



## ACTIVE CITIZENS FUND IN CROATIA

### DISCUSSION PAPER FOR STAKEHOLDER CONSULTATION

### EEA AND NORWAY GRANTS 2014-2021

#### 1. THE EEA GRANTS TO CIVIL SOCIETY

Support to civil society is a key priority for the **EEA and Norway Grants 2014-2021<sup>i</sup>**, funded by Iceland, Liechtenstein and Norway in 15 EU Member States in Central and Southern Europe and the Baltics. Ten per cent of the total country allocations is set aside for a programme for civil society, the **Active Citizens Fund**, in each beneficiary state. The fund shall **contribute to the overall objectives of the EEA and Norway Grants, to reduce economic and social disparities, and to strengthen bilateral relations between the beneficiary and donor states.**

The **objective** of the Active Citizens Fund is: “Civil society and active citizenship strengthened and vulnerable groups empowered”. The fund shall seek to **develop the long-term sustainability and capacity of the civil society sector**, strengthening its role in **promoting democratic participation, active citizenship and human rights.**

**The following Areas of Support are eligible:**

- Democracy, active citizenship, good governance and transparency
- Human rights and equal treatment through combating any discrimination on the grounds of racial or ethnic origin, religion or belief, gender, disability, age, sexual orientation or gender identity
- Social justice and inclusion of vulnerable groups
- Gender equality and gender-based violence
- Environment and climate change

**The Active Citizens Fund will also address the following county specific areas and concerns:**

- Strengthening the capacity and sustainability of the civil society sector.
- Improving outreach to underserved geographic areas and target groups.
- Empowerment and inclusion of vulnerable groups, including Roma
- Promote initiatives strengthening inter-cultural dialogue with special emphasis on minorities
- Promote initiatives aimed at intergenerational cooperation

#### 2. THE ACTIVE CITIZENS FUND IN CROATIA

The allocation to the Active Citizens Fund in Croatia is EUR 8,5M. **The Community Foundation Slagalice, Solidarna - Foundation for Human Rights and Solidarity, Association SMART and CNVOS have been appointed by the Financial Mechanism Office (FMO<sup>ii</sup>) as Fund Operator (FO) in an open**

**and competitive tender process** and will be responsible for the development and implementation of the fund.

**In light of the importance of feedback from the civil society stakeholders in shaping the Active Citizens Fund in Croatia this Discussion Paper outlines the main challenges identified in the country and invites stakeholders to reflect on ways to address these challenges to obtain impact through the fund.**

### 3. PROGRAMME RELEVANCE AND JUSTIFICATION

The Programme is designed to address the needs and enhance prospects of sustainability of Croatian civil society organisations (CSOs) and civic initiatives based on the common values of respect of human dignity, freedom, democracy, equality, the rule of law and respect for human rights including the rights of persons belonging to minorities.

The Programme will build synergies and complementarities with the funding and capacity building (CB) opportunities directly available for CSOs in Croatia: 1) EU funding primarily available through ESF (Operational programme for Development of Human Potential 2014-20), ERASMUS, Europe for Citizens as well as INTERREG, LEADER, Horizon, LIFE, European Climate Foundation etc. (2) public funding available through National Foundation for Civil Society Development, ministries, state agencies, local and regional government and (3) CB available through regional resource centres, local foundations, CSO networks and CSOs supported by the National Foundation's Centres of Excellence Programme.

In the design of the grant schemes and its capacity building approach, the FO plans to pay special attention to the **key broad sectoral challenges**<sup>1</sup> to the Croatian CSOs' autonomy, effectiveness and sustainability in making Croatian society more democratic, equitable and inclusive:

- **Over-dependency on over-bureaucratized and inefficient public funding** from EU and Government source, leading to financial and programme volatility and administrative overload. This challenge is affecting CSOs across the board, yet with highest risks posed on social service providers serving vulnerable groups and watchdog CSOs focusing on human rights and good governance issues across sectors, including environment, which have extremely limited access to alternative sources of funding<sup>2</sup>. The problem is increased by underdeveloped local philanthropy<sup>3</sup>.

