatia, the recruitment of senior managers who do not belong to the traditional civil service hierarchy is permissible only in certain parts of the public sector, while core state administration



remains largely reserved for career civil servants. The distinction reflects the constitutional principle of legality and the organisation of the Croatian civil service system.

Permissible sectors

Recruitment of senior managers from outside the civil service hierarchy is generally allowed in sectors where management functions are organised through public institutions, agencies, or contractual arrangements rather than classic state administration. Typical examples include:

- Public agencies and regulatory bodies, where directors or senior managers may be appointed through public competition and fixed-term mandates.
- Public institutions in areas such as health, education, culture, and social services, where leadership positions (e.g., directors of hospitals or institutions) can be filled by individuals from outside the civil service, provided they meet statutory requirements.
- State-owned enterprises and public utility companies, where managerial roles are usually governed by company law and contracts rather than civil service rules.
- Special project-based administration, such as EU-funded programme management units, where external experts may be recruited to lead or coordinate complex projects.

In these sectors, the objective is often to secure specialised managerial competence and introduce modern organisational practices.

Prohibited or restricted sectors

Recruitment of private individuals as senior managers is generally prohibited or strongly restricted in sectors involving the direct exercise of core public authority and sovereign administrative powers. This includes:

- Central state administration bodies (ministries and government offices), where senior positions are normally reserved for civil servants within the hierarchical structure, except for political appointments such as ministers or state secretaries.
- Bodies exercising authoritative decision-making powers, such as issuing binding administrative acts, enforcement measures, or inspection powers, where tasks must remain under the responsibility of public officials.
- Judicial and law enforcement administration, including courts, prosecution services, police administration, and national security, where leadership is tied to statutory public service status and strict incompatibility rules.

To sum up, external recruitment of senior managers is mainly permissible in decentralized or specialised sectors such as agencies, public institutions, and state enterprises, while it is generally prohibited in the core state administration and sectors involving the direct exercise of public authority. This ensures that essential administrative powers remain within the accountable civil service hierarchy.



iii. What criteria does the Administration use to select external senior managers?

External senior managers are selected on the basis of objective criteria laid down in legislation and public recruitment procedures. The Administration generally requires appropriate professional qualifications and education, relevant managerial experience, and expertise in the specific sector concerned. Candidates must also fulfil integrity conditions, such as the absence of criminal convictions and conflicts of interest. Many senior posts, particularly in agencies and public institutions, are filled through public competitions to ensure transparency and merit-based selection. Overall, the aim is to recruit competent leaders capable of improving efficiency and modernizing public administration while remaining subject to public-law accountability.

iv. What is the nature of the duties of external senior managers?

- | | |
|-----------------|---|
| Decision-making | √ |
| Advisory | √ |
| Other | √ |

v. Does error on the part of a senior manager give rise to:

- | | |
|-------------------------------------------------------------------|---|
| Civil liability of the State | √ |
| Personal liability of the manager (civil, criminal, disciplinary) | √ |

2. Organisational models

i. Does your country use New Public Management, Public Value Management, Digital Era Governance, or New Public Governance policies in the organisation of its Public Administration, for example, to digitise procedures, achieve objectives, ensure accountability, evaluate efficiency, promote the rational use and distribution of resources, control expenditure and ensure compliance with budget restrictions, codify legislation, promote career progression, train staff, etc.? Please provide specific examples.

Croatia actively uses modern public-administration policies and practices that reflect many elements of New Public Management, Digital Era Governance and related approaches to improve efficiency, accountability, service quality and digital interaction with citizens and businesses. The focus has been on digitalization of services, streamlining procedures, accountability mechanisms, strategic planning, professionalization, and data-driven governance.

1. Digital Era Governance (DEG): digitization and e-government

Croatia has one of the most developed e-government platforms in the region, built around the e-Gradani portal (translation: e-Citizens), which offers many administrative services online to citizens and businesses without the need for physical paperwork. This represents a core DEG



approach, focusing on integrated digital services, self-service capabilities, and online interaction rather than paper-based processes.

The National Plan for the Development of Public Administration 2022–2027 (and accompanying action plans) explicitly prioritizes digital transformation of key administrative processes, data exchange, and digital service provision across ministries and levels of government. Digital services are to be expanded so that administrative procedures and internal processes are increasingly automated and data-driven, reducing administrative burden and improving accessibility.

Large digital investment programs (including modernizing the national data infrastructure, shared services platforms and mobile-ready digital service gateways) are underway, supported by both national budgets and EU funds. These aim to improve data interoperability, reduce repeated document submissions, and enable real-time analytics that can support decision-making and service optimization.

2. New Public Management (NPM) & efficiency measures

While Croatia's administrative structure remains traditionally hierarchical, NPM-style performance, client-orientation, and management reforms are evident in strategic planning, monitoring and evaluation frameworks embedded in the National Plan. The reform agenda emphasizes: efficiency and quality of public services for citizens and businesses; professionalization and capacity building of administrative staff; strategic planning and performance measurement in administrative bodies; reducing administrative burdens and red tape. Reform monitoring includes measuring service satisfaction and procedural outcomes, and efforts are being made to embed results-oriented management, which aligns with NPM principles of performance evaluation and accountability.

3. Public Value Management & accountability

Croatia has strengthened accountability and transparency frameworks in ways consistent with public-value approaches. For example: strategic policy documents include citizen satisfaction and quality of service delivery as performance indicators; participation mechanisms, such as public consultations on action plans and digital initiatives, aim to align services with citizen expectations. The Right of Access to Public Information Act (aligned with EU and international standards) enhances transparency and accountability of administrative bodies.

These measures reflect an orientation toward legitimacy, responsiveness and user value, which are core to public value management.

4. Strategic planning and integration initiatives

Croatia's reforms are tied to broader policy frameworks, including:



The National Plan for Public Administration Development 2022–2027, which sets multi-year priorities for modernizing administration;
The National Recovery and Resilience Plan (RRP) that includes substantial investments in digital and public administration reforms;
Preparations for the Digital Croatia Strategy 2030, which further coordinates digital transformation and public services across sectors.
These frameworks help integrate performance, digitalization, and governance reforms in a coordinated way, rather than ad hoc changes.

5. Practical examples of application

Digital identity and online services: Use of electronic identity and digital signatures enables citizens to access services (e.g., birth certificates, residence registration) online.

e-Građani portal usage: The system has been progressively expanded, facilitating access to dozens of e-services across government functions.

Strategic data infrastructure: Projects to establish central data warehousing and real-time analytics aim to support better decision-making and cross-agency coordination.

Awards for digital innovation: Annual awards for digital governance innovations encourage public sector bodies to adopt creative, citizen-oriented digital solutions.

ii. Is there a specific provision for the organisation of the Administration based on the above-mentioned models (Constitution, legal provision, etc.)?

There is no single constitutional or statutory provision that explicitly organises the Public Administration according to a specific model such as New Public Management, Public Value Management, Digital Era Governance, or New Public Governance. The Croatian Constitution does not refer to these concepts, and the organisation of public administration is not formally based on one defined theoretical model.

However, elements of these approaches are increasingly implemented through general legislative frameworks and strategic policy instruments rather than through an explicit constitutional clause.

The basic legal organisation of public administration is governed by general laws, such as the State Administration System Act and the General Administrative Procedure Act, which establish principles of legality, efficiency, and service to citizens, but do not adopt a specific governance model by name.

Secondly, modern administrative reforms inspired by digital-era and managerial approaches are mainly introduced through national strategies and reform programmes, such as the National Plan for the Development of Public Administration 2022–2027 and the National Recovery and Resilience

Plan, which prioritise digitalisation, performance improvement, accountability, and rationalisation of resources. These instruments provide the main framework for integrating digital governance and efficiency-oriented reforms.

Therefore, Croatia does not have a specific constitutional provision adopting these models directly, but the organisation of the Administration increasingly reflects their principles through legislation of general application and, above all, through strategic and policy documents guiding administrative modernisation.

iii. In which public services and agencies is this type of organisation used?

- | | |
|----------------------------------|---|
| The Administration stricto sensu | √ |
| Public enterprises | √ |
| Other public entities | √ |

iv. Are the policies for achieving the objectives designed:

- | | |
|-------------------------------------------------|---|
| At national level | √ |
| At regional level | □ |
| By subject-matter | √ |
| By taking into account specific public entities | √ |
| Other | □ |

v. Have specific objectives been set out for the action of the Administration? Please provide examples.

In Croatia specific objectives have been set out for the action of the Administration, mainly through national reform strategies, policy documents, and sectoral programmes. These objectives are aimed at modernising public administration, improving service delivery, strengthening accountability, and ensuring more efficient use of public resources.