<sup>1</sup> The stated challenges were identified by the consortium partners in the scope of bid preparation, based on accumulated first hand knowledge of the sector, document and literature review and the findings of the online survey „Civic Activism in Croatia: Challenges and Needs“ from December 2018, based on responses from 112 civil society organisations from 21 Croatian counties, coming from 26 different towns and focusing on 17 different thematic areas, including human rights (51%), education, science and research (40%), social protection (33%), democratic and political culture (33%), culture and art (28%), sustainable development (28%), international cooperation (25%), health protection (17%) and environmental and nature protection (17%). While all challenges have been informed by the survey, other key sources used are referenced below in respect to specific challenges listed.

<sup>2</sup> [Minutes from the meeting sessions of the Council for Civil Society Development, January 10, 2018; September 30, 2018, July 12, 2018 and September 30, 2018; Minutes from the meetings of the Monitoring Committee of the ESF Operational programme Effective Human Potentials 2014-20;](#)

<sup>3</sup> Community Foundation Slagalica (CFS), [National Research on Philanthropy](#), 2016; Foundation Istra, [Overview of Tax Incentives in Croatia](#), 2016

- **Limited community embeddedness, outreach and mobilization of CSOs**, paralleled by underdeveloped local philanthropy and CSO relations with the business sector, resulting in CSOs' over-dependency on public funding, lack of human resources and community support. This challenge is affecting all thematic areas, especially national advocacy oriented national CSOs and CSO networks on human rights and good governance issues, which tend to focus their communication and mobilization efforts on the positioning in the public policy and media sphere, with local community and direct citizen outreach, as well as fund diversification severely lagging behind.
- **Uneven development of CSOs' advocacy competences across different thematic areas and locally**, which creates deficits in government accountability through citizens' oversight and advocacy. This challenge is exacerbated by structural weaknesses of democratic governance in Croatia: underdeveloped mechanisms for public participation, limited media space, clientelistic political culture and resistance of political officials and institutions to public scrutiny<sup>4</sup>. Advocacy is especially demanding for publicly funded service provision CSOs, human rights defenders local as well as national watchdog CSO focusing on the most controversial governance issues such as corruption, institutional discrimination and mismanagement of public and natural resources.
- **Fragmented social and human capital along regional developmental asymmetries**, resulting in wide gaps in organizational, advocacy and community mobilization know-how and potency between civic activists and CSOs in regional centres and peripheries across the country, especially in the East and the South, which are heavily affected by depopulation and economic emigration<sup>5</sup>. This challenge affects all CSOs across thematic areas, especially those representing and serving vulnerable groups (Roma and people with disability in particular) and is negatively affecting their advocacy and project management capacities, hence their ability to access larger EU funding and influence national policies.
- **Social, economic and political marginalization of youth and their disengagement from socially progressive civic activism**, paralleled and fuelled by lack of systematic civic education, negative demographic trends and rise of right-wing mobilization targeting youth. Youth are especially deprived in underdeveloped and depopulated regions in the East and South.<sup>6</sup>
- **Rise of right-wing populism<sup>7</sup> (nationalist, clerical and xenophobic) in civil society, media and the political sphere**, which targets independent human rights institutions, human rights

<sup>4</sup> Freedom House. (2018). [Nations in Transit: Croatia Country Profile](#); Vuk Vukovic, 2017. "The political economy of local government in Croatia: winning coalitions, corruption, and taxes", [Public Sector Economics](#), Institute of Public Finance, vol. 41(4), pages 387-420.

<sup>5</sup> For detailed analysis of regional differences in civic activism and social participation, see [\(In\)Equality Surveyor \(Geometar nejednakosti\)](#), statistical research study conducted by Centre for Peace Studies in 2017.

<sup>6</sup> Vlasta Ilišin i Vedrana Spajić Vrkaš (ed.). (2017). [Generacija osujećenih: mladi u Hrvatskoj na početku 21. stoljeća](#) (Generation of Disillusioned Youth in Croatia at the Beginning of the 21st Century.). Institut za društvena istraživanja u Zagrebu/Institute for Social Reserach in Zagreb, Zagreb.