A key example is the National Plan for the Development of Public Administration 2022–2027, which defines concrete objectives such as increasing the quality and accessibility of public services, reducing administrative burdens for citizens and businesses, and strengthening the professional capacity of civil servants. The plan also emphasises improving coordination between public bodies and enhancing transparency in administrative action.

Another major objective concerns the digital transformation of administrative procedures, particularly through the expansion of the e-Građani platform and the introduction of electronic communication, digital identity, and interoperable public registers. These measures aim to make administrative services faster, more user-friendly, and less dependent on paper-based procedures.



Croatia has also set objectives related to efficiency and rationalisation of public expenditure, including better financial management, compliance with budgetary restrictions, and the introduction of performance-based planning and evaluation mechanisms in public bodies.

In addition, objectives have been established regarding professionalisation and career development within the civil service, including training programmes, capacity-building initiatives, and reforms to recruitment and promotion systems.

Overall, Croatia's Administration operates under clearly defined objectives focused on digitalisation, service improvement, transparency, efficiency, and strengthening administrative capacity, as set out in national strategic and sector-specific frameworks.

If yes, is their accomplishment:

- | | |
|-----------|---|
| Optional | □ |
| Mandatory | √ |

Does failure to meet these objectives lead to:

- | | |
|------------------------------------------------------|---|
| Personal consequences for the senior managers | √ |
| Legal consequences for the assessed organisation | √ |
| Financial consequences for the assessed organisation | √ |

Are incentives of any kind provided for civil servants (e.g. remuneration) or public entities to ensure that these objectives are achieved? √

vi. Are there any indicators for evaluating the action of the Administration in relation to the following factors:

- | | |
|------------------------------------------|---|
| Compliance with the regulatory framework | √ |
| Effectiveness | √ |
| Efficiency | √ |
| Economy | √ |
| Achievement of strategic objectives | √ |
| Other | √ |

II. Alternative methods for resolving administrative disputes

1. General provisions



i. Does your legislation provide for alternative dispute resolution (ADR) in cases involving public law/administrative law?

- Arbitration
- Mediation
- Other

Arbitration is not generally available for classic administrative law disputes, since issues involving the exercise of public authority and the legality of administrative acts cannot be submitted to private arbitral tribunals. Arbitration may occur only in specific contractual contexts involving the State (e.g. commercial contracts or concessions), but not for the review of administrative acts.

Mediation is also not widely used in administrative disputes concerning the legality of administrative decisions. Croatian administrative procedure is primarily based on hierarchical review and court control. However, mediation may be possible in certain areas involving public bodies where the dispute has a more consensual or civil-law character (e.g. administrative contracts, damages claims).

Other dispute-resolution mechanisms exist mainly through: administrative appeals and internal review procedures, which are the standard remedies before judicial proceedings.

Ombudsman procedures or complaint mechanisms, which may provide informal resolution but are not binding ADR in the strict sense.

ii. Are there categories of administrative disputes that are excluded from ADR by law or according to case-law?

** Please elaborate on your answer, citing any relevant legislation and/or case-law*

In Croatia, broad categories of administrative disputes are effectively excluded from ADR by law and by the nature of administrative justice. This follows from the principle of legality and the fact that administrative disputes primarily concern the exercise of public authority and the judicial review of administrative acts, which cannot be settled freely by agreement.

1. Disputes concerning the legality of administrative acts

The main category excluded from ADR includes disputes challenging the legality of individual administrative decisions. Under the Administrative Disputes Act (Zakon o upravnim sporovima), administrative courts are competent to review whether an administrative act is lawful. Such disputes cannot be referred to arbitration or mediation because the authority cannot negotiate or compromise on the legality of an act adopted in the exercise of public powers.

2. Disputes involving the exercise of sovereign public authority

Administrative matters involving inspections, enforcement measures, licensing, permits, taxation, social security entitlements, immigration status, or disciplinary measures are excluded from ADR because they involve unilateral public powers and mandatory application of statutory rules. The Administration is bound by law and cannot settle these disputes as if they were private-law conflicts.

3. Disputes affecting public interest and non-disposable rights

Croatian administrative law also excludes ADR where disputes concern rights and obligations that are not at the disposal of the parties, or where public interest requires strict judicial control. This is consistent with general principles of Croatian public law: public bodies cannot waive or modify legal obligations through private settlement mechanisms.

4. Limited exception: contractual and property-related disputes

ADR may only be conceivable in limited contexts where the State acts under private-law or contractual frameworks (e.g. concessions, public procurement contracts, damages claims). However, even here, disputes about the legality of administrative decisions connected to these relationships remain within the jurisdiction of administrative courts.

Therefore, in Croatia, ADR is generally excluded for the core categories of administrative disputes, especially those involving the legality of administrative acts and the exercise of public authority. Judicial review before administrative courts remains the primary mechanism for resolving such disputes, while ADR is only marginally possible in ancillary contractual or civil-law contexts involving public bodies.

2. Settlement and Mediation

** Please elaborate on your answers, citing any relevant legislation and/or case-law.*

i. In administrative disputes, is it permissible for the Administration and private individuals/legal entities to sign a settlement agreement or other similar document (without prior mediation)?

Yes

No

ia. If yes,

Is this option expressly provided for in a legislative text (Constitution, law) or does it derive from a general principle of law?



The Administrative Disputes Act (Official Gazette, 36/2024) expressly provides for the possibility of a settlement (sudska nagodba) between the parties in an administrative dispute. The relevant provision is found in Article 166 of the Act:

Parties may, during the course of an administrative dispute before the court, conclude a settlement on the subject of the dispute.

The settlement cannot cover matters over which the parties do not have disposal, meaning it cannot affect rights or obligations that are governed exclusively by mandatory public-law rules.

The court will record the settlement in the case file, and depending on its scope the court will either discontinue the case or include the settlement in the judgment.

If the settlement resolves the entire dispute, the court issues a decision discontinuing the proceedings; if it only settles part of the claim, the settlement terms are included in the judgment. Once included in the judgment, the settlement portion cannot be appealed.

This provision shows that settlement is expressly recognised in the Administrative Disputes Act, but is limited by public-law considerations, it cannot be used to settle issues where rights are not at the parties' disposal (e.g., purely sovereign matters).

Does this option only apply to the settlement of administrative disputes that are already under way, or can it also be used to prevent administrative disputes from arising in the first place?

The possibility of concluding a settlement agreement applies only to administrative disputes that are already under way before the administrative court, and it cannot generally be used as a preventive mechanism to avoid disputes before they arise.

Do the law or case-law distinguish between application for annulment (judicial review limited to the legality) and appeal on the merits (full judicial review of both legality and substance)?

Croatian law and administrative case-law distinguish between judicial review that is limited to the legality of an administrative act and a broader form of review in which the court may decide on the merits of the case.

The Croatian system of administrative justice is primarily governed by the Administrative Disputes Act. As a general rule, administrative courts are competent to review whether decisions and actions of public authorities comply with the law. This means that the ordinary model of judicial control corresponds to an application for annulment, where the court examines procedural and substantive legality and, if it finds an illegality, annuls the contested administrative act and returns the matter to the competent authority for a new decision.

However, Croatian law also provides for an important exception known as the dispute of full jurisdiction (spor pune jurisdikcije). In such cases, the administrative court is not limited to annulment but may itself decide the substance of the matter. This form of review resembles an

appeal on the merits, because the court may reassess the relevant facts, evaluate evidence, and replace the administrative decision with its own ruling. Full jurisdiction is applied only under statutory conditions, particularly where effective judicial protection requires the court to resolve the dispute directly instead of merely annulling the act.

Therefore, Croatian administrative justice is mainly based on legality review through annulment proceedings, but it also recognises a limited form of full judicial review on the merits in disputes of full jurisdiction.

Is there a special procedure for initiating and conducting this alternative dispute resolution method, or are all matters left to the discretion of the parties involved?

Alternative dispute resolution in the field of administrative disputes is not left entirely to the discretion of the parties. Where ADR is permitted, it is subject to a specific legal framework and procedural control, rather than being a purely voluntary or informal arrangement.

As a general rule, classic administrative disputes are resolved through administrative appeals and judicial review. However, the Administrative Disputes Act expressly provides for a limited form of settlement during court proceedings. Under above mentioned Article 166, the parties may conclude a settlement only during an ongoing dispute before the administrative court, and the court must verify that the settlement concerns matters over which the parties may legally dispose. The settlement is then formally recorded by the court and may lead to discontinuance of the proceedings or be incorporated into the judgment.

This shows that the procedure is regulated and supervised: the parties cannot freely negotiate any outcome, and the court plays an essential role in ensuring legality and protection of public interest. Settlement is therefore not a purely discretionary mechanism, but a legally structured option available only under defined procedural conditions.