<sup>7</sup> Grbeša, Marijana; Šalaj, Berto (2018). "Dobar, loš ili zao? Populizam u Hrvatskoj" ("Good, bad or evil? Populism in Croatia"). TIM Press, Zagreb.

defenders and investigative journalists through media bashing, hostile advocacy against anti-discrimination policies and public funding of human rights CSOs<sup>8</sup>;

- **Limited media space for CSOs' outreach to citizens, policy makers and business** due to inadequate public funding for media, inadequately transparent media ownership, declining professionalism and strong influence of interest groups matched with inadequate regulatory oversight over quality of media production, hate speech and fake news, especially in digital and social media.<sup>9</sup>. This challenge is particularly affecting local CSOs and community media which focus on issues of good governance, anti-corruption and management of public resources, including environmental protection.
- **Lack of synergies between social service provision, evidence-based advocacy and community mobilization around social justice issues and social inclusion agenda**, paralleled with underdeveloped public participation mechanisms, which limits broader social and political impact of CSOs representing needs and interests of vulnerable social groups on the reforms processes in the labour, social protection and health sectors<sup>10</sup>.

#### 4. PROGRAMME FOCUS

In order to respond to the developmental needs and challenges of the Croatian civil society sector, as well as ensuring complementary effects and synergies with other available sources of funding and civil society support programmes, the Croatian Fund Operator suggest to put emphasis on the following issues:

- **compensate for the deficits of public funding**, especially in respect to lack of programme development funding, lack of support for local philanthropy and community-based fundraising, and insufficient funding for CSOs performing a watchdog role in respect to good governance standards across policy areas, CSOs engaged in human rights protection, environmental protection and social inclusion of vulnerable groups and CSOs from the Croatian periphery with limited capacities to access EU funds;
- **build resilience of human rights defenders and CSOs** committed to the empowerment and the social inclusion of ethnic and sexual minorities, in light of the trend of a shrinking civic space;
- **support community outreach of CSOs** through local partnerships, alliances, and active citizens' support, thus enhancing responsiveness and autonomy;
- **support diversification of funding of CSOs** towards a greater share of private, community based and business donations and viable self-financing through social entrepreneurship, thus enhancing their financial sustainability and autonomy;
- **promote innovative and cost-effective formats of capacity building**, grounded in peer-to-peer transfer of knowledge across regional, thematic, cultural and generational divides, aimed at accelerating capacity building of local CSOs and emerging civic leaders, especially those serving

<sup>8</sup> Human Rights House Zagreb, "[Human Rights Defenders: Obstacles and Challenges](#)", December 2018;

FRA(2018), "[Challenges facing civil society organizations working on human rights in the EU](#)"; Civil Society Europe (2018), "[Civic Space in Europe 2017 Report](#)".

<sup>9</sup> South East Europe Media Organisation (SEEMO), (2018). "[Press freedom in Croatia: Hate speech and Hope for Change. Report on the January 2018 Joint International Mission \(JIM\)](#)", published in May 2018.

<sup>10</sup> Human Rights House Zagreb.(2019). [Ljudska prava u Hrvatskoj: pregled za 2018. godinu](#) (Human Rights in Croatia: Overview for 2018), Zagreb.

underprivileged communities, with a focus on organizational development, advocacy, community outreach, resource mobilization and impact reporting;

- **foster a culture of collaboration and solidarity among CSOs in managing common resources and in addressing common problems** through broader and more effective cross-thematic and cross-sectoral collaboration, a common human rights approach to social development and closer relations with socially responsible business community, non-profit and independent media.

Special attention will be paid to **youth development and participation**, treated as a horizontal priority area of support. Also, attention will be paid to **empowering local civic activists from the Croatian periphery and CSOs led by and giving voice to vulnerable groups** through more user-friendly funding and stronger focus on capacity building through peer knowledge transfers, leadership development and networking.

The Programme will also seek opportunities to **speed-up capacity building of emerging Roma civic leaders and community-driven Roma CSOs**, drawing knowledge from the recent study commissioned by the Government Office for Human Rights and National Minorities<sup>11</sup>. **Inter-generational cooperation and inter-cultural dialogue will be treated as horizontal priorities** in all grant schemes and a key resource for peer knowledge transfers in the scope of capacity building.

The specific challenges to be addressed and the main target groups under the five programme Outcomes are presented below. Civil society stakeholders are invited to propose solutions how to address these challenges.