Outside this court settlement mechanism, mediation and arbitration are generally not available for disputes concerning the legality of administrative acts. ADR is thus limited, and where it exists, it follows a special procedure provided by law rather than being left entirely to party autonomy.

After signing a settlement agreement (or other similar document), is ratification by a court required?

Yes

No

If yes, by which court?



The settlement must be confirmed by the administrative court (upravni sud) before which the dispute is pending.

If no, can the legality of the settlement agreement (or other similar document) be examined by the judge on an incidental basis? Under what circumstances could the settlement be considered null and void and without legal effect?

-

After being signed and/or validated, as applicable, does the settlement agreement have the force of res judicata? Can the enforcement of this document be pursued?

Once a settlement agreement in an administrative dispute has been signed and validated by the administrative court, it produces effects comparable to a final judicial decision (Article 166 of the Administrative Disputes Act).

Since the settlement is recorded in a court decision or judgment, it becomes an enforceable title (ovršna isprava) under Croatian enforcement rules. If one party fails to comply, the other party may seek enforcement through the competent enforcement mechanisms.

Therefore, a court-approved settlement in an administrative dispute has binding final effect and may be enforced in practice like a judicial decision.

Which court has jurisdiction over disputes concerning such enforcement?

Jurisdiction over enforcement proceedings belongs to the administrative court, before whom the dispute was concluded.

- ib.** If the signing of a settlement agreement or other similar document between the Administration and private individuals/legal entities is not permitted in your country, this prohibition results from:
- | | |
|----------------------------|-------------------------------------|
| a legislative provision | <input checked="" type="checkbox"/> |
| a general principle of law | <input type="checkbox"/> |

As answered above

ii. Does your country provide for a mediation procedure between the Administration and private individuals/legal entities for administrative disputes?



* The term 'mediation' is used here to refer to a procedure conducted by an independent and impartial third party, and not to administrative appeal procedures addressed to the Administration or to a body that is hierarchically dependent on the Administration.

Yes
No

ii.a. If yes,

Is it expressly provided for in a legislative text (Constitution, law) or does it derive from a general principle of law?

-

Is it mandatory or optional?

-

If it is optional, does it require:

The mutual agreement of the parties
Only the intention of the Administration
Only the intention of the private individual/legal entity

Specifically with regard to the State as a party to the dispute, is mediation initiated:

After approval by a special committee
By the administrative authority involved in the dispute
Other

-

At what stage can a case be referred for mediation?

Necessarily before the introduction of legal proceedings
At any stage of the litigation proceedings

Is there a specific piece of legislation governing the mediation process?

Yes
No



If yes, please specify:

-

Which principles of trial apply to the mediation process (hearing of the parties, adversarial principle, equality of arms, publicity, representation by a lawyer?)

-

How is the impartiality of the mediator ensured?

-

Is there any interim relief (stay of execution, etc.) during the mediation process? If yes, who is competent to hear the case?

-

At the end of the mediation process,

If an agreement is concluded:

A document is drawn up

Other possibility (please specify)

-

If an agreement is not concluded:

Is a time limit set for bringing the matter before the competent court?

Are the litigation proceedings already under way (if applicable) continued?

-

In the event that a document is drawn up following mediation, do the rules concerning the settlement procedure (see above) apply, or are there differences? If yes, please specify.

-

iiB. If no mediation process is provided for, is this exclusion provided for in:

a legislative provision

a general principle of law

Croatia's Mediation Act (Zakon o mirenom rješavanju sporova) does not impose mediation as a mandatory precondition for all litigation; it promotes voluntary mediation and specifies scenarios where it applies (e.g., court referrals under Article 10 or party agreements under Article 20). Absent explicit provision in law or agreement, courts proceed without mediation requirement, as exceptions and scope are legislatively defined rather than defaulting to general principles.

General principles like party autonomy or access to justice underpin mediation's voluntariness but do not independently exclude it; they operate within the statutory framework without creating standalone exclusions.

3. Arbitration

** Please elaborate on your answers, citing any relevant legislation and/or case-law.*

i. In administrative disputes, is arbitration between the Administration and private individuals/legal entities permitted in your country?

Yes

No

ia. If yes,

Is this option expressly provided for in a legislative text (Constitution, law) or does it derive from a general principle of law?

-

Does it concern both application for annulment (judicial review limited to the legality) and appeal on the merits (full judicial review of both legality and substance)? Are there any exceptions provided for by law or established by case-law?

-

Is it mandatory or optional?

-

ib. If arbitration is not permitted, is this prohibition due to



- A legislative provision
- A general principle of law

The Arbitration Act (Zakon o arbitraži, Article 1 and 3) explicitly limits arbitration to disputes involving disposable private rights, excluding public law matters like administrative disputes by statutory design. Similarly, the Law on Administrative Disputes mandates exclusive judicial resolution in administrative courts without any arbitration alternative.

ic. If arbitration is optional, does it require:

- The mutual agreement of the parties
- The sole intention of the Administration
- The sole intention of the private individual/legal entity

On the part of the State, is arbitration initiated:

- After approval by a special committee
- By the administrative authority involved in the dispute
- Other

-

ii. For disputes arising from contracts between private individuals/legal entities and the State, do the common provisions relating to commercial arbitration (domestic or international) apply, or is there a special regime?

If there is a special regime, please briefly mention the elements that differentiate it from the commercial arbitration regime.

In Croatia, common provisions relating to commercial arbitration (domestic or international) generally apply to disputes arising from contracts between private individuals/legal entities and the State, with no overarching special regime.

iii. Is arbitration provided for in contracts falling within the scope of Directives 2014/24/EU and 2014/25/EU?

If yes, have any issues been raised regarding the application of the rules governing the performance of these contracts? How have the courts addressed such issues in the relevant case-law?

Yes, but only for aspects of contracts that are arbitrable under civil or private law, and where the parties validly agree to arbitration.

Issues raised in practice: whether arbitration clauses are valid when public law or exclusive jurisdiction of national courts applies, whether arbitration outside Croatia is permissible for domestic disputes (a Croatian court held such clauses could be null and void).

Croatian courts enforce arbitration where the subject is arbitrable and the agreement is valid, but they will refuse to enforce arbitration agreements that purport to remove disputes from jurisdictions that Croatian law reserves for national courts.

iv. How are the independence and impartiality of the arbitrator ensured?

The independence and impartiality of arbitrators are ensured by the Arbitration Act. Arbitrators must disclose any circumstances that could raise doubts about their neutrality. Parties may challenge and request the removal of an arbitrator if there are justified concerns of bias or conflict of interest. The law also guarantees equal treatment of both parties and procedural fairness. Courts may intervene by deciding on challenges or annulling awards if fundamental principles of impartiality are violated. In institutional arbitration, additional ethical and professional standards apply.

v. Is there any interim relief when an administrative dispute has been submitted to arbitration? If yes, which body is competent to hear the case?

In Croatia, interim relief in the context of arbitration is generally available, but its scope depends on the nature of the dispute. Since administrative disputes in the strict sense (judicial review of administrative acts) are normally not arbitrable, interim measures mainly arise in arbitration concerning contractual disputes involving public authorities, such as public procurement contract performance.

Under the Croatian Arbitration Act, interim measures may be ordered either: by the arbitral tribunal itself, if constituted, or by the competent national court, especially where urgent relief is needed before the tribunal is formed or where enforcement powers are required.

Therefore, if interim relief is sought in an arbitration involving a public authority, the competent body is usually the arbitral tribunal, but Croatian courts (typically municipal or commercial courts, depending on jurisdiction) may also grant interim measures in support of arbitration.

vi. In arbitration concerning administrative disputes:

yes / no

Is there an obligation to make publicly available the basic information and documents relating to the proceedings? √

Is the participation of third parties permitted? √

Is legal representation mandatory? √

If yes, is legal aid available? √

Is the hearing public? √

Is the arbitral tribunal obliged to give reasons for its award?

Is the arbitral award made publicly available? √



vii. During the proceedings, the applicable system is:

- the adversarial system
- the inquisitorial system

viii. What powers does the arbitral tribunal have?

- Reviews the legality of administrative acts of a non-pecuniary nature
- Reviews the legality of an administrative act of a pecuniary nature (fine, etc.)
- Annuls/amends an administrative act of a non-pecuniary nature
- Annuls/amends an administrative act of a pecuniary nature
- Addresses only recommendations to the Administration
- Restricts itself to awarding compensation for damages

Does the arbitral award have effect:

- Erga omnes (with regard to all)
- Inter partes (between the parties)

Is it considered 'case-law' for other cases?