	Challenge/problem	Desired outcome	Direct target groups (intermediaries)	End beneficiaries	Proposed solutions (outputs)
1	<b>Uneven and insufficient advocacy and community mobilization capacities of watchdog CSOs.</b> This is paralleled and fuelled by insufficient openness of public institutions, resulting in serious deficits in citizens' oversight of public authorities, especially at the local level.	Strengthened civil society watchdog/ advocacy role	<i>CSOs performing a watchdog role in respect to good governance and democratization and in key thematic areas.</i>	<i>Political institutions, public administration and all Croatian citizens.</i>	<b>OPEN FOR STAKEHOLDER CONSULTATION</b>
2	<b>Limited capacities of independent and community media to catalyse citizens' informed engagement in</b>	Strengthened civil society watchdog/ advocacy role	<i>Independent and community media, CSOs engaged in advocacy and awareness raising</i>	<i>All citizens of Croatia whose rights will be better protected</i>	

<sup>11</sup> Centre for Peace Studies (2018), „[Uključenost Roma u hrvatsko društvo: istraživanje baznih podataka](#)“ („Inclusion of Roma in the Croatian Society; Baseline Study“), commissioned by the Government Office for Human Rights and National Minorities.

	<b>community and public affairs and CSO's outreach to citizens, business and policy makers. This stems largely from</b> inadequate public funding for independent and community media and inadequate oversight of quality of media production, especially digital media.		<i>around key thematic programme priorities.</i>	<i>through more effective civic oversight; political institutions will have stronger incentive for better governance.</i>
3	<b>Growing trend of nationalist and ultraconservative populism targeting women's rights and human rights defenders,</b> paralleled with limited public funding, under-developed philanthropy for human rights, regional developmental asymmetries and an increasingly hostile media.	Increased support for human rights	<i>Human rights CSOs Local foundations Independent institutions for human rights protection</i>	<i>Political institutions, public administration and all Croatian citizens, especially victims of human rights violations.</i>
5	<b>Underdeveloped social contracting and quality assurance of social services paralleled by regional developmental asymmetries,</b> resulting in inadequately responsive and uneven provision of social services to vulnerable groups where beneficiaries are primarily treated as passive users instead of active stakeholders.	Vulnerable groups are empowered	<i>CSOs engaged in direct support to vulnerable groups in respect of social protection and access to healthcare, poverty reduction through social service provision, education, humanitarian assistance and social integration support.</i>	<i>Vulnerable groups; labour, social protection and healthcare sectors, independent human rights institutions, political institutions and general public (greater equity, lower social risks).</i>
7	<b>Social, economic and political marginalization of youth and their disengagement from socially progressive civic activism,</b> paralleled and fuelled by a lack of systematic civic education, negative demographic	Vulnerable groups are empowered.	<i>Youth CSOs and informal initiatives and youth community media, especially those active in the periphery.</i>	<i>Youth, with special focus on youth from rural areas and the periphery in the East and South of the country.</i>

	trends and rise of right-wing populists targeting youth.				
8	<b>Insufficient and imbalanced community mobilization capacities of environmental CSOs</b> due to limited public funding for watchdog and social innovation functions of environmental CSOs, regional developmental asymmetries and a chronic lack of political focus on climate action and sustainable development.	Increased civic engagement in environmental protection/climate change	<i>Environmental protection CSOs</i>	<i>All citizens of Croatia as having the right to healthy environment.</i>	
4	<b>Insufficient community embeddedness of CSOs</b> paralleled and fuelled by <b>underdeveloped local philanthropy and weak CSO relations with the business sector</b> , resulting in CSO's over-dependency on public funding, insufficient human resources and community support.	Enhanced capacity and sustainability of civil society (organisations and sectors)	<i>Civil society organisations – local and national, including local philanthropic and social economy sub-sectors</i>	<i>Citizens of Croatia, especially those living in the periphery with limited access to socio-cultural capital through civic engagement.</i>	

## 5. ISSUES FOR DISCUSSION

- a. **Challenges:** What are the main challenges that remain inadequately addressed by national or EU funding in your organisation's area of work?
- b. **Youth inclusion:** How can the programme engage young people as active citizens that contribute to address the identified challenges?
- c. **Capacity building:** In your opinion, what are the main capacity deficits of civil society organisations and the civil society sector in Croatia?
- d. **Proposed solutions:** What are the most appropriate solutions to address the identified challenges?

<sup>i</sup> For further information about the EEA and Norway Grants 2014-2021, see [www.eeagrants.org](http://www.eeagrants.org)

<sup>ii</sup> Financial Mechanism Office (FMO), the Brussels-based secretariat for the EEA and Norway Grants.