If the answer to the last question is yes, please explain.

In Croatia, an arbitral award is not considered "case-law" for other cases. Arbitral awards have binding effect only inter partes, meaning only between the parties to the arbitration. They do not create precedents and are not part of the judicial system's published jurisprudence. Arbitration is confidential and based on party autonomy, so awards are generally not publicly available and cannot serve as authoritative guidance for future disputes. At most, arbitral awards may have persuasive value in practice if referred to in academic writing or enforcement proceedings, but they do not constitute case-law in the formal sense.

Can the validity of the arbitral award be challenged in court?

- Yes
- No

If yes, is the validity of the arbitral award reviewed directly or incidentally?

In Croatia, the validity of an arbitral award is reviewed directly. A party may file a specific court action for annulment (set-aside proceedings) under the Croatian Arbitration Act. This is a direct form of judicial review, limited to the statutory grounds for annulment (e.g. lack of jurisdiction, serious procedural defects, non-arbitrability, or public policy). The award may also be examined incidentally during enforcement proceedings, but the main mechanism for challenging validity is a direct annulment action.

Is it possible to waive the right to judicial review?

It is generally not possible to completely waive the right to judicial review of an arbitral award in advance.

While arbitration is based on party autonomy, Croatian law, following the UNCITRAL Model Law approach, provides mandatory minimum court control. The right to request annulment of an arbitral award on fundamental grounds (such as public policy, non-arbitrability, or serious procedural violations) cannot be fully excluded by agreement.

Parties may limit appeals in some procedural respects, but they cannot waive judicial review entirely where mandatory safeguards apply.

Which courts have jurisdiction?

Under the Croatian Arbitration Act, the competent courts are County Courts (Županijski sudovi) for most domestic arbitration cases, and in practice, the County Court in Zagreb often has jurisdiction in major arbitration matters, especially those connected with institutional arbitration.

The High Commercial Court and the Supreme Court may become involved only at later stages through appeals or recognition/enforcement issues, depending on the case.

What is the scope of the judge's review according to case-law?

In Croatia, judicial review of arbitral awards is very limited. Courts do not reconsider the merits of the dispute and do not act as an appellate instance. According to the Arbitration Act and consistent case-law, a judge may annul an award only on narrow statutory grounds, such as the absence of a valid arbitration agreement, lack of jurisdiction, serious procedural violations (equality of the parties or the right to be heard), decisions exceeding the tribunal's mandate, non-arbitrability of the subject matter, or a breach of public policy. Errors in fact-finding or interpretation of substantive law are not sufficient. The court's role is therefore confined to ensuring basic legality and compliance with fundamental procedural guarantees.

In arbitration, is the concept of public policy different, according to case-law, in cases where the State (or a legal person governed by public law) is a party to the arbitration? If yes, what are the differences compared with the concept of public policy in arbitral proceedings between private individuals?

Case-law does not develop a formally separate concept of public policy in arbitration depending on whether the State or a public-law entity is a party. The same statutory notion of public policy (ordre public) applies in principle to all arbitral awards. However, in practice, when a public authority is involved, courts tend to apply public policy control with greater sensitivity to mandatory rules protecting the public interest.

In arbitrations between private parties, public policy review is interpreted narrowly and is limited to serious violations of fundamental legal principles. When the State or a public body is

a party, courts pay closer attention to whether the award conflicts with rules of public law, budgetary discipline, non-arbitrability of certain matters, or principles of legality governing public administration. Disputes involving sovereign powers or administrative acts are generally not arbitrable, and any award touching on such issues may be more easily considered contrary to public policy.

Therefore, while the legal definition of public policy is the same, its practical application may be stricter in cases involving the State because of the need to safeguard public interests and mandatory public-law constraints.

In arbitration, in addition to the rules of European competition and consumer protection law (see C-126/97, *Eco Swiss China Time Ltd v Benetton International NV* and C-168/05 *Mostaza Claro v Centro Móvil Milenium SL*, respectively), has case-law recognised other rules of EU law as rules of international public policy? If yes, please mention the relevant cases.

-

Which body has jurisdiction to hear disputes arising during the enforcement of an arbitral award? Has case-law dealt with special cases where enforcement has been contested on the grounds of the administrative nature of the dispute?

Disputes arising during the enforcement of an arbitral award are heard by the ordinary courts, mainly the municipal courts (općinski sudovi) under the Enforcement Act.